



MEETINGS SCHEDULED FOR APRIL

Date: 04/25/24, 1 p.m.

HYBRID OPTION AVAILABLE:

In Person: Minnesota Housing, Lake Superior Conference Room, 400 Wabasha Street N. Suite 400 St. Paul, MN 55102

Conference Call: Toll Free: 1.877.309.2071 Access Code: 779-105-960

NOTE:

The information and requests for approval contained in this packet of materials are being presented by Minnesota Housing staff to the Minnesota Housing Board of Directors for its consideration on Thursday, April 25, 2024.

Items requiring approval are neither effective nor final until voted on and approved by the Minnesota Housing Board.

The Agency may conduct a meeting by telephone or other electronic means, provided the conditions of Minn. Stat. §462A.041 are met. In accordance with Minn. Stat. §462A.041, the Agency shall, to the extent practical, allow a person to monitor the meeting electronically and may require the person making a connection to pay for documented marginal costs that the Agency incurs as a result of the additional connection.

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Agenda: Minnesota Housing Board Meeting

Date: 04/25/2024, 1 p.m.

Our Mission and Vision

Mission: Housing is foundational to a full life and a thriving state, so we equitably collaborate with individuals, communities and partners to create, preserve and finance housing that is affordable.

Vision: All Minnesotans live and thrive in a stable, safe and accessible home they can afford in a community of their choice.

1. Call to Order

2. Roll Call

3. Agenda Review

4. Approval of Minutes

- a. (page 5) Regular meeting of March 28, 2024

5. Reports

- Chair
- Commissioner
- Committee

6. Consent Agenda

None.

7. Action Items

- A. (page 11) Approval, Section and Commitment – Family Homeless Prevention and Assistance Program Round 2 Funds
- B. (page 21) Repayment Term Modification - Bimosedaa, D8235, Minneapolis
- C. (page 29) Amendment to Amended and Restated Limited Obligation Senior Housing Revenue Note, Series 2005 – CommonBond 202 Project

8. Discussion Items

None.

9. Information Items

- A. (page 35) Post Sale Report, Residential Housing Finance Bonds (RHFB), Series 2024DE

10. Other Business

None.

11. Adjournment

None.



Meeting Minutes: Minnesota Housing Board Meeting

Date: Thursday, March 28, 2024, at 1 p.m.

1. Call Attendance

Chair DeCramer called to order the regular meeting of the Board of Minnesota Housing Finance Agency at 1:01 p.m.

2. Roll Call

Members present via hybrid: Chief Executive Benjamin, Auditor Blaha, Eric Cooperstein, Chair DeCramer, Stephen Spears and Terri Thao.

Minnesota Housing staff present in person: Anbar Ahmed, Tal Anderson, Tom Anderson, Ryan Baumtrog, Kim Bailey, Jennifer Bergman, Susan Bergmann, Judd Berthiaume, Scott Beutel, Laura Bolstad Grafstrom, Joe Boutch, Sondra Breneman, Jason DeKett, Lane DeSalvo, Matt Dieveney, Michelle Doyal, Ben Eggersdorfer, Kathy Engstrom, Vicki Farden, Jennifer Finnesgard, Sarah Foley, Jessica Fowler, Graydon Francis, Rachel Ganani, Shannon Gerving, Vanessa Haight, Jody Hanson, Amanda Hedlund, Anne Heitlinger, Darryl Henchen, Hattie Hiler, Jennifer Ho, Jon Holmseth, Karin Holmstrand, Heidi Hovis, Kinzy Janssen, Will Jensen-Kowski, Irene Kao, Dan Kitzberger, Greg Krenz, Laurie Krivitz, Kristen Kvlasten, Sue Ladehoff, Janine Langsjoen, Tresa Larkin, Debbi Larson, Ger Lee, Nira Ly, Dylan Mato, Eric Mattson, Jill Mazullo, Don McCabe, David McGee, Leighann McKenzie, Colleen Meier, Amy Melmer, Erin Menne, Krissi Mills, Gary Mortenson, John Patterson, Mason Persons, Caryn Polito, Ann Provo, Rinal Ray, Annie Reierson, Brittany Rice, Paula Rindels, Cheryl Rivinius, Rachel Robinson, Joel Salzer, Kayla Schuchman, Corey Strong, Kimberly Stuart, Jodell Swenson, LeAnne Tomera, Susan Thompson, Mike Thone, Monica Tucker, Nancy Urbanski, Manire Vaughn, Amanda Welliver, Carole Wohlik and Kristy Zack.

Others present via hybrid: Ramona Advani, Office of the Minnesota State Auditor; Oliver Larson, Attorney General's Office; Jean Lee; and Kimberly Taylor.

3. Agenda Review

None.

4. Approval

Regular Meeting Minutes of February 22, 2024

Motion: Eric Cooperstein moved to approve the February 22, 2024, Regular Meeting Minutes. Seconded by Chief Executive Benjamin. Roll call was taken. Auditor Blaha was not present for the vote. Motion carries 5-0. All were in favor.

5. Reports

Chair

None.

Commissioner

Commissioner Ho shared the following with the Board:

- Welcome new employees
- Meetings
- Program Updates

Committee

None.

6. Consent Agenda

A. Approval, Home Improvement Lender Compensation Increase

B. Approval, Motion, Start Up and Step Up Program Procedural Manual Changes

C. Modification, Updating Board Resolution on Finance and Audit Committee

Motion: Terri Thao moved the Consent Agenda Items. Seconded by Eric Cooperstein. Roll call was taken. Motion carries 6-0. All were in favor.

7. Action Items

A. Approval, 2023 Single Family Request for Proposals Award Changes

Nira Ly presented to the board a request for approval of changes to how certain projects were structured when funding selections for the 2023 Single Family Request for Proposals (RFP) were approved by the Board of Directors in December 2023. Chair DeCramer opened up the discussion. Board members asked questions, and staff provided answers.

Motion: Eric Cooperstein moved Approval, 2023 Single Family Request for Proposals Award Changes with the staff proposed amendments. Seconded by Chief Executive Benjamin. Roll call was taken. Motion carries 6-0. All were in favor.

B. Approval, Modification, Economic Development and Housing Challenge Program (EDHC) Loan, 3030 Nicollet, D8408, Minneapolis

Tom Anderson presented to the board a request for the adoption of a resolution modifying the loan under the EDHC program, from \$2,460,000 to a maximum of \$3,460,000. Chair DeCramer opened up the discussion. Board members asked questions, and staff provided answers.

Motion: Eric Cooperstein moved Approval, Modification, Economic Development and Housing Challenge Program Loan - 3030 Nicollet, D8408, Minneapolis. Seconded by Auditor Blaha. Roll call was taken. Motion carries 6-0. All were in favor.

Motion: Eric Cooperstein later moved to rescind Approval, Modification, Economic Development and Housing Challenge Program Loan - 3030 Nicollet, D8408, Minneapolis. Seconded by Terri Thao. Roll call was taken. Motion carries 6-0. All were in favor.

Motion: Eric Cooperstein moved Approval, Modification, Economic Development and Housing Challenge Program Loan - 3030 Nicollet, D8408, Minneapolis. Seconded by Auditor Blaha. Roll call was retaken. Motion carries 5-0. Stephen Spears abstained.

C. Approval, Commitment, Housing Trust Fund (HTF) Operating Subsidy (OS) Grant Extensions

Vicki Farden presented to the board a request for approval of a resolution authorizing additional commitments of \$3,099,525 from the Housing Trust Fund (HTF) and extending current Operating Subsidy (OS) grant agreements for two years. This action will affect operating subsidy grant agreements at 28 existing supportive housing developments that collectively have 792 supportive housing units. Chair DeCramer opened up the discussion. Board members asked questions, and staff provided answers.

Motion: Terri Thao moved Approval, Commitment, Housing Trust Fund Operating Subsidy Grant Extensions. Seconded by Eric Cooperstein. Roll call was taken. Motion carries 6-0. All were in favor.

D. Risk Management and Internal Control Framework

Rachel Robinson and Mike Thone presented to the board a request for approval of an updated Framework document to be effective March 28, 2024. In addition, the Chief Risk Officer identified one instance of non-compliance with Framework requirements for discussion with the Board/Finance and Audit Committee. Chair DeCramer opened up the discussion. Board members asked questions, and staff provided answers.

Motion: Terri Thao moved approval of the Risk Management and Internal Control Framework. Seconded by Stephen Spears. Roll call was taken. Motion carries 6-0. All were in favor.

E. Approval, Pre-Award Risk Assessment Board Delegation

Irene Kao and Scott Beutel presented to the board a request for approval of a board delegation authorizing staff to conduct the day-to-day pre-award risk assessment of potential grantees. Chair DeCramer opened up the discussion. Board members asked questions, and staff provided answers.

Motion: Eric Cooperstein moved Approval, Pre-Award Risk Assessment Board Delegation. Seconded by Chief Executive Benjamin. Roll call was taken. Motion carries 6-0. All were in favor.

8. Discussion Items

None.

9. Information Items

- A. Post-Sale Report Residential Housing Finance Bonds, Series 2024ABC**
- B. Greater Minnesota Housing Fund “NOAH Impact Fund II” Class D Investment Update**
- C. Single Family Annual Report of Actions Taken under Delegated Authority for CY2023**
- D. Multifamily Annual Report of Actions Taken under Delegated Authority for CY2023**
- E. CRO Report (status of fraud, Misuse of funds, COI investigations for period 7/1/23 – 12/31/23)**

10. Other Business

- A. Pursuant to Minn. Stat. § 13D.05, the Board will move into closed session to receive attorney-client privileged advice on Schierholz and Associates’ notice as set forth in its letter to MHFA of February 13 that it may pursue legal action to rescind or reject the Grant Agreement made between MHFA and Schierholz and Associates related to the Broadmoor Valley Mobile Home Park.**

11. Adjournment

The meeting was adjourned at 2:40 p.m.

John DeCramer, Chair

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Item: Approval, Selection and Commitment, Family Homeless Prevention and Assistance Program Round 2 Funds

Action Item: 7.A
Date: 04/25/2024
Staff Contacts: Diane Elias, 651.284.3176, diane.elias@state.mn.us
Nancy Urbanski, 651.296.3683, nancy.urbanski@state.mn.us
Request Type: Approval, Resolution

Request Summary

Staff requests approval of the attached resolution authorizing the selection of 24 grant administrators and commitment of \$29,393,844 in Family Homeless Prevention and Assistance Program (FHPAP) Round 2 funds. These funds will allow Minnesota Housing to execute Grant Contract Agreements to provide supportive services and direct financial assistance to populations throughout the state of Minnesota.

Fiscal Impact

FHPAP is funded by state appropriations and individual awards are structured as grants, which do not earn any interest for the Agency.

Agency Priorities

- | | |
|---|---|
| <input checked="" type="checkbox"/> Improve the Housing System | <input type="checkbox"/> Make Homeownership More Accessible |
| <input checked="" type="checkbox"/> Preserve and Create Housing Opportunities | <input checked="" type="checkbox"/> Support People Needing Services |
| | <input checked="" type="checkbox"/> Strengthen Communities |

Attachments

- Background and Request
- Resolution

Background and Request

In 1993, the Minnesota Legislature established the Family Homeless Prevention and Assistance Program (FHPAP) to assist families who were experiencing homelessness or imminent risk of homelessness. Funds are committed each biennium starting on October 1 and ending September 30 of the second year.

