

**Pennsylvania Housing Finance Agency  
Meeting of the Board  
June 20, 2019**

**(As amended at the July 11, 2019 Board Meeting)**

**Members Present:**

Robin Wiessmann, Chair  
Mark Schwartz, Vice Chair  
Maria F. Coutts  
Ronald F. Croushore  
\*Mark Dombrowski  
Jennifer Koppel  
Kathy Possinger (serving in the stead of  
Dennis Davin, Secretary of Department  
of Community and Economic Development)  
Gary E. Lenker  
Robert Loughery  
Beth Ellis (serving in the stead of  
Teresa Miller, Secretary, Human Services)  
Ross Nese  
\*John P. O'Neill  
John Paone  
Keith Welks (serving in the stead of  
Joseph Torsella, State Treasurer)

\*On Telephone conference call

**Members Absent:**

**Others Present:**

Brian A. Hudson, Executive Director  
Rebecca L. Peace, Deputy Executive Director/Chief Counsel  
Holly Glauser, Director of Development  
Carl Dudeck, Director of Housing Management  
Kathryn Newton, Director of Loan Servicing  
Coleen Baumert, Director of Homeownership  
Scott Elliott, Director of Communications  
Ali Tomich, Director of Western Region  
Nancy Twyman, Director of Eastern Region  
Jordan Laird, Director of Finance  
John Zapotocky, Director of Accounting  
Melissa Grover, Director of Government Affairs  
Charlotte Folmer, Executive Director, Commonwealth Cornerstone Group  
Thomas Brzana, Director of Business Analytics  
Lori Toia, Director, Homeowners Emergency Mortgage Assistance Program  
Terri Redmond, Director of Counseling  
Ken Bobb, Senior Construction Document Examiner  
Jay Hauser, Manager of Facilities and Construction  
David Doray, Manager of Multifamily Underwriting  
Larry Jackson, Manager of Internal Audit

Debbie Hammond, Manager of Property Preservation Unit  
Gail Shull, Senior Development Officer  
Kelly Wilson, Development Officer  
Steven O'Neill, Assistant Counsel  
Iman McAllister, Legal Clerk  
Clay Lambert, Business Policy Officer  
Chris Anderson, Communications Officer  
Leighton Stiffler, Internal Audit Coordinator  
Wendy Gessner, Senior Finance Officer  
Ralph Jones, U.S. Bank National Association  
Robert Foggio, Jefferies LLC  
Jim Stretz, George K. Baum & Company  
Michael Baumrin, RBC Capital Markets, LLC  
Mitch Gallo, RBC Capital Markets, LLC  
Nicholas Fluehr, Wells Fargo Bank, N.A.  
Cindy Daley, Regional Housing Legal Services  
Jeffery Smith, Susquehanna Net Zero Housing  
\*David Alexander, Susquehanna Net Zero Housing  
Alan Flannigan, Department of Banking and Securities  
Robert Theil, NewCourtland Senior Services  
Jenifer Shockley, Pennsylvania Developers' Council  
\*Brandon Hamilton, Senator Galloway's Office, House Commerce Committee  
Kimberly Smeal, Assistant Secretary  
Maggie Strawser, Assistant Secretary  
Carrie M. Barnes, Secretary

A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency was held on Thursday, June 20, 2019 at 10:30 a.m. at the offices of the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, Pennsylvania.

In compliance with the provisions of the Sunshine Act, notification of this meeting appeared in the Legal Notices Section of *The Patriot News* in Harrisburg, Dauphin County on June 6, 2019.

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order by Chair Wiessmann at 10:35 a.m. The roll was called and a quorum was present.

**2. APPROVAL OF THE MINUTES FROM THE APRIL 11, 2019 BOARD MEETING**

There were no additions or corrections to the minutes as presented.

**Mr. Lenker made a motion that the minutes from the April 11, 2019 Board meeting be approved as submitted. This motion was seconded by Mr. Schwartz and was unanimously approved.**

**RECOGNITION OF PHFA RETIREES**

Mr. Hudson reported that there are three PHFA employees retiring at the end of this month.

He recognized Gail Shull who has been with the Agency for 17 years and is currently a Senior Development Officer in the Development Division; Thresa Mateer who has been with the Agency for 27 years and is currently a Senior Escrow Officer in the Loan Servicing Division and Nancy Twyman who has been with the Agency for 28 years and is currently the Director of the Eastern Region in the Norristown Office.

Mr. Hudson thanked each of them for all of their efforts and hard work at PHFA over the years and wished them well in their retirement. These sentiments were echoed by the Board.

Mr. Hudson announced that Jay Hausher will be taking Nancy Twyman's position in the Norristown Office. Jay has been with the Agency for 28 years and is currently PHFA's Manager of Facilities and Construction.

**3. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT**

Mr. Welks as Chair of the Program and Development Review Committee reported that the Committee met prior to the Board meeting to discuss and review the following items.

**A. Request for Tax-Exempt Financing**

**1. Susquehanna Square, Philadelphia, Philadelphia County**

Ms. Wilson reviewed the project specifics and financing plan. The sponsor is requesting financing from the Agency for this project in the form of tax-exempt bonds in the approximate amount of \$7,500,000. Staff recommends approval.

Mr. Welks reported that the Program and Development Review Committee concurs with staff's recommendation.

**Mr. Welks made the motion that the Board approve the resolution authorizing the issuance of \$7,500,000 maximum aggregate principal amount of Special Limited Obligation Multifamily Housing Development Bonds for Susquehanna Square. This motion was seconded by Ms. Possinger. Mr. Schwartz abstained. The motion carried. (See Appendix 1 of these Minutes.)**

2. **Lillia Crippen Townhomes, Philadelphia, Philadelphia County**

Ms. Glauser stated that Ms. Shull will be greatly missed in the Development Division and she personally wished her well and thanked her for her years of service.

Ms. Shull reviewed the project specifics and financing plan. The sponsor is requesting financing from the Agency for this project in the form of tax-exempt bonds in the approximate amount of \$7,000,000. Staff recommends approval.

Mr. Welks reported that the Program and Development Review Committee concurs with staff's recommendation.

**Mr. Welks made the motion that the Board approve the resolution authorizing the issuance of \$7,000,000 maximum aggregate principal amount of Special Limited Obligation Multifamily Housing Development Bonds for Lillia Crippen Townhomes. This motion was seconded by Mr. Loughery. Mr. Schwartz and Mr. Paone abstained. The motion carried. (See Appendix 2 of these Minutes.)**

3. **Susquehanna Net Zero Housing, Philadelphia, Philadelphia County**

Ms. Shull reviewed the project specifics and financing plan. The sponsor is requesting financing from the Agency in the form of tax-exempt bonds in the approximate amount of \$12,500,000. Staff recommends approval.

Mr. Welks reported that the Program and Development Review Committee concurs with staff's recommendation.

**Mr. Welks made the motion that the Board approve the resolution authorizing the issuance of \$12,500,000 maximum aggregate principal amount of Special Limited Obligation Multifamily Housing Development Bonds for Susquehanna Net Zero Housing. This motion was seconded by Ms. Coutts.**

Mr. Welks asked if anyone in attendance at the meeting representing this project would like to say a few words. Mr. Smith, representing the sponsorship entity thanked the Board for their support and funding of this project.

**Chair Wiessmann called for a vote on the motion that the Board approve the resolution authorizing the issuance of \$12,500,000 maximum aggregate principal amount of Special Limited Obligation Multifamily**

**Housing Development Bonds for Susquehanna Net Zero Housing. The motion was seconded and unanimously approved. (See Appendix 3 of these Minutes.)**

**B. Other Business**

Mr. Welks reported that the Committee approved the transfer of general partnership interest for Willow Court located in Mount Carmel, Northumberland County and Homestead Apartments located in Homestead, Allegheny County. He noted that the Program and Development Review Committee has been given the authority by the Board to approve these type of requests. See Appendix 4 and 5 respectively of these Minutes.)

**4. APPROVAL OF THE AMENDMENT TO THE ALLOCATION PLAN FOR YEARS 2019-2020 LOW INCOME HOUSING TAX CREDIT PROGRAM**

Ms. Glauser reported that the Board previously adopted the 2019 and 2020 Allocation Plan and since that time there have been certain eligibility criteria which have changed. The Plan anticipated that such changes might be necessary and included a methodology for amending.

She noted changes to Compliance Monitoring to specifically incorporate new Treasury regulations; changes to the new scoring system under Selection Criteria, School Performance Score section and changes to adjust eligibility for ranking consideration to projects that meet program timeframes for Program Year 2020 under Selection Criteria, Section 811 Program Participation.

A discussion took place regarding HUD's 811 Demonstration Program. The Agency received two awards and has 400 units to serve persons with disabilities. Currently the Agency has 338 units under contract with 100 of those already occupied. The Agency continues to work with the Department of Aging, the Department of Human Services and the Department of Community and Economic Development to locate tenants to occupy the available units. They also continue to work with local service providers to locate eligible tenants.