In the metro area, counties are eligible to apply for funding. [Minnesota Laws 2023, chapter 37, article 1, section 2, subdivision 9, paragraph \(d\)](#) allows Minnesota Housing to include additional administrators in the metro area if more support is needed to serve homeless households or those at risk of homelessness (effective only for fiscal years 2024 and 2025 only). In Greater Minnesota, eligible applicants include Tribal Nations, counties, a group of contiguous counties and nonprofit organizations. FHPAP funds are used for administration, supportive services, and direct financial assistance to prevent homelessness or re-house households experiencing homelessness as quickly as possible. Services include street outreach, coordinated entry, housing navigation and case management to find and keep housing. Direct financial assistance includes payments for rental assistance, security deposits, mortgage assistance and utility assistance.

From October 1, 2022, through September 30, 2023, which was the second year of the prior biennium, the FHPAP program distributed \$33,762,160 in assistance to serve over 10,000 households with a median income of approximately \$11,000 per year. Over 60% of these households were Indigenous, Black and people of color households. For this same timeframe, data from the Homeless Management Information System (HMIS) demonstrated 97% of households receiving assistance to prevent housing loss exited the program with stable housing as well as 84% of households experiencing homelessness moved into stable housing.

Available Funding

On March 31, 2023, the Minnesota legislature awarded \$50M of one-time funding (aka Fast Track funding) to the FHPAP program. On May 16, 2023, the Housing bill allocated \$20,538,000 for base funding for the 2024-25 biennium and an additional \$45M in one-time funding for a total of \$115,538,000, which includes the Fast Track funding.

Of the total \$27,209,427 remained to be committed, with an additional \$1,441,844 in Fast Track and \$742,573 in Standard funds returned from the prior biennium, for a total of \$29,393,844 to be awarded through FHPAP Round 2. The effective date for this commitment will start when contract agreements are fully signed which will be as early as 6/1/2024 and the agreements will run through 9/30/2025.

In preparation for the RFP, staff conducted an analysis and determined that the metropolitan area needed additional support to serve disparately impacted communities who were experiencing homelessness or at risk of homelessness.

Staff also conducted a pre-Request for Proposal webinar to educate and solicit new applicants for funding on December 8, 2023. Three hundred and forty-four individuals registered and 157 attended the training. Five attendees went on to submit applications to be a grant administrator for the first time. The recorded webinar and materials remain on the agency website titled “FHPAP Overview training.”

The Request for Proposal Information Session conducted on January 16, 2024, also received great interest with 225 registrants and 117 attendees, resulting in an additional four first-time applicants. The Agency also marketed the RFP via eNews, state register and posting on our website. Ultimately, 19 new applicants applied.

A Request for Proposals (RFP) was issued on January 8, 2024, with a due date of February 22, 2024.

Application Review Process

Forty applications were submitted, including 21 of 22 current administrators. A total of \$64,326,628 was requested.

Of the 40 applicants, 35 met the threshold for review and satisfied the financial review process. The applications were scored based on:

- Project Summary (25%)
- Equity (35%)
- Capacity (30%)
- Budget (10%)

A total of 42 reviewers participated in the review process, including 3 community reviewers, 27 staff from Minnesota Housing and 12 staff from other state agencies including Minnesota Departments of Human Services (DHS), Corrections (DOC), Education (MDE) and Public Safety (DPS).

Scoring Methodology

The 35 eligible applications were scored in accordance with the [Scoring Methodology](#), with scores ranging from 38.25 to 92.5.

As outlined in the Scoring Methodology, staff utilized the Urban Institute model to create methodology to help determine the amount of funding to award. In the past, FHPAP utilized a share of need formula to be a proxy for homelessness for each county or Tribal Nation. The share of need formula included poverty, unemployment, and cost burden (those paying over 50% of their income toward housing). In the new methodology, an applicant’s share of the current statewide need is based on the following:

- People in poverty
- Renter households
- Workers who are unemployed

- Low-income renter households that spend 50% or more of their income on housing
- Severely overcrowded renter households
- Black, Indigenous and people of color populations
- Renter households whose income does not exceed 30% of the area median income
- Households receiving public assistance.
- People born outside of the U.S.

This method is an adaptation of an index developed by the Urban Institute and expands the previous statewide need formula to better target households disparately impacted by homelessness.

In addition to scoring methodology, staff considered the following:

Equity, geography, and viability

Furthering equity was a primary goal of the FHPAP Round 2 funds. Our intent was to expand access and resources to populations disparately impacted by homelessness or under-utilizing FHPAP. We opened eligibility more broadly in the metro area and solicited for new applicants statewide. Applications from new applicants described being able to serve New Americans (including East African and Somalian), African Americans, Native Americans, Latino households, and households experiencing domestic violence. There was also a significant number of bi-lingual or multi-lingual staff noted in these applications. We did not receive applications that notably served households with disabilities or LGBTQI2S+ households. We will highlight these gaps with our current administrators to work toward increasing access for these populations.

Statewide coverage is important for the FHPAP program. Round 1 and Round 2 funds allow for statewide coverage with all 87 counties and 11 Tribal Nations included in the coverage area.

Viability of projects was also a consideration, especially as the funding available would not meet the amount requested. Applicants with scores of 73.5 and above were selected to preserve enough funding to keep projects viable as described in the application.

Staff recommends funding seven new applicants and seventeen existing applicants, all of which help achieve the goals of the program and advance our commitment to equity.

Metro and greater Minnesota commitments

Funds are provided in alignment with the Urban Institute need methodology with 58% of funds awarded to the metro and 42% to greater Minnesota including Tribal Nations.

Table 1: Comparison of Metro and Greater Minnesota Need and Award

Region	Award %	Need %	Difference
Metro	57.81%	58.85%	-1.04%
Greater MN	33.22%	32.73%	0.49%
Tribal Nations	8.97%	8.42%	0.55%
Greater MN + Tribal Nations	42.19%	41.15%	1.04%

Fast Track Funding

In addition to the award of Standard FHPAP funds, top scoring applications in the metro area and greater Minnesota will receive the remaining “Fast Track” funds, provided the award did not exceed their request. Administrators will be encouraged to spend these resources first with the goal of disbursing all Fast Track funds within the first quarter. These funds do come with added reporting requirements.

Technical assistance for new applicants and non-select applicants

To support new administrators, there is a plan in place to solicit an administrator for technical assistance that could be operational by the end of 2024. Staff will also provide support to new administrators through monthly meetings.

Applicants who did not pass the threshold criteria or who are not selected will be offered a meeting with our staff to discuss opportunities for improvement to be competitive for future RFPs.

Recommendations

Staff recommend awarding \$29,393,844 in FHPAP resources under this RFP according to the table below.

Table 2: FHPAP 2024-25 Round 2 Funding Request and Award Recommendations

Applicant	Selection	Metro Request	Metro Award	Greater MN Request	Greater MN Award
African Community Development of the New England-MN (ACEDONE MINNESOTA)	Ineligible	\$ 1,647,000			
Anoka County	Selected	\$ 1,750,000	\$ 1,555,530		
Bi-County Community Action Programs, Inc.	Selected			\$ 172,500	\$ 172,500
Center for African Immigrants & Refugees Organization	Selected			\$ 1,206,000	\$ 1,206,000
Community Action Partnership of Ramsey and Washington Counties*	Selected	\$ 350,000	\$ 239,277		
Care4All Youth Haven/Fiscal Sponsor Fiscal Sponsorship Allies	Ineligible	\$ 2,658,200			
County of Carver	Not selected	\$ 952,825			
Community Stabilization Project	Ineligible	\$ 162,550			
Dakota County	Selected	\$ 3,000,000	\$ 1,756,137		
Divine Konnections, Inc.	Not selected			\$ 226,476	
Don't Cry...I'm Here	Not selected	\$ 20,000			
Encouraging Leaders	Not selected	\$ 441,690			
Family Promise of Kandiyohi County, Inc.	Not selected			\$ 2,785,000	
Fathers Rise Together DBA Family Rise Together	Not selected			\$ 470,130	
Global Fatherhood Foundation-GFF	Not selected	\$ 200,000			
Greater Minneapolis Council of Churches*	Selected	\$ 1,116,210	\$ 478,804		
Hennepin County	Selected	\$10,000,000	\$ 4,289,556		
Internal Housing Assistant Professional Corporation	Ineligible			\$ 500,000	
KOOTASCA Community Action, Inc.	Selected			\$ 565,260	\$ 537,777
Lakes and Pines Community Action Council, Inc.	Not selected			\$ 1,000,000	
Lakes & Prairies Community Action Partnership, Inc.	Selected			\$ 1,090,216	\$ 887,465
Lutheran Social Service of Minnesota (Brainerd)	Selected			\$ 646,440	\$ 646,440

Applicant	Score	Metro Request	Metro Award	Greater MN Request	Greater MN Award
Lutheran Social Service of Minnesota (Central)	Selected			\$ 1,364,022	\$ 1,028,817
MAHUBE-OTWA Community Action Partnership, Inc.	Selected			\$ 5,000,000	\$ 1,638,541
Minnesota One-Stop for Communities*	Selected	\$ 1,150,552	\$ 810,970		
New American Development Center*	Selected	\$ 2,253,000	\$ 1,565,853		
NorthPoint Health & Wellness Center, Inc.*	Selected	\$ 3,482,424	\$ 1,493,804		
Phumulani Minnesota African Women Against Domestic Violence and Sexual Assault	Not selected	\$ 663,690			
Ramsey County	Selected	\$ 4,264,197	\$ 3,288,019		
Sabathani Community Center*	Selected	\$ 961,175	\$ 412,301		
St. Louis County	Selected			\$ 416,208	\$ 416,208
St. Mary's Health Clinics	Not selected	\$ 50,000			
Steele County Transitional Housing, Inc.	Ineligible			\$ 183,039	
Three Rivers Community Action, Inc.	Not selected			\$ 2,094,210	
Tri-Valley Opportunity Council, Inc.	Selected			\$ 270,000	\$ 270,000
United Community Action Partnership, Inc.	Selected			\$ 2,710,378	\$ 2,710,378
Washington County	Selected	\$ 1,256,942	\$ 715,016		
West Central Minnesota Communities Action, Inc.	Selected			\$ 250,000	\$ 250,000
White Earth Reservation Business Committee	Selected			\$ 6,545,740	\$ 2,636,671
Women's Advocates, Inc.*	Selected	\$ 450,554	\$ 387,780		
Total		\$36,831,009	\$16,993,047	\$27,495,619	\$12,400,797

* Indicates new applicant selections

These 24 grants are estimated to serve 6,900 households over the 16-month grant term.