Ms. Glauser reported that Dauphin County has the most Section 811 tenants of any county in the Commonwealth. Ms. Koppel underscored the need for housing supports for vulnerable populations and urged continued efforts to meet these needs.

Mr. Nese suggested increasing marketing of the program to help with the occupancy issue. Mr. Hudson noted that the occupancy issue is not solely a Pennsylvania issue, it is a

problem nationwide. He added that the Agency has gone above and beyond what other states have done in its attempt to fill these units. He reported that the Agency has one person on staff dedicated to the 811 program.

**Mr. Welks made the motion that the Board approve the amendment to the 2019-2020 Allocation Plan as presented by staff. The motion was seconded by Mr. Nese and unanimously approved.**

**5. JOINT HEMAP AND AUDIT COMMITTEE REPORTS**

**A. HEMAP Audit Plan**

Mr. Paone as Chair of the HEMP Committee reported that the HEMAP and Audit Committees met earlier this week to review the audit plan presentations by the auditing firms.

Horsey Buckner & Heffler presented their plan to audit the HEMAP. Following their presentation, it was the decision of both the HEMAP and Audit Committees that Horsey Buckner & Heffler be authorized to proceed with the HEMAP audit. No action is required by the Board.

**B. PHFA Audit Plan**

Ms. Possinger as Chair of the Audit Committee reported that KPMG, the auditors for the Agency, presented their plan to audit the Agency. Following their presentation, it was the decision of the Audit Committee that KPMG be authorized to proceed with the Agency audit. No action is required by the Board.

**6. JOINT HEMAP AND FINANCE COMMITTEE REPORTS**

**A. HEMAP Budget for Fiscal Year Ending June 30, 2020**

Mr. Schwartz was Acting Chair of the HEMAP Committee meeting which took place earlier in the week to review the HEMAP budget for the fiscal year ending June 30, 2020.

He noted the budget reflects an 18.3 percent increase primarily due to the counseling fee being raised from \$35 to \$75 per hour. There are no other significant changes except to note the increase in health insurance costs.

A question was raised about how much longer the HEMAP will have funds to assist homeowners. Mr. Hudson reported that based on the number of applications being received and the number being approved, and the payments and prepayments

being received, it is possible the program could continue operating for three to five years.

There were no comments or questions from the Board.

**Mr. Schwartz made the motion that the Board approve the budget as presented for the HEMAP for fiscal year ending June 30, 2020. This motion was seconded by Ms. Coutts and was unanimously approved. (See Appendix 6 of these Minutes.)**

**B. PHFA Budget for Fiscal Year Ending June 30, 2020**

Ms. Possinger as Chair of the Finance Committee noted that the PHFA budget reflects an increase of 3.84 percent over the current year with no new staff positions requested. It projects the General Fund net income to be approximately \$2,500,000. The primary reasons for the increase are salaries and health benefits.

There were no comments or questions from the Board.

**Ms. Possinger made the motion that the Board approve the budget as presented by staff for the Agency for fiscal year ending June 30, 2020. This motion was seconded and unanimously approved. (See Appendix 7 of these Minutes.)**

**7. ADOPTION OF UPDATES TO PHFA INTERNAL POLICIES**

**A. Investment Policy and Guidelines**

Mr. Hudson stated that the Investment Policy provides direction to Agency staff in making investment decisions and is based on state law, rating agency guidelines and prudent investment standards.

There were no comments or questions from the Board.

**Mr. Lenker made the motion that the Board approve the updated Investment Policy and Guidelines as proposed. This motion was seconded by Ms. Coutts and was unanimously approved.**

**B. Disclosure Policy**

Mr. Hudson reported that staff has an obligation to provide timely information about its financial condition and updates to its programs in both the primary and secondary markets. The Disclosure Policy defines the duties and ongoing staff reviews which are involved in Agency bond issues and continuing disclosure.

There were no comments or questions from the Board.

**Mr. Nese made the motion that the Board approve the updated Disclosure Policy as proposed. This motion was seconded by Ms. Possinger and was unanimously approved.**

**8. INVESTMENT BANKER REPORT**

Mr. Foggio of Jefferies presented an economic and market update to the Board.

He reported that the trade war is a major influence on the nation's economy and its inflation rate as well as slowing down investment spending. It is however expected that the labor market will continue to generate solid growth.

Regarding housing, Mr. Foggio reported that the housing sector shows signs of picking up after having stalled primarily because of affordability however it remains an issue.

Consumer confidence has been solid with a continuing decline in unemployment, the rise in job creation and growth in income.

There were several brief discussions regarding long term debt, inflation and market activity.

**9. DEVELOPMENT STATUS REPORT**

There were no comments or questions on this report.

**10. PHFA INVESTMENT REPOT**

There were no comments or questions on this report.

**11. OTHER BUSINESS**

**A. PHARE Program Legislation**

Mr. Hudson reported that legislation proposed regarding increasing the cap to the Agency on the PHARE program passed the Senate Urban Affairs Committee earlier this week. Mr. Schwartz encouraged anyone on the Board who knows someone on the House Appropriations Committee to contact them and encourage them to support this legislation. He thanked Ms. Grover for her efforts in meeting with and talking to legislators regarding this legislation.

**B. Affordable Housing Credit Improvement Act**

Mr. Hudson reported that this proposed federal legislation would increase the Low Income Housing Tax Credit allocation and would fix the four percent issue associated with the allocation for tax-exempt projects. He noted that the Agency will be encouraging members of the House Ways and Means Committee to support this legislation.

**C. National Association of Home Builders**

Mr. Lenker reported that the National Association of Home Builders held a special meeting and noted the strong relationship they have with the HFA's in supporting affordable housing. Mr. Lenker presented a resolution outlining this relationship. He noted that investments to affordable housing begin at the local level.

**12. EXECUTIVE SESSION**

At this point in the meeting, Chair Wiessmann called for a temporary adjournment of the Board meeting so that an Executive Session could be convened to discuss personnel issues.

The meeting was temporarily adjourned at 11:45 a.m.

The Executive Session was called to order at 11:50 a.m.

Following Executive Session, the Board meeting reconvened at 12:40 p.m.

**13. PERSONNEL COMMITTEE REPORT**

**Mr. Paone as Chair of the Personnel Committee made the motion that the Board approve the salary decisions made by the Board during Executive Session. This motion was seconded by Mr. Lenker. Chair Wiessmann, Mr Welks and Mr. Loughery did not participate in the vote. The motion carried.**

There were no other personnel issues for Board action.

**14. ADJOURNMENT**

There being no further business to be discussed, a motion was made and seconded that the Board meeting be adjourned. The motion was unanimously approved. The meeting adjourned at 12:45 p.m.

The next monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held at the Agency on Thursday, July 11, 2019 at 10:30 a.m.

Respectfully submitted,



Carrie M. Barnes  
Secretary

**PENNSYLVANIA HOUSING FINANCE AGENCY**

**RESOLUTION**

**Authorizing the Issuance of \$7,500,000  
Maximum Aggregate Principal Amount of  
Special Limited Obligation Multifamily Housing Development Bonds  
(Susquehanna Square)**

**Adopted: June 20, 2019**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$7,500,000 MAXIMUM AGGREGATE PRINCIPAL AMOUNT  
SPECIAL LIMITED OBLIGATION  
MULTIFAMILY HOUSING DEVELOPMENT BONDS  
(SUSQUEHANNA SQUARE)**

**WHEREAS**, the Housing Finance Agency Law, Act of December 3, 1959, P.L. 1688, as amended (35 P.S. Section 1680.101 *et seq.*) (the "**Act**"), determines and declares that the welfare of the Commonwealth of Pennsylvania (the "**Commonwealth**") is threatened by an inadequate supply of housing for persons and families of low and moderate income and the elderly; that the housing need for persons and families of low and moderate income and the elderly has not had economic expression in a market demand sufficient to encourage greater production of such housing by private industry due to high construction costs, a scarcity of financing and increased interest rates; that necessary governmental activities in urban renewal programs and under regulatory laws protecting health and safety face serious curtailment or interruption unless it becomes economically feasible for persons and families to acquire housing in place of the dwellings being eliminated by such activities; that the Commonwealth has a strong moral responsibility to assist in providing opportunity for the rental of relocation housing by persons and families displaced by necessary governmental activities and a general responsibility to eliminate conditions which prevent private industry from supplying housing to relieve the general shortage of housing; that private industry alone is unable to provide financing necessary for housing for persons and families of low and moderate income at a cost which such persons and families can afford; that the financing provided for in the Act will encourage greater expenditure of private capital for housing; and that there is a clear relationship between the provision of adequate, safe and sanitary housing and the advancement of public health and morals and the prevention of fire, accident and crime; and