**MINNESOTA HOUSING FINANCE AGENCY
400 Wabasha Street North, Suite 400
St. Paul, MN 55102**

**RESOLUTION NO. MHFA 24-XXXX
RESOLUTION APPROVING SELECTION/COMMITMENT FOR FAMILY HOMELESS PREVENTION AND
ASSISTANCE PROGRAM (FHPAP) FUNDS**

WHEREAS, the Minnesota Housing Finance Agency (Agency) would like to execute new Grant Contract Agreements with twenty-four (24) grantees to provide supportive services and direct assistance across the entire state to prevent and end homelessness; and

WHEREAS, Agency staff has reviewed the applications and determined that they are following the Agency's rules, regulations, and policies; that such grants are not otherwise available, wholly or in part, from private lenders or other agencies upon equivalent terms and conditions; and that the applications will assist in fulfilling the purpose of Minnesota Statute Chapter 462A.

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to enter into Grant Contract Agreements with each grantee's agency administrator using state resources as set forth below, subject to changes allowable under Agency policies, Board policies and the legislative allocation:

1. Agency staff shall review and approve the following grantees for up to the total recommended amount for the grant period of June 1, 2024, through September 30, 2025; and

Applicant	Counties or Tribal Nations in Applicant Service Area	2024-25 Round 2 Standard Funds	2024-25 Round 2 Fast Track Funds
Anoka County	Anoka County	\$ 1,277,162	\$ 278,368
Bi-County Community Action Programs, Inc.	Beltrami and Cass Counties	\$ 172,500	
Community Action Partnership of Ramsey and Washington Counties	Ramsey and Washington Counties	\$ 239,277	
Center for African Immigrants & Refugees Organization	Stearns County	\$ 1,206,000	
Dakota County	Dakota County	\$ 1,473,753	\$ 282,384
Greater Minneapolis Council of Churches	Hennepin County	\$ 478,804	

Applicant	Counties or Tribal Nations in Applicant Service Area	2024-25 Round 2 Standard Funds	2024-25 Round 2 Fast Track Funds
Hennepin County	Hennepin County	\$ 4,289,556	
Kootasca Community Action, Inc.	Cook, Itasca, Koochiching, and Lake Counties	\$ 537,777	
Lakes & Prairies Community Action Partnership, Inc.	Clay and Wilkin Counties	\$ 887,465	
Lutheran Social Service of Minnesota	Todd, Crow Wing, and Morrison Counties	\$ 646,440	
Lutheran Social Service of Minnesota	Benton, Sherburne, Stearns, and Wright Counties	\$ 1,028,817	
MAHUBE-OTWA Community Action Partnership, Inc.	Becker, Mahnommen, Hubbard, Otter Tail, and Wadena Counties	\$ 1,360,173	\$ 278,368
Minnesota One-Stop for Communities	Ramsey County	\$ 810,970	
New American Development Center	Carver, Dakota, Hennepin, and Scott Counties	\$ 1,565,853	
NorthPoint Health & Wellness Center, Inc.	Hennepin County	\$ 1,493,804	
Ramsey County	Ramsey County	\$ 3,005,634	\$ 282,385
Sabathani Community Center	Hennepin County	\$ 412,301	
St. Louis County	St. Louis Counties	\$ 416,208	
Tri-Valley Opportunity Council, Inc.	Polk, Marshall, Norman, Pennington, Red Lake, Clearwater, Kittson, Roseau, and Lake of the Woods Counties	\$ 270,000	
United Community Action Partnership, Inc.	Lincoln, Lyon, Jackson, Cottonwood, Redwood, Pipestone, Murray, Rock, Nobles, Kandiyohi, McLeod, Meeker, Renville, Yellow Medicine, Swift, Chippewa, Lac Qui Parle, and Big Stone Counties	\$ 2,672,423	\$ 37,955
Washington County	Washington County	\$ 715,016	

Applicant	Counties or Tribal Nations in Applicant Service Area	2024-25 Round 2 Standard Funds	2024-25 Round 2 Fast Track Funds
West Central Minnesota Communities Action, Inc.	Grant, Pope, Stevens, Traverse, and Douglas Counties	\$ 250,000	
White Earth Reservation Business Committee	Bois Forte Band of Chippewa, Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa, Leech Lake Band of Ojibwe, Lower Sioux Indian Community, Mille Lacs Band of Ojibwe, Red Lake Nation, Upper Sioux Community, White Earth Nation	\$ 2,354,287	\$ 282,384
Women's Advocates, Inc.	Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties	\$ 387,780	
Subtotal		\$ 27,952,000	\$ 1,441,844
TOTAL		\$ 29,393,844	

2. This approval is contingent on future legislative approval of Family Homeless Prevention and Assistance Program FY2026 appropriations in sufficient amounts to fund the awards; and
3. The issuance of Grant Contract Agreements in form and substance acceptable to Agency staff, and the Grant Contract Agreements shall be fully signed no later than six months from the adoption date of this Resolution; and
4. The sponsors and such other parties shall provide such information and sign all such documents relating to said Grant Contract Agreements as the Agency, in its sole discretion, deems necessary.

Adopted this 25th day of April 2024

CHAIR



Repayment Term Modification -Bimosedaa, D8235, Minneapolis

Action Item: 7.B
Date: 04/25/2024
Staff Contacts: Susan Thompson, 651.296.9838,susan.thompson@state.mn.us
James Lehnhoff, 651.296.3028, james.lehnhoff@state.mn.us
Request Type: Approval, Resolution

Request Summary:

Bimosedaa is financed with an HIB loan of \$14,290,000, of which \$5,707,000 is structured as a long-term loan and \$8,583,000 is a short-term loan with payment due on May 1, 2024.

Staff requests a modification of the repayment term of the short-term portion of the HIB loan. The repayment date for the \$8,583,000 portion of the HIB loan would change from fully due on May 1, 2024 to \$4,567,000 due December 31, 2024 and the remaining amount to be paid in four annual installments of \$1,004,000 each through December 31, 2028. The HIB loan amount is otherwise unchanged.

Fiscal Impact:

Minnesota Housing does not earn interest revenue on the HIB loan. As the debt service on the HIBs to be issued to finance the HIB loan is paid via state appropriations, there is also no interest expense to the Agency.

Agency Priorities:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Improve the Housing System | <input type="checkbox"/> Make Homeownership More Accessible |
| <input checked="" type="checkbox"/> Preserve and Create Housing Opportunities | <input checked="" type="checkbox"/> Support People Needing Services |
| | <input checked="" type="checkbox"/> Strengthen Communities |

Attachments:

- Background
- Current Status
- Resolution

Background:

Bimosedaa was selected in the 2019 Multifamily Consolidated Request for Proposals (RFP) for acquisition and adaptive reuse of a seven-story historic building in downtown Minneapolis sponsored by Beacon Interfaith Housing Collaborative (Beacon). At the November 21, 2019 board meeting, funding was approved under the HIB loan program in an amount of up to \$8,157,000 under Resolution No. MHFA 19-072. The project provides 48 units of permanent supportive housing with on-site services and Housing Support rental assistance for all units. The Housing Support is in collaboration with Red Lake Band of Chippewa Indians. The project also includes funding from the city of Minneapolis, Hennepin County, and the Federal Home Loan Bank of Des Moines. National Equity Fund (NEF) is the tax credit investor.

The project received final board approval on September 23, 2021 the HIB loan was increased to \$10,840,000 under Resolution MHFA No. 21-051 and a waiver of costs exceeding the Predictive Cost Model by 48% was simultaneously approved. On January 27, 2022, the board approved a \$3,625,204 state historic tax credit bridge loan, though no funds were disbursed and the loan was later cancelled and replaced by a bridge loan from Bremer Bank. The Mortgage Credit Committee subsequently increased the HIB loan by \$150,000 to \$10,990,000 under Board Delegation No. 005 on December 16, 2021. The HIB loan was structured with \$5,707,000 as a long-term loan and \$5,283,000 as a short-term loan.

The project closed on the construction financing on March 22, 2022, and commenced construction. In June 2022, a significant issue was uncovered related to the condition of the historic terra cotta façade and parapet. After construction began, tie backs behind the terra cotta block façade were found to have deteriorated and many of the tie backs had detached from the building itself leaving the façade without the necessary structural support. The terra cotta blocks were also in worse condition than had been identified prior to closing. Accordingly, the various lenders as well as the State Historic Preservation Office and the National Park Service approved a blended scope of work that would restore terra cotta blocks on the lower levels that are more visible from the street but replace a significant portion with new, more affordable materials that mimic the historic façade.

On August 25, 2022, Resolution No. MHFA 22-066 the Minnesota Housing HIB loan was increased to \$14,290,000 with \$8,583,000 of that amount due May 1, 2024. The long-term portion of the HIB loan remained unchanged. The increase in the short-term portion of the HIB loan was necessary to qualify the project for 4% housing tax credit (HTC) equity. Beacon also contributed an additional \$1,000,000 to the project gap.

At that time, the previously referenced Minnesota Housing bridge loan was replaced by a \$4,870,518 Bremer Bank bridge loan. State Historic Tax Credits are paid to a project over a five year period after construction is complete, which creates a need for a bridge loan so that funds are available during construction. The bridge loan is then repaid as it receives the State of Minnesota Historic Tax Credits. The interest on the Bremer Bank loan is floating at Secured Overnight Financing Rate (SOFR) 1mo & 2-days + 2.15%; with a floor of 3.5%, and an option to fix the rate after construction completion based on 5 yr FHLB + 1.9%. Based on current rates, the rate is currently approximately 6.5%.

Current Status:

Construction is essentially complete and has only one unoccupied unit. Approximately \$200,000 worth of final work remains to be completed. After the last board action in August 2022, the development budget increased another \$1,700,000. The increase is primarily due to additional construction costs and over \$600,000 estimated to fund additional interest reserve for the Bremer Bank bridge loan due to interest rate increases. The development secured another funding commitment of up to \$1,124,814 from Hennepin County which, along with \$575,000 of proceeds anticipated from additional 4% HTC's, as well as federal and state historic tax credits, will fund this gap.

However, the project continues to face interest rate risk on the Bremer Bank bridge loan, and the project is facing higher than anticipated operating and supportive service costs.

To address the interest risk and better position the property operations, the developer has requested and staff recommends allowing the short-term HIB loan to be repaid over a five year period. This retires the Bremer Bridge loan earlier to save an estimated \$760,000 in interest costs.

This proposal will do the following:

1. Repay \$8,583,000 of the HIB Loan as follows:
 - a. \$4,567,000 due by December 31, 2024 (includes the first year of state historic tax credit rebate).
 - b. \$1,004,000 due in four equal installments by December 31 of 2025, 2026, 2027 and 2028.
2. A portion of both the Bremer Loan and the sponsor gap loan will be repaid from tax credit equity installments anticipated to be received in July 2024 and December 2024.
3. Pay down the Bremer loan in July 2024 and fully retire it by December 2024. This allows \$275,000 of existing capitalized interest reserve plus an additional \$485,000 that would have been needed for interest costs to fund a new reserve intended to primarily fund services, including front desk and security costs.

The total HIB loan amount is unchanged. As the HIB loan is repaid, Minnesota Housing will redeploy the funds to other HIB eligible projects. However, while the project is not receiving additional funding from Minnesota Housing, there is a cost to the delayed repayments in that the funds will not be available in the near term to select new HIB eligible projects or address project funding gaps.