**WHEREAS**, the Act empowers the Pennsylvania Housing Finance Agency (the "**Agency**") to make loans to eligible borrowers to provide for the construction, rehabilitation or permanent financing of such residential housing developments as in the judgment of the Agency have promise of supplying well planned, well designed apartment units which will provide housing for low and moderate income persons or families or the elderly and others in locations where there is a need for such housing and to purchase, service and sell such loans and to accept grants and subsidies from and to enter into agreements or other transactions with any federal agency or agency of the Commonwealth or other entity and to do all things necessary or convenient to carry out the powers granted by the Act; and

**WHEREAS**, the Agency is further authorized to issue and sell, subject to written approval by the Governor, bonds or notes in such principal amounts as, in the opinion of the Agency, are necessary to provide sufficient funds for achieving its corporate purposes; and

**WHEREAS**, the Agency has the power to invest any funds held in reserve or sinking funds and any funds not required for immediate disbursement in such investments as may be lawful for fiduciaries under any law of the Commonwealth, and the Agency may pledge reserve funds to the holders of bonds or notes which are issued pursuant to the Act and proceeds of loans created therefor by the Agency, all or any part of the assets acquired by the Agency pursuant to the Act, and any other lawfully available money to secure the payment of such bonds or notes; and

**WHEREAS**, the Act provides that bonds or notes issued by the Agency may be secured by a trust agreement, indenture of trust or similar instrument by and between it and a trustee and that the resolution providing for the issuance of such bonds or notes or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Agency in relation to the custody, safeguarding and application of all moneys, may set forth the rights and remedies of the bondholders or noteholders and of any trustee, and may contain such other provisions as the Agency may deem reasonable and proper for the security of the bondholders or noteholders; and

**WHEREAS**, the Agency has determined to issue and secure bonds or notes in one or more series or subseries in accordance with, pursuant to and under this Resolution, a loan agreement and/or similar loan, trust, financing or purchase agreements (such operative documents shall be referred to hereinafter collectively as the "**Agreement**"); and

**WHEREAS**, Susquehanna Square Housing LP, a Pennsylvania limited partnership, or another affiliate of the sponsor, Community Ventures (the "**Borrower**"), has requested financing from the Agency in the form of tax-exempt and/or taxable bonds or notes, in one or more series or subseries, issued at the same or different times, in an aggregate amount not to exceed \$7,500,000 (the "**Bonds**") to fund the acquisition, new construction, improvement and equipping of a multifamily residential rental housing project known as "Susquehanna Square," located at sites along the 2100 blocks of North 15th and 16th Streets and 1601 Diamond Street, Philadelphia, Philadelphia County, Pennsylvania, with 37 total units of affordable housing (collectively, the "**Project**"); and

**WHEREAS**, the Agency will lend the proceeds of the Bonds to the Borrower pursuant to the Agreement; and

**WHEREAS**, the Agency may use a portion of the proceeds of the Bonds to reimburse itself or the Borrower for original expenditures paid prior to the date of issuance of the Bonds; and

**WHEREAS**, this Resolution is intended, *inter alia*, to constitute a statement of "Official Intent" pursuant to Treasury Regulations §1.150-2, T.D. 8476 (the "**Treasury Regulations**"); and

**WHEREAS**, TD Bank, National Association or its affiliate (the "**Purchaser**"), or such successor entity as may be approved by the Agency, is anticipated to be the initial holder of the Bonds pursuant to the Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF THE PENNSYLVANIA HOUSING FINANCE AGENCY AS FOLLOWS:**

**ARTICLE I  
AUTHORITY AND DEFINITIONS**

**Section 101. Authority for Resolution.** This Resolution (hereinafter referred to as the "**Resolution**") is adopted pursuant to the authority granted to the Agency in the Act.

**Section 102. Definitions.** All terms which are used but not defined herein shall have the meanings ascribed to them in the Agreement.

**ARTICLE II  
AUTHORIZATION OF BONDS**

**Section 201. Principal Amount and Designation.** The Bonds are hereby authorized to be issued in one or more series or subseries, in an aggregate principal amount not to exceed \$7,500,000. The Bonds shall carry the designation set forth in the Agreement. The Bonds shall be issued pursuant in all respects to the terms of this Resolution.

**Section 202. Purposes.** The Bonds are being issued as special and limited obligations of the Agency, payable solely out of the moneys derived pursuant to the Agreement and the notes evidencing the certain loan or loans to the Borrower. Proceeds of the Bonds shall be used for the payment of qualified costs associated with the acquisition, new construction, renovation, equipping and/or improvement of the Project, and may be applied to certain costs of issuance. The Project is in every respect intended to qualify as a "residential rental facility" under the exempt facility provisions of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

**Section 203. Conditions.** This financing is subject to the fulfillment of all of the following conditions to the satisfaction of the Agency: (a) submission, review, and approval of all documentation necessary to secure construction and permanent loan financing; (b) satisfactory evidence that all conditions and qualifications relating to Section 42 of the Code and all applicable requirements of the Tax Credit Program have been met; (c) satisfactory evidence and Agency Counsel approval that all qualifications relating to Sections 103 and 142 (and related sections) of the Code have been met; (d) compliance with all requirements established by the Agency in the Tax-Exempt Qualified Residential Rental Facilities Seeking Private Activity Bond Allocations Request for Proposals; (e) compliance with all timeframes and deadlines established by the Agency; (f) evidence of the commitment of construction and permanent financing and contributions of equity in amounts sufficient to ensure financial feasibility of the Project; (g) evidence of the commitment to serve low income tenants for a period of not less than thirty-five (35) years, which will be included in the Restrictive Covenant Agreement; (h) evidence of the satisfaction of accessibility requirements; (i) final underwriting of the application for tax-exempt financing and low income housing tax credits; (j) satisfactory evidence of all requisite HUD and/or housing authority approvals, including approval of a rental subsidy with a term and in an amount sufficient to ensure the financial feasibility of the Project; and (k) submission of two sets of complete full size architectural plans and specifications at least 60 days prior to the commencement of construction to allow sufficient time for Agency review and approval. Civil engineering, architectural, structural, HVAC, plumbing, and electrical drawings and specifications shall be submitted, as applicable. Agency comments and recommendations made during its review must be addressed and approved prior to the commencement of the loan closing.

**Section 204. Date, Principal Amount, Maturity and Interest Rate.** The Bonds shall be dated as of the first day of the month in which they are issued, except as may be otherwise provided in the Agreement or the Bonds. The maturity date, interest rate or rates (which may be fixed or variable), interest payment dates, place of payment and other terms of the Bonds shall be as provided in the Agreement as finally executed; provided, however, that the maximum aggregate principal amount of the Bonds shall not exceed \$7,500,000; the initial interest rate on the Bonds shall not exceed the lesser of eight percent (8%) per annum or such rate supported by the final underwriting; and the final maturity of the Bonds shall be no later than thirty-six months after issuance, or such date supported by the final underwriting (whichever is shorter).

**Section 205. Payments.** The Bonds shall bear interest from their dated date and shall be payable as set forth in the Bonds and the Agreement, until the date of maturity of the Bonds or

redemption prior to maturity, as provided in the Agreement. All principal shall be due at maturity or redemption prior to maturity, as provided in the Agreement.

**Section 206. Denominations, Numbers, Letters and Forms.** The Bonds shall be issued as registered Bonds in at least \$1.00 minimum denominations and any multiple of \$1.00 in excess thereof, provided that for purposes of redeeming Bonds, the authorized denomination shall mean at least \$1.00. The Bonds shall be numbered consecutively, as appropriate. The Bonds shall be in substantially the form and tenor prescribed in the Agreement.

**Section 207. Execution of Bonds.** The Bonds shall be executed by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance and the seal of the Agency or a facsimile thereof shall be imprinted, impressed or otherwise reproduced on the Bonds and attested by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel, Director of Finance or Secretary of the Agency. The Bonds shall be delivered to or on behalf of the Purchaser pursuant to the terms of the Agreement.

**Section 208. Place of Payment.** The principal payments, including payments upon redemption, of the Bonds shall be payable to the bondholders, as provided in the Agreement.

**Section 209. Redemption.** The Bonds shall be subject to optional redemption, extraordinary optional redemption and mandatory redemption as provided in the Agreement.

**Section 210. Execution of Requisite Agreements.** Any of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance of the Agency is hereby authorized to execute, for and on behalf of and in the name of the Agency, the Bonds and the Agreement, including a trust agreement if deemed appropriate, with such final terms and provisions as their counsel may deem advisable, provided that the Bonds shall contain substantive terms and provisions materially consistent with this Resolution.

### **ARTICLE III BOND PROCEEDS AND PAYMENTS OF COSTS**

**Section 301. Bond Proceeds.** Pursuant to the Agreement, upon receipt of the proceeds of the sale of the Bonds, such proceeds shall be advanced to the Borrower.

**Section 302. Payments of Costs.** At closing, the Borrower shall pay the costs, expenses and professional fees associated with the issuance of the Bonds.

### **ARTICLE IV SECURITY FOR THE BONDS**

**Section 401. Limited Obligation.** The Bonds shall be special and limited obligations of the Agency, and shall be payable only from funds paid by or on behalf of Borrower for such purposes. The Bonds shall be secured by the collateral described in the Agreement as security for the bondholders. The Bonds shall contain a statement therein to the effect that the obligations of the Agency on the Bonds are expressly limited to and are payable solely from the sources described in the Agreement.

**Section 402. Credit of Commonwealth Not Pledged.** The Bonds shall contain therein a statement to the effect that the Bonds shall be special and limited obligations of the Agency payable only from the sources provided in the Agreement, that neither the Commonwealth nor any political subdivision thereof shall be liable on the Bonds and that neither the faith and credit nor the taxing power of the

Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds. Neither the members of the Board nor the officers of the Agency nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

## **ARTICLE V MISCELLANEOUS**

**Section 501. Authorization of Officers and Further Actions.** The Chairperson, Vice Chairperson, Executive Director, Director of Finance, Deputy Executive Director and Chief Counsel, Secretary and any Assistant Secretary of the Agency, and any other authorized officer of the Agency, are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the Bonds and the Agreement as shall, with the advice of the Agency Counsel and Bond Counsel, be advisable, including the taking of any necessary or appropriate actions to modify the terms hereof in order to achieve the financing transaction.

**Section 502. Covenant to Comply with Federal Tax Requirements.** The Agency hereby covenants to comply, and to take appropriate steps to ensure that the Borrower complies, with all applicable requirements of the Code so that interest on the Bonds is entitled to exclusion from gross income of the holders thereof for federal income tax purposes, including all applicable requirements of the Code regarding the provision of funds for qualified residential rental properties, investment of proceeds, treatment of fund investment earnings, repayments or unused proceeds, restriction of earnings on reserve funds, and rebate and yield restrictions set forth in Section 148 of the Code. The Agency also covenants to make any required payment imposed by the United States to maintain compliance with said requirements from time to time as required by Section 148 of the Code (or by applicable subsequent Treasury Regulation). The Agency shall require that Borrower contract for and fund the retention of qualified computation advisers to perform all applicable disclosure and federal tax compliance requirements.

**Section 503. Official Intent.** In accordance with Treasury Reg. §1.150-2, the Agency hereby confirms its intentions that a portion of the proceeds of the Bonds may be used to reimburse itself or the Borrower for qualifying expenditures paid prior to the date of issuance of the Bonds. All original expenditures to be reimbursed will be capital expenditures (as defined in Treas. Reg. Sec. 1.150-1(b)) and other amounts permitted to be reimbursed pursuant to Treas. Reg. Sec. 1.150-2(d)(3) and (f).

**Section 504. Effective Date and Validity.** This Resolution shall take effect immediately and shall remain in effect until specifically repealed.

**PENNSYLVANIA HOUSING FINANCE AGENCY**

**RESOLUTION**

**Authorizing the Issuance of \$7,000,000  
Maximum Aggregate Principal Amount of  
Special Limited Obligation Multifamily Housing Development Bonds  
(Lillia Crippen Townhomes)**

**Adopted: June 20, 2019**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$7,000,000 MAXIMUM AGGREGATE PRINCIPAL AMOUNT  
SPECIAL LIMITED OBLIGATION  
MULTIFAMILY HOUSING DEVELOPMENT BONDS  
(LILLIA CRIPPEN TOWNHOMES)**

**WHEREAS**, the Housing Finance Agency Law, Act of December 3, 1959, P.L. 1688, as amended (35 P.S. Section 1680.101 *et seq.*) (the "**Act**"), determines and declares that the welfare of the Commonwealth of Pennsylvania (the "**Commonwealth**") is threatened by an inadequate supply of housing for persons and families of low and moderate income and the elderly; that the housing need for persons and families of low and moderate income and the elderly has not had economic expression in a market demand sufficient to encourage greater production of such housing by private industry due to high construction costs, a scarcity of financing and increased interest rates; that necessary governmental activities in urban renewal programs and under regulatory laws protecting health and safety face serious curtailment or interruption unless it becomes economically feasible for persons and families to acquire housing in place of the dwellings being eliminated by such activities; that the Commonwealth has a strong moral responsibility to assist in providing opportunity for the rental of relocation housing by persons and families displaced by necessary governmental activities and a general responsibility to eliminate conditions which prevent private industry from supplying housing to relieve the general shortage of housing; that private industry alone is unable to provide financing necessary for housing for persons and families of low and moderate income at a cost which such persons and families can afford; that the financing provided for in the Act will encourage greater expenditure of private capital for housing; and that there is a clear relationship between the provision of adequate, safe and sanitary housing and the advancement of public health and morals and the prevention of fire, accident and crime; and

**WHEREAS**, the Act empowers the Pennsylvania Housing Finance Agency (the "**Agency**") to make loans to eligible borrowers to provide for the construction, rehabilitation or permanent financing of such residential housing developments as in the judgment of the Agency have promise of supplying well planned, well designed apartment units which will provide housing for low and moderate income persons or families or the elderly and others in locations where there is a need for such housing and to purchase, service and sell such loans and to accept grants and subsidies from and to enter into agreements or other transactions with any federal agency or agency of the Commonwealth or other entity and to do all things necessary or convenient to carry out the powers granted by the Act; and

**WHEREAS**, the Agency is further authorized to issue and sell, subject to written approval by the Governor, bonds or notes in such principal amounts as, in the opinion of the Agency, are necessary to provide sufficient funds for achieving its corporate purposes; and

**WHEREAS**, the Agency has the power to invest any funds held in reserve or sinking funds and any funds not required for immediate disbursement in such investments as may be lawful for fiduciaries under any law of the Commonwealth, and the Agency may pledge reserve funds to the holders of bonds or notes which are issued pursuant to the Act and proceeds of loans created therefor by the Agency, all or any part of the assets acquired by the Agency pursuant to the Act, and any other lawfully available money to secure the payment of such bonds or notes; and

**WHEREAS**, the Act provides that bonds or notes issued by the Agency may be secured by a trust agreement, indenture of trust or similar instrument by and between it and a trustee and that the resolution providing for the issuance of such bonds or notes or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Agency in relation to the custody, safeguarding and application of all moneys, may set forth the rights and remedies of the bondholders or noteholders and of any trustee, and may contain such other provisions as the Agency may deem reasonable and proper for the security of the bondholders or noteholders; and

**WHEREAS**, the Agency has determined to issue and secure bonds or notes in one or more series or subseries in accordance with, pursuant to and under this Resolution, a loan agreement and/or similar loan, trust, financing or purchase agreements (such operative documents shall be referred to hereinafter collectively as the "**Agreement**"); and

**WHEREAS**, Lillia Crippen Preservation Limited Partnership, a Pennsylvania limited partnership, or another affiliate of the sponsor, the Women's Community Revitalization Project (the "**Borrower**"), has requested financing from the Agency in the form of tax-exempt and/or taxable bonds or notes, in one or more series or subseries, issued at the same or different times, in an aggregate amount not to exceed \$7,000,000 (the "**Bonds**") to fund the acquisition, rehabilitation, improvement and equipping of a multifamily residential rental housing project known as "Lillia Crippen Townhomes," located at North Sixth Street and West Berks Street, Philadelphia, Philadelphia County, Pennsylvania, with 46 total units of affordable housing (collectively, the "**Project**"); and

**WHEREAS**, the Agency will lend the proceeds of the Bonds to the Borrower pursuant to the Agreement; and

**WHEREAS**, the Agency may use a portion of the proceeds of the Bonds to reimburse itself or the Borrower for original expenditures paid prior to the date of issuance of the Bonds; and

**WHEREAS**, this Resolution is intended, *inter alia*, to constitute a statement of "Official Intent" pursuant to Treasury Regulations §1.150-2, T.D. 8476 (the "**Treasury Regulations**"); and

**WHEREAS**, Citizens Bank, National Association or its affiliate (the "**Purchaser**"), or such successor entity as may be approved by the Agency, is anticipated to be the initial holder of the Bonds pursuant to the Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF THE PENNSYLVANIA HOUSING FINANCE AGENCY AS FOLLOWS:**

**ARTICLE I  
AUTHORITY AND DEFINITIONS**

**Section 101. Authority for Resolution.** This Resolution (hereinafter referred to as the "**Resolution**") is adopted pursuant to the authority granted to the Agency in the Act.

**Section 102. Definitions.** All terms which are used but not defined herein shall have the meanings ascribed to them in the Agreement.

**ARTICLE II**  
**AUTHORIZATION OF BONDS**

**Section 201. Principal Amount and Designation.** The Bonds are hereby authorized to be issued in one or more series or subseries, in an aggregate principal amount not to exceed \$7,000,000. The Bonds shall carry the designation set forth in the Agreement. The Bonds shall be issued pursuant in all respects to the terms of this Resolution.