Table 1: Comparison of Uses from August 2022 to Current:

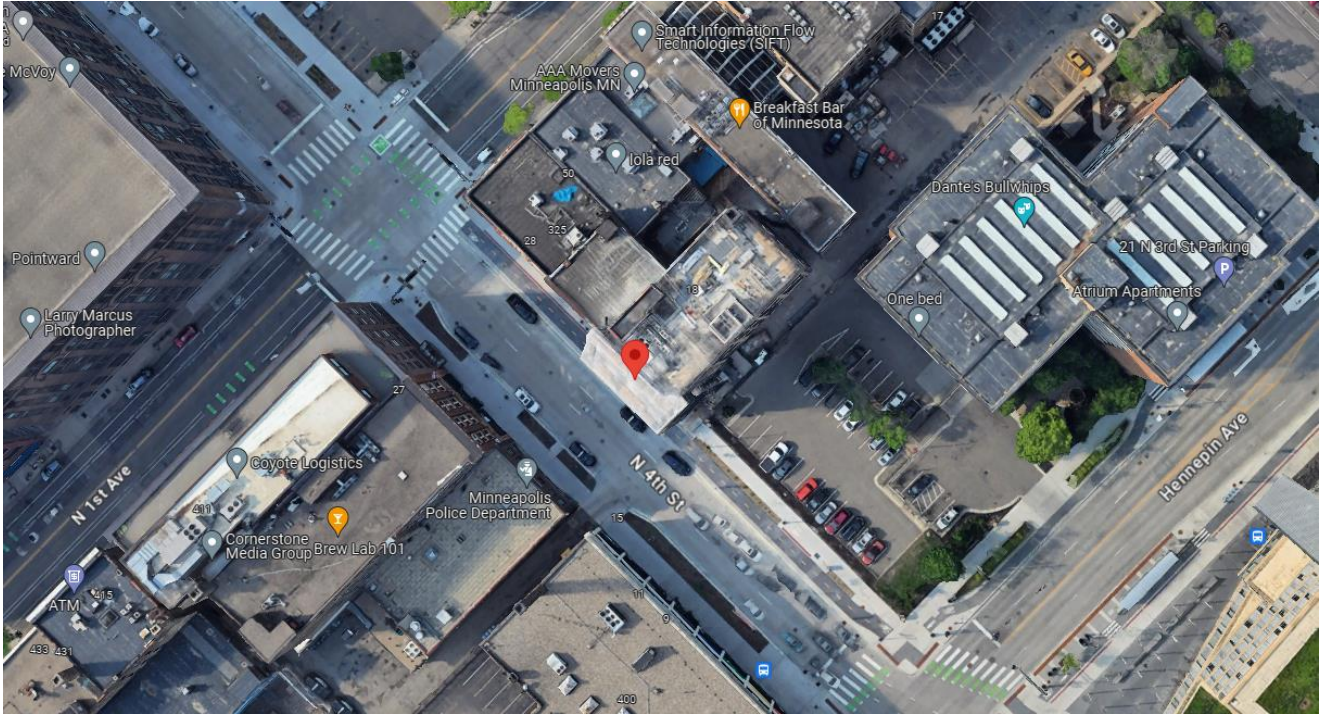
Description	Amount at August 2022	Current Amount	Change	% Change
Acquisition	\$ 2,305,000	\$ 2,238,288	-\$ 66,712	-3%
Construction Costs	\$ 22,237,723	\$ 23,383,779	\$ 1,146,056	5%
Environmental Abatement	\$ 0	\$ 0	\$ 0	0%
Professional Fees	\$ 1,111,773	\$ 1,364,177	\$ 252,404	23%
Developer Fee	\$ 1,112,000	\$ 1,112,000	\$ 0	0%

Description	Amount at August 2022	Current Amount	Change	% Change
Syndication Fees	\$ 55,000	\$ 55,000	\$ 0	0%
Financing Costs	\$ 841,850	\$ 750,832	-\$ 91,018	-11%
Reserves	\$ 634,043	\$ 1,119,218	\$ 485,175	77%
Total Development Costs	\$ 28,297,389	\$ 30,023,294	\$ 1,725,905	6%
Cost per Unit	\$ 589,529	\$ 625,485	\$ 35,956	6%

Table 2: Comparison of Permanent Capital Sources from August 2022 to current:

Description	Amount at August 2022	Current Amount	Change	% Change
General Partner Cash	\$ 1,000,000	\$ 1,000,000	\$ 0	0%
Syndication Proceeds	\$ 7,519,740	\$ 7,750,002	\$ 230,262	3%
State Historic Proceeds	\$ 4,831,684	\$ 5,019,190	\$ 187,506	4%
Federal Historic Proceeds	\$ 4,107,060	\$ 4,265,383	\$ 158,323	4%
Sales Tax Rebate	\$ 70,000	\$ 95,000	\$ 25,000	36%
Energy Rebates	\$ 26,905	\$ 26,905	\$ 0	0%
Shakopee Mdewakanton Sioux Community Grant	\$ 100,000	\$ 100,000	\$ 0	0%
Hennepin County Chronic Homelessness	\$ 500,000	\$ 500,000	\$ 0	0%
Minneapolis Affordable Housing Trust Fund	\$ 2,160,000	\$ 2,160,000	\$ 0	0%
Minnesota Housing Finance Agency (HIB)	\$ 5,707,000	\$ 5,707,000	\$ 0	0%
Metropolitan Council LCDA-TOD	\$ 1,000,000	\$ 1,000,000	\$ 0	0%
Federal Home Loan Bank of Des Moines	\$ 1,000,000	\$ 1,000,000	\$ 0	0%
Metropolitan Council TBRA	\$ 275,000	\$ 275,000	\$ 0	0%
Hennepin County	\$ 0	\$ 1,124,814	\$ 1,124,814	100%
Deferred Developer Fee	\$ 0	\$ 0	\$ 0	0%
Total Permanent Sources	\$ 28,297,389	\$ 30,023,294	\$1,725,905	6%

MAP of 16 North Fourth Street, Minneapolis



Construction Picture from 2023



Agenda Item: 7.B

Attachment: Current Status

**MINNESOTA HOUSING FINANCE AGENCY
400 Wabasha Street North, Suite 400
St. Paul, Minnesota 55102**

**RESOLUTION NO. MHFA 24-xxx
Modifying Resolution No. MHFA 19-072, MHFA 21-051 and MHFA 22-066**

**RESOLUTION APPROVING MORTGAGE LOAN COMMITMENT MODIFICATION
HOUSING INFRASTRUCTURE BOND (HIB) PROGRAM**

WHEREAS, the Board has previously authorized a commitment for the Bimosedaa development by its Resolution No. MHFA 19-072 on November 21, 2019; and

WHEREAS, the Board increased the HIB loan from \$8,157,000 to \$10,840,000 under Resolution MHFA No. 21-051 on September 23, 2021; and

WHEREAS, the Mortgage Credit Committee increased the HIB loan by \$150,000 to \$10,990,000 under Board Delegation No. 005 on December 16, 2021; and

WHEREAS, the Board further increased the HIB loan to \$14,290,000, of which \$8,583,000 was structured as a short-term loan due on May 1, 2024 under Resolution No. MHFA 22-066 on August 25, 2022; and

WHEREAS, the development continues to be in compliance with Minn. Stat. ch. 462A and the Agency's rules, regulations, and policies; and

WHEREAS, Agency staff has determined that repayment of the HIB loan should be modified.

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to modify the commitment for the indicated development, subject to the revisions noted:

1. The HIB loan repayable amount due May 1, 2024 shall be revised to:
 - a. \$4,567,000 due by December 31, 2024 (includes the first year of state historic tax credit rebate); and
 - b. \$1,004,000 due in four equal installments by December 31 of 2025, 2026, 2027 and 2028.

2. All other terms and conditions of Resolution No. MHFA 19-072, MHFA 21-051 and MHFA 22-066 remain in effect.

Adopted this 25th day of April 2024

CHAIR

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Item: Amendment to Amended and Restated Limited Obligation Senior Housing Revenue Note, Series 2005 - CommonBond 202 Project

Action Item: 7.C
Date: 04/25/2024
Staff Contacts: Michael Solomon, 651.297.4009, michael.solomon@state.mn.us
Paula Rindels, 651.296.2293, paula.rindels@state.mn.us
Request Type: Approval, Resolution

Request Summary

Staff recommends approval of owner’s request to amend the Amended and Restated Limited Obligation Senior Housing Revenue Note, Series 2005, dated December 20, 2023, to extend the Mandatory Tender Date from May 1, 2024 to August 29, 2024, and to make such other changes to the terms of the Note and related agreements as U.S. Bank as lender and purchaser of the Note requires to grant such additional extension.

Fiscal Impact

None: U.S. Bank was the purchaser of Minnesota Housing’s Note and all rights to payments made, and security given, by CommonBond under a Loan Agreement with Minnesota Housing were assigned by Minnesota Housing to U.S. Bank.

Agency Priorities

- | | |
|---|---|
| <input type="checkbox"/> Improve the Housing System | <input type="checkbox"/> Make Homeownership More Accessible |
| <input checked="" type="checkbox"/> Preserve and Create Housing Opportunities | <input type="checkbox"/> Support People Needing Services |
| | <input type="checkbox"/> Strengthen Communities |

Attachments

- Background
- Property list
- Resolution

Background

On September 22, 2005, Minnesota Housing board approved the issuance of a tax-exempt note (the "Note"), on a conduit basis, for CBC 202 Limited Partnership (the "Borrower") which is an entity under the control of CommonBond Communities, a Minnesota non-profit corporation ("CommonBond"), for the purpose of refinancing 17 Section 202 elderly developments. The properties are scattered throughout the 5-county Metro area, providing 767 units of affordable rental housing. See attached property list. The refinance was an important preservation effort at the time. U.S. Bank was the purchaser of Minnesota Housing's Note and all rights to payments made, and security given, by the Borrower under a Loan Agreement with Minnesota Housing were assigned by Minnesota Housing to U.S. Bank.

On December 14, 2023, Minnesota Housing board approved an extension of the Mandatory Tender Date from January 1, 2024 to May 1, 2024. According to the Amended and Restated \$33,250,000 Limited Obligation Senior Housing Revenue Note, Series 2005, the Maturity Date of the Note is January 1, 2036, but there is a Mandatory Tender Date of May 1, 2024. On that date, the Note is subject to mandatory tender by U.S. Bank to the Borrower for purchase either by the Borrower or another purchaser selected by the Borrower and approved by Minnesota Housing. The failure of the Borrower to purchase the Note is an event of default and U.S. Bank may exercise remedies for default, including acceleration of the Note. Also on the Mandatory Tender Date, the interest rate of the Note is adjusted to an interest rate that will permit the Borrower to remarket the Note at a price equal to the remaining Principal Balance.

The Borrower has requested, and U.S. Bank has agreed to, an extension of the Mandatory Tender Date to August 29, 2024 under the original terms of the Note in order to afford CommonBond time to close on a loan with Community Housing Capital to refinance the Note. In order to maintain the tax-exemption of interest payable on the Note during this extension, Minnesota Housing's board must approve the extension. Any further extension or other revisions to the terms of the Note will also require board approval if the new lender wishes that the tax-exemption of interest on the Note be maintained.