**Section 202. Purposes.** The Bonds are being issued as special and limited obligations of the Agency, payable solely out of the moneys derived pursuant to the Agreement and the notes evidencing the certain loan or loans to the Borrower. Proceeds of the Bonds shall be used for the payment of qualified costs associated with the acquisition, rehabilitation, renovation, equipping and/or improvement of the Project, and may be applied to certain costs of issuance. The Project is in every respect intended to qualify as a "residential rental facility" under the exempt facility provisions of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

**Section 203. Conditions.** This financing is subject to the fulfillment of all of the following conditions to the satisfaction of the Agency: (a) submission, review, and approval of all documentation necessary to secure construction and permanent loan financing; (b) satisfactory evidence that all conditions and qualifications relating to Section 42 of the Code and all applicable requirements of the Tax Credit Program have been met; (c) satisfactory evidence and Agency Counsel approval that all qualifications relating to Sections 103 and 142 (and related sections) of the Code have been met; (d) compliance with all requirements established by the Agency in the Tax-Exempt Qualified Residential Rental Facilities Seeking Private Activity Bond Allocations Request for Proposals; (e) compliance with all timeframes and deadlines established by the Agency; (f) evidence of the commitment of construction and permanent financing and contributions of equity in amounts sufficient to ensure financial feasibility of the Project; (g) evidence of the commitment to serve low income tenants for a period of not less than thirty-five (35) years, which will be included in the Restrictive Covenant Agreement; (h) evidence of the satisfaction of accessibility requirements; (i) final underwriting of the application for tax-exempt financing and low income housing tax credits; (j) satisfactory evidence of all requisite HUD and/or housing authority approvals, including approval of a rental subsidy with a term and in an amount sufficient to ensure the financial feasibility of the Project; (k) satisfactory evidence of compliance with all conditions of the Agency's conditional reservation of certain Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) funds (in an amount of approximately \$970,000 from HTF) and assumed PennHOMES indebtedness; and (l) submission of two sets of complete full size architectural plans and specifications at least 60 days prior to the commencement of construction to allow sufficient time for Agency review and approval. Civil engineering, architectural, structural, HVAC, plumbing, and electrical drawings and specifications shall be submitted, as applicable. Agency comments and recommendations made during its review must be addressed and approved prior to the commencement of the loan closing.

**Section 204. Date, Principal Amount, Maturity and Interest Rate.** The Bonds shall be dated as of the first day of the month in which they are issued, except as may be otherwise provided in the Agreement or the Bonds. The maturity date, interest rate or rates (which may be fixed or variable), interest payment dates, place of payment and other terms of the Bonds shall be as provided in the Agreement as finally executed; provided, however, that the maximum aggregate principal amount of the Bonds shall not exceed \$7,000,000; the initial interest rate on the Bonds shall not exceed the lesser of eight percent (8%) per annum or such rate supported by the final underwriting; and the final maturity of the Bonds shall be no later than thirty-six months after issuance, or such date supported by the final underwriting (whichever is shorter).

**Section 205. Payments.** The Bonds shall bear interest from their dated date and shall be payable as set forth in the Bonds and the Agreement, until the date of maturity of the Bonds or redemption prior to maturity, as provided in the Agreement. All principal shall be due at maturity or redemption prior to maturity, as provided in the Agreement.

**Section 206. Denominations, Numbers, Letters and Forms.** The Bonds shall be issued as registered Bonds in \$1.00 minimum denominations and any multiple of \$1.00 in excess thereof, provided that for purposes of redeeming Bonds, the authorized denomination shall mean \$1.00. The Bonds shall be numbered consecutively, as appropriate. The Bonds shall be in substantially the form and tenor prescribed in the Agreement.

**Section 207. Execution of Bonds.** The Bonds shall be executed by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance and the seal of the Agency or a facsimile thereof shall be imprinted, impressed or otherwise reproduced on the Bonds and attested by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel, Director of Finance or Secretary of the Agency. The Bonds shall be delivered to or on behalf of the Purchaser pursuant to the terms of the Agreement.

**Section 208. Place of Payment.** The principal payments, including payments upon redemption, of the Bonds shall be payable to the bondholders, as provided in the Agreement.

**Section 209. Redemption.** The Bonds shall be subject to optional redemption, extraordinary optional redemption and mandatory redemption as provided in the Agreement.

**Section 210. Execution of Requisite Agreements.** Any of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance of the Agency is hereby authorized to execute, for and on behalf of and in the name of the Agency, the Bonds and the Agreement, including a trust agreement if deemed appropriate, with such final terms and provisions as their counsel may deem advisable, provided that the Bonds shall contain substantive terms and provisions materially consistent with this Resolution.

### **ARTICLE III BOND PROCEEDS AND PAYMENTS OF COSTS**

**Section 301. Bond Proceeds.** Pursuant to the Agreement, upon receipt of the proceeds of the sale of the Bonds, such proceeds shall be advanced to the Borrower.

**Section 302. Payments of Costs.** At closing, the Borrower shall pay the costs, expenses and professional fees associated with the issuance of the Bonds.

### **ARTICLE IV SECURITY FOR THE BONDS**

**Section 401. Limited Obligation.** The Bonds shall be special and limited obligations of the Agency, and shall be payable only from funds paid by or on behalf of Borrower for such purposes. The Bonds shall be secured by the collateral described in the Agreement as security for the bondholders. The Bonds shall contain a statement therein to the effect that the obligations of the Agency on the Bonds are expressly limited to and are payable solely from the sources described in the Agreement.

**Section 402. Credit of Commonwealth Not Pledged.** The Bonds shall contain therein a statement to the effect that the Bonds shall be special and limited obligations of the Agency payable only

from the sources provided in the Agreement, that neither the Commonwealth nor any political subdivision thereof shall be liable on the Bonds and that neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds. Neither the members of the Board nor the officers of the Agency nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

## **ARTICLE V MISCELLANEOUS**

**Section 501. Authorization of Officers and Further Actions.** The Chairperson, Vice Chairperson, Executive Director, Director of Finance, Deputy Executive Director and Chief Counsel, Secretary and any Assistant Secretary of the Agency, and any other authorized officer of the Agency, are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the Bonds and the Agreement as shall, with the advice of the Agency Counsel and Bond Counsel, be advisable, including the taking of any necessary or appropriate actions to modify the terms hereof in order to achieve the financing transaction.

**Section 502. Covenant to Comply with Federal Tax Requirements.** The Agency hereby covenants to comply, and to take appropriate steps to ensure that the Borrower complies, with all applicable requirements of the Code so that interest on the Bonds is entitled to exclusion from gross income of the holders thereof for federal income tax purposes, including all applicable requirements of the Code regarding the provision of funds for qualified residential rental properties, investment of proceeds, treatment of fund investment earnings, repayments or unused proceeds, restriction of earnings on reserve funds, and rebate and yield restrictions set forth in Section 148 of the Code. The Agency also covenants to make any required payment imposed by the United States to maintain compliance with said requirements from time to time as required by Section 148 of the Code (or by applicable subsequent Treasury Regulation). The Agency shall require that Borrower contract for and fund the retention of qualified computation advisers to perform all applicable disclosure and federal tax compliance requirements.

**Section 503. Official Intent.** In accordance with Treasury Reg. §1.150-2, the Agency hereby confirms its intentions that a portion of the proceeds of the Bonds may be used to reimburse itself or the Borrower for qualifying expenditures paid prior to the date of issuance of the Bonds. All original expenditures to be reimbursed will be capital expenditures (as defined in Treas. Reg. Sec. 1.150-1(b)) and other amounts permitted to be reimbursed pursuant to Treas. Reg. Sec. 1.150-2(d)(3) and (f).

**Section 504. Effective Date and Validity.** This Resolution shall take effect immediately and shall remain in effect until specifically repealed.

**PENNSYLVANIA HOUSING FINANCE AGENCY**

**RESOLUTION**

**Authorizing the Issuance of \$12,500,000  
Maximum Aggregate Principal Amount of  
Special Limited Obligation Multifamily Housing Development Bonds  
(Susquehanna Net Zero Housing)**

**Adopted: June 20, 2019**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$12,500,000 MAXIMUM AGGREGATE PRINCIPAL AMOUNT  
SPECIAL LIMITED OBLIGATION  
MULTIFAMILY HOUSING DEVELOPMENT BONDS  
(SUSQUEHANNA NET ZERO HOUSING)**

**WHEREAS**, the Housing Finance Agency Law, Act of December 3, 1959, P.L. 1688, as amended (35 P.S. Section 1680.101 *et seq.*) (the "**Act**"), determines and declares that the welfare of the Commonwealth of Pennsylvania (the "**Commonwealth**") is threatened by an inadequate supply of housing for persons and families of low and moderate income and the elderly; that the housing need for persons and families of low and moderate income and the elderly has not had economic expression in a market demand sufficient to encourage greater production of such housing by private industry due to high construction costs, a scarcity of financing and increased interest rates; that necessary governmental activities in urban renewal programs and under regulatory laws protecting health and safety face serious curtailment or interruption unless it becomes economically feasible for persons and families to acquire housing in place of the dwellings being eliminated by such activities; that the Commonwealth has a strong moral responsibility to assist in providing opportunity for the rental of relocation housing by persons and families displaced by necessary governmental activities and a general responsibility to eliminate conditions which prevent private industry from supplying housing to relieve the general shortage of housing; that private industry alone is unable to provide financing necessary for housing for persons and families of low and moderate income at a cost which such persons and families can afford; that the financing provided for in the Act will encourage greater expenditure of private capital for housing; and that there is a clear relationship between the provision of adequate, safe and sanitary housing and the advancement of public health and morals and the prevention of fire, accident and crime; and

**WHEREAS**, the Act empowers the Pennsylvania Housing Finance Agency (the "**Agency**") to make loans to eligible borrowers to provide for the construction, rehabilitation or permanent financing of such residential housing developments as in the judgment of the Agency have promise of supplying well planned, well designed apartment units which will provide housing for low and moderate income persons or families or the elderly and others in locations where there is a need for such housing and to purchase, service and sell such loans and to accept grants and subsidies from and to enter into agreements or other transactions with any federal agency or agency of the Commonwealth or other entity and to do all things necessary or convenient to carry out the powers granted by the Act; and

**WHEREAS**, the Agency is further authorized to issue and sell, subject to written approval by the Governor, bonds or notes in such principal amounts as, in the opinion of the Agency, are necessary to provide sufficient funds for achieving its corporate purposes; and

**WHEREAS**, the Agency has the power to invest any funds held in reserve or sinking funds and any funds not required for immediate disbursement in such investments as may be lawful for fiduciaries under any law of the Commonwealth, and the Agency may pledge reserve funds to the holders of bonds or notes which are issued pursuant to the Act and proceeds of loans created therefor by the Agency, all or any part of the assets acquired by the Agency pursuant to the Act, and any other lawfully available money to secure the payment of such bonds or notes; and

**WHEREAS**, the Act provides that bonds or notes issued by the Agency may be secured by a trust agreement, indenture of trust or similar instrument by and between it and a trustee and that the resolution providing for the issuance of such bonds or notes or such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the bondholders or noteholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Agency in relation to the custody, safeguarding and application of all moneys, may set forth the rights and remedies of the bondholders or noteholders and of any trustee, and may contain such other provisions as the Agency may deem reasonable and proper for the security of the bondholders or noteholders; and

**WHEREAS**, the Agency has determined to issue and secure bonds or notes in one or more series or subseries in accordance with, pursuant to and under this Resolution, a loan agreement and/or similar loan, trust, financing or purchase agreements (such operative documents shall be referred to hereinafter collectively as the "**Agreement**"); and

**WHEREAS**, Susquehanna Net Zero Housing, LP, a Pennsylvania limited partnership, or another affiliate of the sponsor, Union Housing Development Corporation (the "**Borrower**"), has requested financing from the Agency in the form of tax-exempt and/or taxable bonds or notes, in one or more series or subseries, issued at the same or different times, in an aggregate amount not to exceed \$12,500,000 (the "**Bonds**") to fund the acquisition, new construction, improvement and equipping of a multifamily residential rental housing project known as "Susquehanna Net Zero Housing," to be located at 2201 North 27th Street, Philadelphia, Philadelphia County, Pennsylvania, with 78 total units of affordable housing (collectively, the "**Project**"); and

**WHEREAS**, the Agency will lend the proceeds of the Bonds to the Borrower pursuant to the Agreement; and

**WHEREAS**, the Agency may use a portion of the proceeds of the Bonds to reimburse itself or the Borrower for original expenditures paid prior to the date of issuance of the Bonds; and

**WHEREAS**, this Resolution is intended, *inter alia*, to constitute a statement of "Official Intent" pursuant to Treasury Regulations §1.150-2, T.D. 8476 (the "**Treasury Regulations**"); and

**WHEREAS**, Red Stone Tax-Exempt Funding LLC or its affiliate (the "**Purchaser**"), or such successor entity as may be approved by the Agency, is anticipated to be the initial holder of the Bonds pursuant to the Agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF THE PENNSYLVANIA HOUSING FINANCE AGENCY AS FOLLOWS:**

**ARTICLE I  
AUTHORITY AND DEFINITIONS**

**Section 101. Authority for Resolution.** This Resolution (hereinafter referred to as the "**Resolution**") is adopted pursuant to the authority granted to the Agency in the Act.

**Section 102. Definitions.** All terms which are used but not defined herein shall have the meanings ascribed to them in the Agreement.

**ARTICLE II**  
**AUTHORIZATION OF BONDS**

**Section 201. Principal Amount and Designation.** The Bonds are hereby authorized to be issued in one or more series or subseries, in an aggregate principal amount not to exceed \$12,500,000. The Bonds shall carry the designation set forth in the Agreement. The Bonds shall be issued pursuant in all respects to the terms of this Resolution.

**Section 202. Purposes.** The Bonds are being issued as special and limited obligations of the Agency, payable solely out of the moneys derived pursuant to the Agreement and the notes evidencing the certain loan or loans to the Borrower. Proceeds of the Bonds shall be used for the payment of qualified costs associated with the acquisition, new construction, renovation, equipping and/or improvement of the Project, and may be applied to certain costs of issuance. The Project is in every respect intended to qualify as a "residential rental facility" under the exempt facility provisions of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code").

**Section 203. Conditions.** This financing is subject to the fulfillment of all of the following conditions to the satisfaction of the Agency: (a) submission, review, and approval of all documentation necessary to secure construction and permanent loan financing; (b) satisfactory evidence that all conditions and qualifications relating to Section 42 of the Code and all applicable requirements of the Tax Credit Program have been met; (c) satisfactory evidence and Agency Counsel approval that all qualifications relating to Sections 103 and 142 (and related sections) of the Code have been met; (d) compliance with all requirements established by the Agency in the Tax-Exempt Qualified Residential Rental Facilities Seeking Private Activity Bond Allocations Request for Proposals; (e) compliance with all timeframes and deadlines established by the Agency; (f) evidence of the commitment of construction and permanent financing and contributions of equity in amounts sufficient to ensure financial feasibility of the Project; (g) evidence of the commitment to serve low income tenants for a period of not less than thirty-five (35) years, which will be included in the Restrictive Covenant Agreement; (h) evidence of the satisfaction of accessibility requirements; (i) final underwriting of the application for tax-exempt financing and low income housing tax credits; (j) satisfactory evidence of all requisite HUD and/or housing authority approvals, including approval of a rental subsidy with a term and in an amount sufficient to ensure the financial feasibility of the Project; and (k) submission of two sets of complete full size architectural plans and specifications at least 60 days prior to the commencement of construction to allow sufficient time for Agency review and approval. Civil engineering, architectural, structural, HVAC, plumbing, and electrical drawings and specifications shall be submitted, as applicable. Agency comments and recommendations made during its review must be addressed and approved prior to the commencement of the loan closing.

**Section 204. Date, Principal Amount, Maturity and Interest Rate.** The Bonds shall be dated as of the first day of the month in which they are issued, except as may be otherwise provided in the Agreement or the Bonds. The maturity date, interest rate or rates (which may be fixed or variable), interest payment dates, place of payment and other terms of the Bonds shall be as provided in the Agreement as finally executed; provided, however, that the maximum aggregate principal amount of the Bonds shall not exceed \$12,500,000; the initial interest rate on the Bonds shall not exceed the lesser of eight percent (8%) per annum or such rate supported by the final underwriting; and the final maturity of the Bonds shall be no later than forty years after issuance, or such date supported by the final underwriting (whichever is shorter).

**Section 205. Payments.** The Bonds shall bear interest from their dated date and shall be payable as set forth in the Bonds and the Agreement, until the date of maturity of the Bonds or

redemption prior to maturity, as provided in the Agreement. All principal shall be due at maturity or redemption prior to maturity, as provided in the Agreement.

**Section 206. Denominations, Numbers, Letters and Forms.** The Bonds shall be issued as registered Bonds in \$1.00 minimum denominations and any multiple of \$1.00 in excess thereof, provided that for purposes of redeeming Bonds, the authorized denomination shall mean \$1.00. The Bonds shall be numbered consecutively, as appropriate. The Bonds shall be in substantially the form and tenor prescribed in the Agreement.

**Section 207. Execution of Bonds.** The Bonds shall be executed by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance and the seal of the Agency or a facsimile thereof is hereby authorized to be imprinted, impressed or otherwise reproduced on the Bonds and attested by the manual or facsimile signature of the Executive Director, Deputy Executive Director and Chief Counsel, Director of Finance or Secretary of the Agency. The Bonds shall be delivered to or on behalf of the Purchaser pursuant to the terms of the Agreement.