Minnesota Housing has assigned and pledged to U.S. Bank payments due under the Loan Agreement. Payments are made directly from the Borrower to U.S. Bank to pay amounts due on the Note. Any alteration of the payment provisions of the Note, whether by U.S. Bank's waiver or extension of the Mandatory Tender Date or any payment dates or other terms of the Note, may affect the continuing tax exemption of interest on the Note during the extension period. The Borrower has covenanted in the Note to maintain the tax exemption for the term of the Note. U.S. Bank does not desire to waive the covenant.

CommonBond's counsel and U.S. Bank's counsel will draft all documents necessary to accomplish the extension of the Mandatory Tender Date and to incorporate all the additional terms U.S. Bank requires to grant the extension.

Property list

	D #	Property name	City
1	D3347	East Shore Place	Mahtomedi
2	D3333	Fairfield Terrace	Lakeville
3	D3339	Garden Terrace	Little Canada
4	D3350	Maple Terrace	Maple Plain
5	D3519	Mount Carmel Manor	West St. Paul
6	D3315	Oak Ridge Manor	Hastings
7	D3447	Pleasant Place	Rogers
8	D3406	Red Rock Manor	Newport
9	D3438	Robert Will Community Housing	Richfield
10	D3287	South Haven	Edina
11	D3292	South Shore Park	Excelsior
12	D3405	St. Michael's	New Ulm
13	D3397	Westonka Estates	Mound
14	D3400	Winnetka West aka New Hope NP Housing	New Hope
15	D3288	Woodhaven Summit Pointe	Edina
16	D3372	Kosciolek House	Minneapolis
17	D3472	Ramsey Commons	Saint Paul

RESOLUTION NO. MHFA 24-024

RESOLUTION RELATING TO AMENDMENTS TO LIMITED OBLIGATION SENIOR HOUSING REVENUE NOTE, SERIES 2005 (COMMON BOND 202 PROJECT) AND RELATED AGREEMENTS

BE IT RESOLVED BY THE MINNESOTA HOUSING FINANCE AGENCY (the “Agency”), as follows:

Section 1. Recitals.

1.01. Approval. The governing body of the Agency previously adopted Resolution No. MHFA 05-46 on September 22, 2005 (the “2005 Note Resolution”) approving the issuance by the Agency of a limited obligation revenue note designated as the Agency’s Limited Obligation Senior Housing Revenue Note, Series 2004 (CommonBond 202 Project) (as amended from time to time, the “Note”) in the original aggregate principal amount of \$33,250,000. The Note was issued for the purpose of lending the proceeds thereof to CBC 202 Limited Partnership (the “Borrower”) which is an entity under the control of Common Bond Communities, a Minnesota non-profit corporation (“Common Bond”). Proceeds of the Note were applied by the Borrower to finance the acquisition and rehabilitation of 17 senior housing projects (the “Projects”) financed by direct loans from the U.S. Department of Housing and Urban Development (“HUD”) Section 202 Elderly Housing Program (the “Projects”).

The governing body of the Agency previously adopted Resolution No. MHFA 23-072 on December 14, 2023 (the “2023 Note Resolution,” and together with the 2005 Note Resolution, the “Note Resolution”), approving an amendment to the Note extending the Initial Tender Date (defined below) of the Note to May 1, 2024.

1.02. Issuance of Note. Pursuant to a Loan Agreement, dated as of December 21, 2005 (the “2005 Loan Agreement”), as amended by an Amendment to Loan Agreement, dated as of December 20, 2023 (the “2023 Loan Agreement,” and together with the 2005 Loan Agreement, the “Loan Agreement”), by and between the Agency and the Borrower, and assigned to U.S. Bank National Association (the “Lender”), the Agency lent proceeds of the Note in the amount \$33,250,000 to the Borrower. The Agency issued the Note as authorized by the Note Resolution. Pursuant to the terms of the Loan Agreement, the Borrower agreed to repay the loan at such times and in such amounts sufficient in the aggregate to provide for the prompt payment of the principal of and interest on the Note.

1.03. The Note. The Note and the 2005 Loan Agreement contained certain terms and information as to the payment, prepayment of the principal amount of the Note, the interest on the Note and tender provisions. The Note had an initial mandatory tender date of January 1, 2024 (the “Initial Tender Date”) and a final maturity date of January 1, 2036. Pursuant to the 2023 Loan Agreement, the Initial Tender Date was extended to May 1, 2024. The Agency executed an Amended and Restated Note, dated December 20, 2023, to reflect the extension of the Initial Tender Date to May 1, 2024.

1.04. Amendment. The Borrower and the Lender have requested that the Note be further amended to extend the Initial Tender Date to August 29, 2024. No other terms of the Note, including the interest rate on the Note, will be amended.

Section 2. Authorization and Approval.

2.01. Consent. The Agency hereby consents to the amendment of the Note as set forth in Section 1.04 hereof. The Agency’s consent is subject to (a) review of any due diligence related to this request;

(b) underwriting and credit approval by the Lender; (c) the Lender's review of all documentation relating to the Projects; and (d) receipt of a reliance letter with respect to an opinion of an attorney or firm of attorneys of nationally-recognized bond counsel to the effect that the amendment by itself will not adversely affect the exclusion of interest on the Note from gross income of the owner thereof for federal income tax purposes.

2.02. Authorization to Execute Agreements. The forms of the proposed amendment to each of the Note and the Loan Agreement are approved in substantially the form submitted to and on file with the Agency, together with such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by any of the Chair, the Commissioner, the Deputy Commissioner, the Chief Financial Officer or the Director of Finance (each an "Authorized Officer"). Each Authorized Officer is authorized to execute the documents for the amendment of the Note, the Loan Agreement and such other documents as may be required to give effect to the transaction herein contemplated. The execution of any instrument by an Authorized Officer shall be conclusive evidence of the approval of such documents in accordance with the terms hereof.

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Adopted by the Minnesota Housing Finance
Agency this 25th day of April, 2024

By: _____
Chair

Attest: _____
Commissioner

DMFIRM #411974886 v2

[Resolution No. MHFA 24-024]



Item: Post Sale Report, Residential Housing Finance Bonds (RHFB), Series 2024DE

Information Item: 9.A
Date: 04/25/2024
Staff Contacts: Michael Solomon, 651.297.4009, michael.solomon@state.mn.us
Paula Rindels, 651.296.2293, paula.rindels@state.mn.us
Request Type: No Action, Information

Request Summary:

The Agency priced \$80,000,000 of its Series 2024 DE Residential Housing Finance Bonds on March 11, 2024. Series D and E were issued as taxable bonds to finance the acquisition of mortgage-backed securities related to the origination of single family mortgages in the Step Up Program, together with down payment assistance in the form of Monthly Payment Loans. The financing of Monthly Payment Loans began in 2023 and is part of the Agency's overall approach to manage liquidity at this time. The Series E were issued as variable rate demand bonds to maximize the efficiency of the issuance. All series closed March 28, 2024. In accordance with the Debt and Balance Sheet Management Policy the attached detailed post-sale report is provided by the Agency's financial advisor, CSG Advisors.

Fiscal Impact:

None.

Agency Priorities:

- Improve the Housing System
- Preserve and Create Housing Opportunities
- Make Homeownership More Accessible
- Support People Needing Services
- Strengthen Communities

Attachments:

- Post-Sale Report

\$80,000,000
Minnesota Housing Finance Agency
Residential Housing Finance Bonds
2024 Series D (Taxable)
2024 Series E (Variable-Rate, Taxable)

POST-SALE ANALYSIS

KEY RESULTS FOR MINNESOTA HOUSING

Purpose. 2024 Series DE accomplished the following major objectives:

1. Enabled Minnesota Housing to profitably finance Step Up first mortgages and Monthly Payment Loans on its balance sheet and earn net income over future years.
2. Issued 100% of the debt as taxable, and utilized no volume cap.
3. Achieved an effective spread on the bond issue of 1.71%, including hedge losses.

Key Measurable Objectives and Accomplishments. This issue was successful despite a volatile market environment.

<i>Objective</i>	<i>Result</i>
Finance new production on balance sheet	\$76 million of new Step Up first-mortgage loans in MBS securities and \$4 million of Monthly Payment Loans
Leverage private activity bond volume cap by efficiently incorporating taxable debt	Both series were 100% taxable
Maximize spread on the overall transaction	Achieved a direct spread of 1.78% on the bond issue and, after accounting for a hedge loss of \$356k, a total effective spread of 1.71%
Minimize use of and/or create zero participations (interest subsidies under IRS rules), and preserve them for future issues	Not applicable to all-taxable bond issues
Achieve cost-effective bond yield	Overall bond yield (including the hedge loss) is projected to be approximately 5.24%
Create future income streams that will support Pool 3	Increased indenture's expected net present value by approximately \$5.9 million at 150% PSA prepayment speed, after accounting for net service release premiums and hedge loss
Maintain high bond ratings	RHFB bonds are rated Aa1/AA+

TIMING AND STRUCTURE

Timing. The bonds were priced on Monday, March 11th.

Sizing. The issue was sized to fund pipeline lending.

Major Design Decisions

- 1. Bond finance Step Up loans.** This is the fourth time Minnesota Housing has used an RHFB indenture bond issuance to finance Step Up loans. Historically, the Agency has funded these non-tax-exempt qualified loans by selling them in the TBA market. However, starting last year, TBA sales have become much less economically beneficial. The Agency has been a pioneer in moving to finance such loans with taxable bonds.
- 2. Finance Monthly Payment Loans.** The bond issue was designed to finance approximately \$4 million of Monthly Payment Loans, as well as Step Up first mortgages.
- 3. Issue variable-rate debt.** In order to finance Step Up loans at or above full spread, the Agency issued a portion of the bonds (Series E) as variable-rate demand bonds. For RHFB as a whole, the total amount of variable-rate debt remains about 19%, well below the 30% of total indenture bonds outstanding often used as a benchmark for comparisons among HFAs and presentations to rating agencies.
- 4. Appropriately hedge the variable-rate debt.** For the \$20 million of variable-rate Series E bonds, the Agency entered into an interest rate swap with Bank of America (Aa2/A+) at a rate of 4.623%. Minnesota Housing can terminate the entire swap at no cost to the Agency starting on January 1, 2031.
- 5. Time and size the issue to address volatile interest rates.** To deal with fluctuations in the bond and mortgage markets, Minnesota Housing has been (a) actively adjusting interest rates for new loan reservations to help keep pace with the market and (b) issuing bonds frequently and quickly, in relationship to the amount of loans reserved, to help reduce interest rate risk. This approach has worked well for the Start Up loan pipeline and is now being used for the Step Up loan pipeline as well.