**Section 208. Place of Payment.** The principal payments, including payments upon redemption, of the Bonds shall be payable to the bondholders, as provided in the Agreement.

**Section 209. Redemption.** The Bonds shall be subject to optional redemption, extraordinary optional redemption and mandatory redemption as provided in the Agreement.

**Section 210. Execution of Requisite Agreements.** Any of the Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance of the Agency is hereby authorized to execute, for and on behalf of and in the name of the Agency, the Bonds and the Agreement, including a trust agreement if deemed appropriate, with such final terms and provisions as their counsel may deem advisable, provided that the Bonds shall contain substantive terms and provisions materially consistent with this Resolution.

### ARTICLE III BOND PROCEEDS AND PAYMENTS OF COSTS

**Section 301. Bond Proceeds.** Pursuant to the Agreement, upon receipt of the proceeds of the sale of the Bonds, such proceeds shall be advanced to the Borrower.

**Section 302. Payments of Costs.** At closing, the Borrower shall pay the costs, expenses and professional fees associated with the issuance of the Bonds.

### ARTICLE IV SECURITY FOR THE BONDS

**Section 401. Limited Obligation.** The Bonds shall be special and limited obligations of the Agency, and shall be payable only from funds paid by or on behalf of Borrower for such purposes. The Bonds shall be secured by the collateral described in the Agreement as security for the bondholders. The Bonds shall contain a statement therein to the effect that the obligations of the Agency on the Bonds are expressly limited to and are payable solely from the sources described in the Agreement.

**Section 402. Credit of Commonwealth Not Pledged.** The Bonds shall contain therein a statement to the effect that the Bonds shall be special and limited obligations of the Agency payable only from the sources provided in the Agreement, that neither the Commonwealth nor any instrumentality or political subdivision thereof shall be liable on the Bonds and that neither the faith and credit nor the

taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of or the interest on the Bonds. Neither the members of the Board nor the officers of the Agency nor any person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

## **ARTICLE V MISCELLANEOUS**

**Section 501. Authorization of Officers and Further Actions.** The Chairperson, Vice Chairperson, Executive Director, Director of Finance, Deputy Executive Director and Chief Counsel, Secretary and any Assistant Secretary of the Agency, and any other authorized officer of the Agency, are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution, the Bonds and the Agreement as shall, with the advice of the Agency Counsel and Bond Counsel, be advisable, including the taking of any necessary or appropriate actions to modify the terms hereof in order to achieve the financing transaction.

**Section 502. Covenant to Comply with Federal Tax Requirements.** The Agency hereby covenants to comply, and to take appropriate steps to ensure that the Borrower complies, with all applicable requirements of the Code so that interest on the Bonds is entitled to exclusion from gross income of the holders thereof for federal income tax purposes, including all applicable requirements of the Code regarding the provision of funds for qualified residential rental properties, investment of proceeds, treatment of fund investment earnings, repayments or unused proceeds, restriction of earnings on reserve funds, and rebate and yield restrictions set forth in Section 148 of the Code. The Agency also covenants to make any required payment imposed by the United States to maintain compliance with said requirements from time to time as required by Section 148 of the Code (or by applicable subsequent Treasury Regulation). The Agency shall require that the Borrower contract for and fund the retention of qualified computation advisers to perform all applicable disclosure and federal tax compliance requirements.

**Section 503. Official Intent.** In accordance with Treasury Reg. §1.150-2, the Agency hereby confirms its intentions that a portion of the proceeds of the Bonds may be used to reimburse itself or the Borrower for qualifying expenditures paid prior to the date of issuance of the Bonds. All original expenditures to be reimbursed will be capital expenditures (as defined in Treas. Reg. Sec. 1.150-1(b)) and other amounts permitted to be reimbursed pursuant to Treas. Reg. Sec. 1.150-2(d)(3) and (f).

**Section 504. Effective Date and Validity.** This Resolution shall take effect immediately and shall remain in effect until specifically repealed.

**RESOLUTION OF THE MEMBERS OF THE BOARD  
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING TRANSFER OF GENERAL PARTNER INTEREST  
Willow Court Apartments, PHFA No. O-240**

WHEREAS, Willow Court Apartments, a 30 unit low income housing project in Mt Carmel, Northumberland County, Pennsylvania (the "Development"), was originally financed in 1993 with first mortgage debt of \$406,172 and \$600,000 in PennHOMES mortgage funds provided by the Agency, and the current outstanding balances are approximately \$3,000 and \$577,500 respectively; and

WHEREAS, the current ownership entity of the Development, Willow Court Associates, a Pennsylvania limited partnership, has requested Agency approval of the transfer of certain partner's interest; and

WHEREAS, the Development is subject to Agency approval of any change in the nature or character of the ownership entity throughout the term of the Agency mortgage loan; and

WHEREAS, the partnership is being restructured through transfer of the general partners interest from Susquehanna Development Group Inc. to the Housing Development Corporation of Northumberland County, a Pennsylvania non-profit corporation as sole general partner; and

WHEREAS, the partnership and the new general partner will continue to operate the Development and shall be responsible for the fiscal and physical condition of the Development as the general partner of Willow Court Associates; and

WHEREAS, staff has reviewed the management capacity of the new general partner and the proposed changes to the partnership and recommends approval of the proposed transfers of partnership interests, subject to the conditions set forth below.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 20th day of June, 2019, as follows:

Section 1. The Agency approves the withdrawal of the general partner Susquehanna Development Group, Inc. and the transfer of all general partner interests to the Housing Development Corporation of Northumberland County.

Section 2. The Executive Director, Deputy Executive Director and other Agency staff are authorized and directed to take all actions necessary to effectuate the transfer; subject to staff review and approval of the appropriate documents for the transaction.

Section 3. This resolution shall take effect immediately.

**RESOLUTION OF THE MEMBERS OF THE BOARD  
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY  
APPROVING TRANSFER OF GENERAL PARTNER INTEREST  
HOMESTEAD APARTMENTS, PHFA NO. O-708**

WHEREAS, Homestead Apartments, a 60 unit low income housing project in Homestead, Allegheny County, Pennsylvania (the "Development"), was originally financed in August 2001 in the aggregate amount of \$806,139 through PennHOMES mortgage funds provided by the Agency; and

WHEREAS, the current ownership entity of the Development, Homestead Housing Development Limited Partnership, a Pennsylvania limited partnership, has requested Agency approval of the transfer of certain partner's interest; and

WHEREAS, the Development is subject to Agency approval of any change in the nature or character of the ownership entity throughout the term of the Agency mortgage loan; and

WHEREAS, the partnership is being restructured through withdrawals of Trek Development Group, Inc. (withdrawing general partner), with Three Rivers Communities INC remaining as sole general partner; and

WHEREAS, the partnership and the existing general partner will continue to operate the Development and shall be responsible for the fiscal and physical condition of the Development as the general partner of Homestead Apartments Limited Partnership; and

WHEREAS, staff has reviewed the management capacity of the general partner and the proposed changes to the partnership (which include transfer of limited partner interest) and recommends approval of the proposed transfers of partnership interests which will result in Three Rivers Communities, Inc., a Pennsylvania non-profit corporation being the sole general partner of Homestead Housing Development Limited Partnership, subject to the conditions set forth below.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 20th day of June, 2019, as follows:

Section 1. The Agency approves the withdrawal of the co-general partner Trek Development and the transfer of all general partner interests to Three Rivers Communities Inc., as the sole general partner of Homestead Housing Development Limited Partnership.

Section 2. The Executive Director, Deputy Executive Director and other Agency staff are authorized and directed to take all actions necessary to effectuate the transfer; subject to staff review and approval of the appropriate documents for the transaction.

Section 3. This resolution shall take effect immediately.