Bond Structure Decisions

- 1. Series D.** The \$60 million of fixed-rate term bonds included maturities in 2034 (\$15.735 million), 2039 (\$9.25 million), and 2045 (\$14.885 million), as well as \$20.13 million of planned amortization class (PAC) bonds due in 2054. Instead of typical semi-annual serial maturities from 2025 through 2034, Minnesota Housing has been a national pioneer in terming these amounts into a single 2034 maturity with an interest rate far below that of the average rate on shorter serial maturities, because of strong interest from both the Federal Home Loan Bank of Des Moines and other institutional investors.
- 2. Series E.** The \$20 million of variable-rate demand term bonds are covered by an initial 3-year standby bond purchase agreement from T.D. Bank, N.A., assuring investors they can tender their bonds with reasonable notice if desired. The cost of the liquidity facility to the Agency is 23 basis points per year.

BOND SALE RESULTS

- 1. Market Environment.** The market has been volatile over the past several months as investors speculate about future Federal Reserve actions to curb inflation. The rate on the 10-year Treasury was 4.53% when series 2023UV priced in November. It then declined throughout November and December to below 3.80%, only to rebound to 4.14% when 2024ABC priced in January. It was 4.10% when 2024DE was priced. While the rate on the 10-year remained in a relatively narrow band during the 7-week period between the 2024ABC and 2024DE pricings (generally +/-15 basis points), it has since started

to rise again (e.g., reaching 4.55% on April 10th) following stronger-than-expected economic data and higher-than-expected annualized inflation data, both of which have tempered investors' expectations for aggressive Fed rate cuts in 2024.

2. **Institutional Interest.** Institutional interest in 2024D was generally healthy. The 2034 term bonds and 2054 PAC bonds were both 1.5x oversubscribed, and the 2045 maturity was 1.4x oversubscribed. The 2039 maturity was fully subscribed. There were no unsold balances or adjustments to offering spreads.
3. **Comparable Transactions.** The most comparable taxable offerings for the 2034, 2039, and 2045 maturities were from Virginia (on 3/11), Florida (on 3/6), and Idaho (on 3/6). Minnesota's 2034 term maturity was 24-36 basis points lower in yield than the equivalent serials for the other issues, and its spread to the 5-year Treasury (+85 bps) was the same as Idaho's 2034 term maturity. The spread to the 10-year Treasury on Minnesota's 2039 maturity (+125 bps) was one basis point tighter than the Virginia and Idaho issues (rated AAA and Aa1, respectively) and one basis point wider than the AAA-rated Florida issue. The spread to the 10-year on Minnesota's 2045 maturity was equivalent to Idaho's 2044 maturity and 1-2 basis points wider than the 2044 maturities from Virginia and Florida.

Minnesota's \$20.13 million of PAC bonds priced 122 bps over the 5-year Treasury, 4 basis points tighter than Idaho (+126 to 7-year), 3 basis points tighter than Vermont (+125 to 5-year), and 3 basis points wider than Florida (+119 to 5-year).

UNDERWRITING

Underwriters. RBC was senior manager. Morgan Stanley, Piper Sandler, and Wells Fargo served as regular co-managers, while Northland Securities was included as a co-manager based on its sales performance on the 2024ABC issue. As an all-taxable issue to be sold to institutional investors, a selling group for retail orders was not included.

Sales by Underwriter. As is customary for senior managers, RBC brought in the vast majority of institutional orders. For the Series D bonds, excluding stock orders, RBC brought in \$70.15 million of total orders, Northland brought in \$12.5 million—a large amount for a co-manager—and Morgan Stanley brought in \$1.5 million.

Based on its very strong performance, Northland will again serve as co-manager for the next issue.

Underwriter Fees. Management fees were appropriate, consistent with industry standards, and in the same range as fees reported for other housing issues of similar size and structure.

ISSUE DETAILS

Economic Calendar. Data releases throughout the second half of 2023 largely reflected slowing inflation, with more recent inflation data showing continued progress towards the Federal Reserve's annual inflation target of 2%. As a result, the Fed has left fed funds rates unchanged since its July 26th meeting, though short-term rates remain at their highest level in 22 years.

At its January meeting, the Fed acknowledged the progress made to curb inflation but stopped short of indicating that rate cuts are imminent as the economy's strength continues to surprise. Despite annual inflation cooling to 2.6% as of December, during the final two quarters of 2023, the U.S. economy *expanded* at its fastest pace since 2021, and unemployment has remained below 4% for the longest stretch of time since the 1960s. As a result, the timing of the first rate cut in 2024 and the total number of cuts this year are still very much to be determined, and the market volatility prevalent over the past year will likely continue as market participants await the Fed's next move and periodically react to the mixed signals in economic data releases.

Treasuries. At market close on the day of bond pricing, the 10-year Treasury yield was 4.10%, only 4 basis points lower than when series 2024ABC priced in January. The yield curve remained inverted, with the 2-year

Post-Sale Report: Minnesota Housing \$80,000,000 RHFB Series 2024 DE
Page 4 of 4

Treasury at 4.51% on the date of pricing, 41 basis points higher than the 10-year. This is a significant change since early 2023, when the 2-year Treasury had been as much as 100 basis points above the 10-year Treasury.

Municipals. In 2023, the supply of new-issue municipal bonds was the lowest of the past 5 years at just \$380 billion. Interest rates reached highs not seen in more than a decade, creating more demand from investors while fewer bonds were available, thus resulting in lower MMD to Treasury ratios by the end of 2023. Throughout 2023, while outflows continued from muni bond funds, municipal ETFs received periodic inflows, and there has been a much more favorable tone to investor demand in the muni market, due to lower supplies of new bond issues as well as investors looking to reinvest recent bond redemptions. This led to an especially favorable market for municipal issuers throughout much of 2023, which has continued into 2024. On the date of pricing for 2024DE, the 10-year MMD/Treasury ratio was 58.5%, compared to ratios in the 80% range in late 2022 and ratios near 70% in late 2023.

TABLE 1: COMPARISON OF RATES IN RECENT MHFA SINGLE-FAMILY TRANSACTIONS

Issue	Date	10-Year Treasury	10-Year MMD	MMD/Treasury	30-Year Treasury	30-Year MMD	MMD/Treasury
2022 RHFB AB	2/1/22	1.79%	1.50%	83.8%	2.11%	1.91%	91.1%
2022 RHFB CD	3/3/22	1.73%	1.61%	93.1%	2.16%	2.03%	94.0%
2022 RHFB EF	4/13/22	2.70%	2.46%	91.1%	2.81%	2.81%	100.0%
2022 RHFB GH	6/8/22	3.02%	2.45%	81.1%	3.17%	2.92%	92.1%
2022 RHFB IJK	9/13/22	3.42%	2.81%	82.1%	3.51%	3.62%	103.1%
2022 RHFB LMN	11/9/22	3.83%	3.26%	85.1%	4.31%	4.06%	94.2%
2023 RHFB ABC	2/7/23	3.68%	2.23%	60.6%	3.71%	3.24%	87.3%
2023 RHFB DE	4/19/23	3.60%	2.36%	65.6%	3.79%	3.40%	89.7%
2023 RHFB FG	6/18/23	3.72%	2.57%	69.1%	3.84%	3.50%	91.1%
2023 RHFB HI	6/29/23	3.85%	2.56%	66.5%	3.90%	3.49%	89.5%
2023 RHFB JK	7/27/23	4.01%	2.52%	62.8%	4.06%	3.51%	86.5%
2023 RHFB LM	8/23/23	4.19%	2.95%	70.4%	4.27%	3.91%	91.6%
2023 RHFB NOPQ	9/12/23	4.27%	2.98%	69.8%	4.35%	3.92%	90.1%
2023 RHFB RST	11/8/23	4.49%	3.20%	71.3%	4.64%	4.20%	90.5%
2023 RHFB UV	11/15/23	4.53%	3.10%	68.4%	4.68%	4.12%	88.0%
2024 RHFB ABC	1/23/24	4.14%	2.46%	59.4%	4.38%	3.61%	82.4%
2024 RHFB DE	3/11/24	4.10%	2.40%	58.5%	4.26%	3.57%	83.8%
Change from RHFB 2024 ABC		- 4 bps	- 6 bps	- 0.9%	- 12 bps	- 4 bps	- 1.4%

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TAXABLE SINGLE FAMILY HOUSING PRICING COMPARABLES, PAST 2 MONTHS PLUS EARLIER MHFA

Pricing Date	3/11/24	3/11/24	3/6/24	3/6/24	3/5/24					
Amount	\$60,000,000	\$160,000,000	\$60,000,000	\$244,850,000	\$15,000,000					
Issuer	Minnesota HFA	Virginia HDA	Florida HFC	Idaho HFA	Vermont HFA					
Series	2024 Series D	2024 Series A	2024 Series 2	2024 Series B	2024 Series B					
Program	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated	Single Family / Negotiated					
Rating(s)	Aa1 / AA+ / -	Aaa / AAA / -	Aaa / - / -	Aa1 / - / -	Aa1 / - / AA+					
Tax Status	Taxable	Taxable	Taxable	Taxable	Taxable					
Maturity Year ('24 pricings)	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST
0 2024										
1 2025			4.986	+45 to 2 yr					5.054 / 5.054	+50 / +50 to 2 yr
2 2026			4.886 / 4.886	+35 / +35 to 2 yr	4.892 / 4.892	+33 / +33 to 2 yr			5.004 / 5.004	+45 / +45 to 2 yr
3 2027			4.699 / 4.749	+40 / +45 to 3 yr	4.706 / 4.756	+37 / +42 to 3 yr			4.783 / 4.833	+45 / +50 to 3 yr
4 2028			4.637 / 4.687	+55 / +60 to 5 yr	4.70 / 4.74	+58 / +62 to 5 yr			4.784 / 4.834	+65 / +70 to 5 yr
5 2029			4.737 / 4.787	+65 / +70 to 5 yr	4.78 / 4.86	+66 / +74 to 5 yr			4.884 / 4.934	+75 / +80 to 5 yr
6 2030			4.849 / 4.899	+75 / +80 to 7 yr	4.913 / 4.963	+79 / +84 to 7 yr			4.998 / 5.048	+85 / +90 to 7 yr
7 2031			4.949 / 4.999	+85 / +90 to 7 yr	5.013 / 5.053	+89 / +93 to 7 yr				
8 2032			5.046 / 5.066	+95 / +97 to 10 yr	5.078 / 5.128	+97 / +102 to 10 yr				
9 2033			5.116 / 5.146	+102 / +105 to 10 yr	5.168 / 5.208	+106 / +110 to 10 yr				
10 2034	4.938	+85 to 5 yr	5.176 / 5.226	+108 / +113 to 10 yr	5.268 / 5.298	+116 / +119 to 10 yr	4.970	+85 to 5 yr		
11 2035										
12 2036										
13 2037										
14 2038										
15 2039	5.350	+125 to 10 yr	5.356	+126 to 10 yr	5.348	+124 to 10 yr	5.365	+126 to 10 yr		
16 2040										
17 2041										
18 2042										
19 2043										
20 2044			5.517	+126 to 30 yr	5.491	+125 to 30 yr	5.507	+127 to 30 yr		
21 2045	5.536	+127 to 30 yr								
22 2046										
23 2047										
24 2048										
25 2049			5.567	+131 to 30 yr	5.561	+132 to 30 yr	5.547	+131 to 30 yr		
26 2050										
27 2051										
28 2052										
29 2053										
30 2054			5.617	+136 to 30 yr					5.770	+150 to 30 yr
31 2055					5.601	+136 to 30 yr				
PAC	6.25C/5.308Y	+122 to 5 yr			6.00C/5.31Y	+119 to 5 yr	6.25C/5.382Y	+126 to 7 yr	6.25C/5.384Y	+125 to 5 yr
Notes	7/34 priced to 5yr (+84 to 10yr); 7/54 PAC is 6.25% coupon priced at 104.008 to yield 5.308% w/5 year avg. life 75-500% PSA		10/25 priced to 2yr		7/55 PAC is 6% coupon priced at 102.980 to yield 5.31% w/5.1 year avg. life 50-500% PSA		1/34 priced to 5yr (+86 to 10yr); 7/54 PAC is 6.25% coupon priced at 104.264 to yield 5.382% w/6 year avg. life 75-400% PSA		5/1/25 and 11/1/25 priced to 2yr; 11/54 PAC is 6.25% coupon priced at 103.651 to yield 5.384% w/5 year avg. life 100-500% PSA	
Maturity Dates	1/1 and 7/1		10/1 and 4/1		1/1 and 7/1		1/34, 1/39, 1/44, 7/49, 7/54		5/1 and 11/1	
Call Provisions	7/1/33 at par		4/1/33 at par		1/1/33 at par/YTM PAC		1/1/33 at par/101.435 PAC		5/1/33 at par	
Mkt Index	BBI / RBI 3.52% / 3.80%		BBI / RBI 3.52% / 3.80%		BBI / RBI 3.54% / 3.82%		BBI / RBI 3.54% / 3.82%		BBI / RBI 3.54% / 3.82%	
Sr Manager	RBC Capital Markets		Raymond James		RBC Capital Markets		Barclays		Morgan Stanley	

TAXABLE SINGLE FAMILY HOUSING PRICING COMPARABLES, PAST 2 MONTHS PLUS EARLIER MHFA

Pricing Date	2/28/24			2/27/24			2/27/24			2/22/24			2/21/24		
Amount	\$100,210,000			\$59,060,000			\$9,000,000			\$126,330,000			\$40,000,000		
Issuer	Utah HC			Pennsylvania HFA			Rhode Island HMFC			Michigan SHDA			North Dakota HFA		
Series	2024 Series D			Series 2024-144B			Series 82-T-1			2024 Series B			2024 Series B		
Program	Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated		
Rating(s)	Aa2 / - / -			Aa1 / AA+ / -			Aa1 / AA+ / -			Aa2 / AA+ / -			Aa1 / - / -		
Tax Status	Taxable			Taxable			Taxable			Taxable			Taxable		
Maturity Year (*24 pricings)	Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST	
0 2024				5.234	+50	to 2 yr				5.262	+55	to 2 yr			
1 2025				5.174 / 5.174	+44 / +44	to 2 yr	5.187 / 5.187	+47 / +47	to 2 yr	5.172 / 5.152	+46 / +44	to 2 yr			
2 2026				5.124 / 5.124	+39 / +39	to 2 yr	5.167 / 5.167	+45 / +45	to 2 yr						
3 2027				4.943 / 4.983	+44 / +48	to 3 yr	4.989 / 5.019	+50 / +53	to 3 yr						
4 2028				4.957 / 4.997	+62 / +66	to 5 yr	5.008 / 5.048	+68 / +72	to 5 yr	4.978	+65	to 5 yr			
5 2029	4.921 / 5.081	+65 / +81	to 5 yr	5.037 / 5.107	+70 / +77	to 5 yr				5.078 / 5.128	+75 / +80	to 5 yr			
6 2030	5.144 / 5.194	+85 / +90	to 7 yr	5.172 / 5.222	+83 / +88	to 7 yr				5.197 / 5.247	+85 / +90	to 7 yr			
7 2031	5.244 / 5.294	+95 / +100	to 7 yr	5.272 / 5.312	+93 / +97	to 7 yr				5.297 / 5.347	+95 / +100	to 7 yr			
8 2032	5.332 / 5.382	+106 / +111	to 10 yr	5.345 / 5.365	+103 / +105	to 10 yr				5.373 / 5.473	+105 / +115	to 10 yr			
9 2033	5.432 / 5.472	+116 / +120	to 10 yr	5.425 / 5.455	+111 / +114	to 10 yr				5.503 / 5.533	+118 / +121	to 10 yr			
10 2034	5.492 / 5.512	+122 / +124	to 10 yr	5.535 / 5.555	+122 / +124	to 10 yr				5.553 / 5.573	+123 / +125	to 10 yr	5.250	+96	to 5 yr
11 2035															
12 2036															
13 2037															
14 2038															
15 2039	5.562	+129	to 10 yr	5.595	+128	to 10 yr				5.623	+130	to 10 yr	5.543	+123	to 10 yr
16 2040															
17 2041															
18 2042															
19 2043															
20 2044	5.699	+129	to 30 yr	5.730	+129	to 30 yr				5.767	+131	to 30 yr	5.781	+130	to 30 yr
21 2045															
22 2046															
23 2047				5.800	+136	to 30 yr									
24 2048															
25 2049	5.779	+137	to 30 yr										5.861	+138	to 30 yr
26 2050										5.867	+141	to 30 yr			
27 2051															
28 2052													5.931	+145	to 30 yr
29 2053															
30 2054	5.829	+142	to 30 yr												
31 2055															
PAC	6.25C/5.584Y +129 to 7 yr												6.25C/5.576Y +123 to 5 yr		
Notes	7/54 PAC is 6.25% coupon priced at 103.283 to yield 5.584% w/6 year avg. life 75-400% PSA			10/24 through 10/25 priced to 2yr			4/25 and 10/25 priced to 2yr			12/24 through 12/25 priced to 2yr			7/34 priced to 5yr (+94 to 10yr); 7/54 PAC is 6.25% coupon priced at 103.095 to yield 5.52% w/5 year avg. life 50-500% PSA		
Maturity Dates	1/1 and 7/1			10/1 and 4/1			4/1 and 10/1			12/1 and 6/1			7/1 except 1/1/52		
Call Provisions	1/1/33 at par			10/1/32 at par			None			6/1/33 at par			7/1/33 at par		
Mkt Index	BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%		
Sr Manager	Barclays			RBC Capital Markets			RBC Capital Markets			Barclays			RBC Capital Markets		

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TAXABLE SINGLE FAMILY HOUSING PRICING COMPARABLES, PAST 2 MONTHS PLUS EARLIER MHFA

Pricing Date	2/21/24			2/15/24			2/15/24			2/13/24			2/13/24		
Amount	\$39,120,000			\$10,000,000			\$49,540,000			\$349,250,000			\$34,510,000		
Issuer	SONYMA			Missouri HDC			Nevada HD			Illinois HDA			Iowa FA		
Series	Series 260			2024 Series B			Series 2024B			2024 Series B			2024 Series B		
Program	Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated		
Rating(s)	Aa1 / - / -			- / AA+ / -			- / AA+ / -			Aaa / - / -			Aaa / AAA / -		
Tax Status	Taxable			Taxable			Taxable			Taxable			Taxable		
Maturity Year ('24 pricings)	Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST	
0 2024	5.168	+50	to 2 yr				5.065	+50	to 2 yr						
1 2025	5.168 / 5.168	+50 / +50	to 2 yr				5.035 / 5.025	+47 / +46	to 2 yr				5.07 / 5.07	+40 / +40	to 2 yr
2 2026	5.118 / 5.118	+45 / +45	to 2 yr	4.970	+41	to 2 yr	4.965 / 4.975	+40 / +41	to 2 yr				5.02 / 4.97	+35 / +30	to 2 yr
3 2027	4.944 / 4.984	+50 / +54	to 3 yr	4.870	+51	to 3 yr	4.875 / 4.895	+52 / +54	to 3 yr				4.929	+45	to 3 yr
4 2028	4.994 / 5.034	+69 / +73	to 5 yr	4.930	+71	to 5 yr	4.917 / 4.977	+70 / +76	to 5 yr						
5 2029	5.084 / 5.134	+78 / +83	to 5 yr	5.030	+81	to 5 yr	5.017 / 5.057	+80 / +84	to 5 yr						
6 2030	5.178 / 5.228	+85 / +90	to 7 yr	5.110	+86	to 7 yr	5.126 / 5.176	+88 / +93	to 7 yr				5.094 / 5.194	+75 / +85	to 7 yr
7 2031	5.258 / 5.308	+93 / +98	to 7 yr	5.210	+96	to 7 yr	5.216 / 5.266	+97 / +102	to 7 yr				5.244 / 5.294	+90 / +95	to 7 yr
8 2032	5.349 / 5.399	+103 / +108	to 10 yr	5.360	+112	to 10 yr	5.31 / 5.40	+107 / +116	to 10 yr				5.324 / 5.424	+100 / +110	to 10 yr
9 2033	5.449 / 5.479	+113 / +116	to 10 yr	5.410	+117	to 10 yr	5.45 / 5.47	+121 / +123	to 10 yr				5.454 / 5.474	+113 / +115	to 10 yr
10 2034	5.499 / 5.519	+118 / +120	to 10 yr	5.460	+122	to 10 yr	5.49 / 5.51	+125 / +127	to 10 yr				5.504 / 5.524	+118 / +120	to 10 yr
11 2035							5.53 / 5.56	+129 / +132	to 10 yr						
12 2036															
13 2037															
14 2038															
15 2039	5.599	+128	to 10 yr	5.510	+127	to 10 yr	5.510	+127	to 10 yr				5.614	+129	to 10 yr
16 2040															
17 2041															
18 2042															
19 2043	5.798	+132	to 30 yr												
20 2044				5.750	+133	to 30 yr	5.719	+130	to 30 yr				5.784	+132	to 30 yr
21 2045															
22 2046															
23 2047															
24 2048															
25 2049				5.890	+147	to 30 yr	5.839	+142	to 30 yr				5.884	+142	to 30 yr
26 2050															
27 2051															
28 2052															
29 2053															
30 2054				5.940	+152	to 30 yr							5.914	+145	to 30 yr
31 2055															
PAC	6.25C/5.544Y	+125	to 5 yr				6.25C/5.467Y	+125	to 5 yr				6.00C/5.608Y	+128	to 5 yr
Notes	10/24 through 10/25 priced to 2yr; 10/54 PAC is 6.25% coupon priced at 102.974 to yield 5.544% w/5 year avg. life 60-500% PSA						10/24 through 10/25 priced to 2yr; 10/54 PAC is 6.25% coupon priced at 103.312 to yield 5.467% w/5 year avg. life 50-500% PSA			4/25 and 10/25 priced to 2yr; 4/54 PAC is 6% coupon priced at 101.638 to yield 5.608% w/5 year avg. life 75-400% PSA			7/54 PAC is 6.25% coupon priced at 102.855 to yield 5.576% w/5 year avg. life 50-500% PSA		
Maturity Dates	10/1 and 4/1			11/1 and 5/1			10/1 and 4/1			4/1 and 10/1			7/1		
Call Provisions	4/1/33 at par			5/1/33 at par			4/1/33 at par			4/1/34 at par			7/1/33 at par		
Mkt Index	BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%			BBI / RBI 3.54% / 3.82%			BBI / RBI 3.49% / 3.77%			BBI / RBI 3.49% / 3.77%		
Sr Manager	BofA			Raymond James			J.P. Morgan			Morgan Stanley			RBC Capital Markets		

TAXABLE SINGLE FAMILY HOUSING PRICING COMPARABLES, PAST 2 MONTHS PLUS EARLIER MHFA

Pricing Date	2/13/24		2/6/24		1/30/24		1/25/24		1/24/24	
Amount	\$175,500,000		\$18,070,000		\$33,050,000		\$34,270,000		\$24,000,000	
Issuer	Tennessee HDA		Texas SAHC		Indiana HCDA		Nebraska IFA		New Mexico MFA	
Series	Issue 2024-1B		Series 2024B		2024 Series A-2		2024 Series B		2024 Series B	
Program	Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated		Single Family / Negotiated	
Rating(s)	Aa1 / AA+ / -		Aa1 / - / -		Aaa / - / AA+		- / AAA / -		Aaa / - / -	
Tax Status	Taxable		Taxable		Taxable		Taxable		Taxable	
Maturity Year ('24 pricings)	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST	Coupon/ Yield	Spread to UST
0 2024					4.859	+50 to 2 yr	4.944	+60 to 2 yr		
1 2025	5.151 / 5.151	+50 / +50 to 2 yr			4.859 / 4.859	+50 / +50 to 2 yr	4.844 / 4.844	+50 / +50 to 2 yr	4.913 / 4.913	+50 / +50 to 2 yr
2 2026	5.101 / 5.101	+45 / +45 to 2 yr	4.950	+56 to 2 yr	4.779 / 4.789	+42 / +43 to 2 yr	4.844 / 4.844	+50 / +50 to 2 yr	4.963 / 4.963	+55 / +55 to 2 yr
3 2027	4.96 / 5.01	+50 / +55 to 3 yr	4.870	+73 to 3 yr	4.674 / 4.724	+53 / +58 to 3 yr	4.729 / 4.829	+60 / +70 to 3 yr	4.839 / 4.839	+65 / +65 to 3 yr
4 2028	5.016 / 5.066	+70 / +75 to 5 yr	4.920	+89 to 5 yr	4.725 / 4.775	+73 / +78 to 5 yr	4.839 / 4.889	+80 / +85 to 5 yr	4.87 / 4.92	+78 / +83 to 5 yr
5 2029	5.116 / 5.166	+80 / +85 to 5 yr	4.940	+91 to 5 yr	4.815 / 4.855	+82 / +86 to 5 yr	4.889 / 4.939	+85 / +90 to 5 yr	4.96 / 4.99	+87 / +90 to 5 yr
6 2030	5.186 / 5.236	+85 / +90 to 7 yr	5.080	+101 to 7 yr	4.934 / 4.984	+90 / +95 to 7 yr	5.096 / 5.146	+100 / +105 to 7 yr	5.147 / 5.197	+100 / +105 to 7 yr
7 2031	5.286 / 5.336	+95 / +100 to 7 yr	5.180	+111 to 7 yr	5.024 / 5.064	+99 / +103 to 7 yr	5.196 / 5.246	+110 / +115 to 7 yr	5.247 / 5.297	+110 / +115 to 7 yr
8 2032	5.366 / 5.466	+105 / +115 to 10 yr	5.290	+120 to 10 yr			5.328 / 5.408	+120 / +128 to 10 yr	5.352 / 5.402	+117 / +122 to 10 yr
9 2033	5.496 / 5.516	+118 / +120 to 10 yr	5.340	+125 to 10 yr			5.428	+130 to 10 yr	5.432 / 5.452	+125 / +127 to 10 yr
10 2034	5.536 / 5.566	+122 / +125 to 10 yr	5.390	+130 to 10 yr						
11 2035										
12 2036										
13 2037										
14 2038										
15 2039	5.616	+130 to 10 yr	5.470	+138 to 10 yr					5.552	+137 to 10 yr
16 2040										
17 2041										
18 2042										
19 2043										
20 2044	5.795	+133 to 30 yr	5.730	+144 to 30 yr					5.830	+140 to 30 yr
21 2045										
22 2046										
23 2047										
24 2048										
25 2049	5.915	+145 to 30 yr	5.880	+159 to 30 yr					5.980	+155 to 30 yr
26 2050										
27 2051										
28 2052										
29 2053										
30 2054	5.965	+150 to 30 yr	5.930	+164 to 30 yr					6.030	+160 to 30 yr
31 2055										
PAC	6.25C/5.566Y	+125 to 5 yr	6.00C/5.42Y	+139 to 5 yr	6.00C/5.255Y	+126 to 5 yr	6.25C/5.389Y	+135 to 5 yr		
Notes	1/25 and 7/25 priced to 2yr; 1/55 PAC is 6.25% coupon priced at 102.895 to yield 5.566% w/5 year avg. life 100-500% PSA		9/54 PAC is 6% coupon priced at 102.783 to yield 5.42% w/5.9 year avg. life 100-400% PSA		7/24 through 7/25 priced to 2yr; 7/49 PAC is 6.00% coupon priced at 103.186 to yield 5.255% w/5 year avg. life 50-500% PSA		9/24 through 9/25 priced to 2yr; 9/49 PAC is 6.25% coupon priced at 103.639 to yield 5.389% w/5 year avg. life 50-500% PSA		3/25 and 9/25 priced to 2yr	
Maturity Dates	1/1 and 7/1		3/1 plus 9/54 PAC		7/1 and 1/1		9/1 and 3/1		3/1 and 9/1	
Call Provisions	1/1/33 at par		3/1/34 at par/100.825 PAC		1/1/33 at par		3/1/33 at par		3/1/33 at par	
Mkt Index	BBI / RBI 3.49% / 3.77%		BBI / RBI 3.34% / 3.62%		BBI / RBI 3.43% / 3.71%		BBI / RBI 3.43% / 3.71%		BBI / RBI 3.39% / 3.67%	
Sr Manager	Raymond James		Raymond James		RBC Capital Markets		J.P. Morgan		RBC Capital Markets	

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TAXABLE SINGLE FAMILY HOUSING PRICING COMPARABLES, PAST 2 MONTHS PLUS EARLIER MHFA

Pricing Date	1/23/24			1/23/24			1/17/24			11/15/23			11/8/23			
Amount	\$120,000,000			\$73,605,000			\$93,750,000			\$48,750,000			\$82,500,000			
Issuer	Alaska HFC			Minnesota HFA			Colorado HFA			Minnesota HFA			Minnesota HFA			
Series	2024 Series C			2024 Series B			2024 Series A-1			2023 Series U			2023 Series S			
Program	Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			Single Family / Negotiated			
Rating(s)	Aa1 / AA+ / -			Aa1 / AA+ / -			Aaa / AAA / -			Aa1 / AA+ / -			Aa1 / AA+ / -			
Tax Status	Taxable			Taxable			Taxable			Taxable			Taxable			
Maturity Year (*24 pricings)	Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		Coupon/ Yield	Spread to UST		
0	2024	5.033	+65	to 2 yr												
1	2025	4.933 / 4.933	+55 / +55	to 2 yr	4.853 / 4.883	+47 / +50	to 2 yr									
2	2026	4.883 / 4.883	+50 / +50	to 2 yr	4.733 / 4.783	+35 / +40	to 2 yr	4.646 / 4.696	+50 / +55	to 3 yr						
3	2027	4.808 / 4.858	+65 / +70	to 3 yr	4.718 / 4.748	+56 / +59	to 3 yr	4.766 / 4.816	+62 / +67	to 3 yr						
4	2028	4.851 / 4.901	+80 / +85	to 5 yr	4.719 / 4.769	+67 / +72	to 5 yr	4.804 / 4.884	+77 / +85	to 5 yr						
5	2029	4.951 / 5.001	+90 / +95	to 5 yr				4.934 / 4.984	+90 / +95	to 5 yr						
6	2030	5.155 / 5.205	+105 / +110	to 7 yr				5.13 / 5.18	+105 / +110	to 7 yr						
7	2031	5.205 / 5.255	+110 / +115	to 7 yr				5.21 / 5.25	+113 / +117	to 7 yr						
8	2032	5.342 / 5.372	+120 / +123	to 10 yr				5.36 / 5.39	+125 / +128	to 10 yr						
9	2033	5.392 / 5.422	+125 / +128	to 10 yr				5.41 / 5.44	+130 / +133	to 10 yr						
10	2034	5.442	+130	to 10 yr	5.205	+110	to 7 yr	5.46 / 5.48	+135 / +137	to 10 yr						
11	2035							5.51 / 5.51	+140 / +140	to 10 yr	5.742	+120	to 5yr	5.685	+117	to 5yr
12	2036															
13	2037															
14	2038															
15	2039	5.542	+140	to 10 yr	5.520	+138	to 10 yr	5.560	+145	to 10 yr						
16	2040										6.121	+157	to 10 yr	6.089	+157	to 10 yr
17	2041															
18	2042												6.139	+162	to 10 yr	
19	2043															
20	2044	5.762	+137	to 30 yr	5.780	+139	to 30 yr	5.750	+142	to 30 yr	6.321	+160	to 30 yr			
21	2045												6.228*	+157	to 30 yr	
22	2046															
23	2047															
24	2048							5.880	+155	to 30 yr						
25	2049	5.892	+150	to 30 yr	5.900	+151	to 30 yr									
26	2050												6.328	+167	to 30 yr	
27	2051				5.960	+157	to 30 yr									
28	2052															
29	2053															
30	2054															
31	2055															
PAC	6.25C/5.501Y	+145	to 5 yr								6.50C/6.052Y	+151	to 5 yr			
Notes	12/24 through 12/25 priced to 2yr; 12/53 PAC is 6.25% coupon priced at 103.091 to yield 5.501% w/5 year avg. life 75-500% PSA			1/25 and 7/25 priced to 2yr; 1/34 priced to 7yr avg. life			5/26 and 11/26 priced to 3yr			1/34 priced to 5yr avg. life; 1/39 priced to 10yr (+140 to 30yr); 7/54 PAC is 6.50% at 101.856 to yield 6.052% w/5 yr avg. life 75-500%			1/34 priced to 5yr average life; 7/39 and 7/41 priced to 10yr (+143 and +148 to 30yr); 1/44 is 6.185% coupon			
Maturity Dates	12/1 and 6/1			1/1 and 7/1			5/1 and 11/1			1/1/34, 1/1/39, 7/1/43, 7/1/54			1/1 and 7/1			
Call Provisions	6/1/33 at par			7/1/33 at par			11/1/32 at par			1/1/33 at par			1/1/33 at par			
Mkt Index	BBI / RBI 3.39% / 3.67%			BBI / RBI 3.39% / 3.67%			BBI / RBI 3.31% / 3.59%			BBI / RBI 3.93% / 4.21%			BBI / RBI 4.17% / 4.45%			
Sr Manager	Jefferies			RBC Capital Markets			BofA			RBC Capital Markets			RBC Capital Markets			

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