**PENNSYLVANIA HOUSING FINANCE AGENCY**  
**Homeowner's Emergency Mortgage Assistance Program Budget**  
**FISCAL YEAR ENDING JUNE 30, 2020**

<u>Salaries and Related Benefits</u>	Budget FYE <u>6/30/2019</u>	Budget FYE <u>6/30/2020</u>	% Increase (Decrease)	Comments	Estimated FYE <u>6/30/2019</u>
Salaries	\$ 1,375,000	\$ 1,375,000	0.00%		\$ 1,250,000
Benefits	\$ 553,350	\$ 553,350	0.00%		\$ 553,350
Retirement	\$ 145,000	\$ 145,000	0.00%		\$ 93,000
Payroll Taxes	\$ 105,000	\$ 105,000	0.00%		\$ 95,000
<b>Total</b>	<b><u>\$ 2,178,350</u></b>	<b><u>\$ 2,178,350</u></b>	<b><u>0.00%</u></b>		<b><u>\$ 1,991,350</u></b>
 <u>General and Administrative</u>					
Advertising	\$ 1,000	\$ 1,000	0.00%		\$ 1,000
Audit of program	\$ 33,000	\$ 30,000	(9.1%)		\$ 33,000
Books/Reference Materials	\$ 500	\$ 500	0.00%		\$ 500
Credit Reporting/Document Recording	\$ 130,000	\$ 160,000	23.08%	(A.)	\$ 151,000
Insurance Expense	\$ 3,000	\$ 3,000	0.00%		\$ 3,000
Legal Counsel	\$ 2,000	\$ 2,000	0.00%		\$ 2,000
Meetings	\$ 1,000	\$ 1,000	0.00%		\$ 1,000
Office Machines/Equipment Rental	\$ 1,000	\$ 1,000	0.00%		\$ 1,000
Office Rent	\$ 65,000	\$ 65,000	0.00%		\$ 65,000
Office Supplies	\$ 4,500	\$ 4,500	0.00%		\$ 2,800
Postage & Freight	\$ 48,000	\$ 50,000	4.17%	(B.)	\$ 48,000
Printing & Composition	\$ 27,500	\$ 27,500	0.00%		\$ 22,000
Professional Training	\$ 5,500	\$ 5,500	0.00%		\$ 5,000
Property Fees	\$ 7,000	\$ 6,000	(14.3%)		\$ 5,500
Repair/Maint. Of Equipment	\$ 7,000	\$ 7,000	0.00%		\$ 7,000
Telephone	\$ 27,000	\$ 27,000	0.00%		\$ 27,000
Travel	\$ 4,500	\$ 4,500	0.00%		\$ 3,600
Unemployment Comp.	\$ 1,000	\$ 1,000	0.00%		\$ 1,000
Miscellaneous	\$ 2,500	\$ 1,000	(60.0%)		\$ 1,000
<b>Total</b>	<b><u>\$ 371,000</u></b>	<b><u>\$ 397,500</u></b>	<b><u>7.14%</u></b>		<b><u>\$ 380,400</u></b>
Counseling Agency Fees	\$ 350,000	\$ 900,000	157.14%	(C.)	\$ 620,000
PHFA Support Fees	\$ 250,000	\$ 250,000	0.00%		<u>\$250,000</u>
<b>TOTAL</b>	<b><u>\$ 3,149,350</u></b>	<b><u>\$ 3,725,850</u></b>	<b><u>18.31%</u></b>		<b><u>\$3,241,750</u></b>

Homeowner's Emergency Mortgage Assistance Program Budget

July 1, 2019 to June 30, 2020

REASONS FOR BUDGET INCREASES

- (A.) – Increase resulting from higher number of approvals.
- (B.) – Increase resulting from higher number of approvals and subsequent servicing.
- (C.) – Increase resulting from increase in hourly rate for HEMAP counseling and application process.

**Pennsylvania Housing Finance Agency  
General Activities Budget  
Fiscal Year Ending June 30, 2020**

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
Multi-Family Loan and Tax Credit Fees	600,000	1,300,000	1,300,000	1,300,000	4,500,000
Multi-Family Service and Other Fees	2,944,250	2,944,250	2,944,250	2,944,250	11,777,000
Single Family Service and Other Fees	6,236,130	6,303,766	6,371,402	6,439,038	25,350,337
Interest & Investment Income	<u>625,000</u>	<u>625,000</u>	<u>625,000</u>	<u>625,000</u>	<u>2,500,000</u>
<b>TOTAL REVENUE</b>	10,405,380	11,173,016	11,240,652	11,308,288	44,127,337
<b>TOTAL EXPENSES</b>	<u>10,254,950</u>	<u>10,420,750</u>	<u>10,366,550</u>	<u>10,533,250</u>	<u>41,575,500</u>
<b>NET INCOME</b>	<u>150,430</u>	<u>752,266</u>	<u>874,102</u>	<u>775,038</u>	<u>2,551,837</u>

**Pennsylvania Housing Finance Agency**  
**General Activities Budget**  
**Schedule of Expenses - Estimated**  
**Fiscal Year Ending June 30, 2020**

	<u>Actual at 3/31/2019</u>	<u>Estimated Actual at 6/30/2019</u>	<u>Budget FYE 6/30/2019</u>	<u>Estimated Actual Under/(Over) 2019 Budget</u>	<u>Budget FYE 6/30/2020</u>	<u>Budget % Increase (Decrease)</u>	<u>Comment</u>
<b>Salaries and Related Benefits:</b>							
Salaries	14,685,579	19,581,000	19,891,000	310,000	20,575,000	3.44%	A
Employee Benefits	4,995,932	6,661,000	6,504,000	(157,000)	7,200,000	10.70%	B
Retirement	3,205,848	4,200,000	4,200,000		4,200,000	---	
Payroll Taxes	1,072,226	1,430,000	1,518,000	88,000	1,563,500	3.00%	A
<b>Total Salaries and Related Benefits:</b>	<u>23,959,586</u>	<u>31,872,000</u>	<u>32,113,000</u>	<u>241,000</u>	<u>33,538,500</u>	<u>4.44%</u>	
<b>Program Expenses:</b>							
Annual Report	46,127	46,127	60,000	13,873	60,000	---	
Audit	252,500	252,500	263,500	11,000	270,000	2.47%	C
Advertising/Public Relations/Req. for Proposals	62,000	75,000	75,000		75,000	---	
Appraisals/Market Studies	16,550	22,000	30,000	8,000	30,000	---	
Cost Estimating/Professional Consultation			25,000	25,000	25,000	---	
Credit Rating	61,500	61,500	60,000	(1,500)	65,000	8.33%	D
Information Services	22,592	45,000	50,000	5,000	50,000	---	
Legal Counsel	8,340	69,000	75,000	6,000	75,000	---	
<b>Total Program Expenses:</b>	<u>469,609</u>	<u>571,127</u>	<u>638,500</u>	<u>67,373</u>	<u>650,000</u>	<u>1.80%</u>	

Pennsylvania Housing Finance Agency  
General Activities Budget  
Schedule of Expenses - Estimated  
Fiscal Year Ending June 30, 2020

	<u>Actual at 3/31/2019</u>	<u>Estimated Actual at 6/30/2019</u>	<u>Budget FYE 6/30/2019</u>	<u>Estimated Actual Under/(Over) 2019 Budget</u>	<u>Budget FYE 6/30/2020</u>	<u>Budget % Increase (Decrease)</u>	<u>Comment</u>
<b>General and Administrative:</b>							
Board Expenses	30,201	40,000	45,000	5,000	45,000	---	
Books and Reference Materials	34,123	40,000	40,000		40,000	---	
Computer Maintenance and Supplies	533,490	525,000	525,000		525,000	---	
Corporate Memberships	15,130	50,000	65,000	15,000	65,000	---	
Insurance	296,000	300,000	300,000		300,000	---	
Building Debt and Bond Expenses	2,928,030	3,219,000	3,220,000	1,000	3,220,000	---	
Office Machine/Furniture Rental	54,968	105,000	110,000	5,000	110,000	---	
Office Rent	131,503	190,000	199,000	9,000	199,000	---	
Office Supplies	127,039	205,000	210,000	5,000	210,000	---	
Personnel Advertising/Employment Agency Fees	13,035	17,000	25,000	8,000	25,000	---	
Postage and Freight	133,162	315,000	325,000	10,000	325,000	---	
Printing and Composition	7,840	119,000	125,000	6,000	125,000	---	
Professional Memberships	15,505	21,000	25,000	4,000	25,000	---	
Professional and Technical Consultants	243,928	335,000	350,000	15,000	350,000	---	
Professional Training	61,615	118,000	125,000	7,000	125,000	---	
Real Estate Taxes	125,238	145,000	150,000	5,000	150,000	---	
Repairs and Maintenance	432,073	500,000	375,000	(125,000)	475,000	26.67%	E
Telephone	242,869	300,000	300,000		300,000	---	
Temporary Help	6,689	42,000	50,000	8,000	50,000	---	
Travel	242,180	349,000	360,000	11,000	360,000	---	
Unemployment Compensation	3,429	55,000	63,000	8,000	63,000	---	
Utilities	199,475	275,000	285,000	10,000	285,000	---	
Miscellaneous	5,856	8,000	15,000	7,000	15,000	---	
<b>Total General and Administrative Expenses:</b>	<u>5,883,376</u>	<u>7,273,000</u>	<u>7,287,000</u>	<u>14,000</u>	<u>7,387,000</u>	<u>1.37%</u>	
<b>Total Expenses:</b>	<u>30,312,572</u>	<u>39,716,127</u>	<u>40,038,500</u>	<u>322,373</u>	<u>41,575,500</u>	<u>3.84%</u>	

Pennsylvania Housing Finance Agency  
General Activities Budget  
Fiscal Year Ending June 30, 2020  
Comments

- A. Increases in salaries and related taxes assuming average merit increases and promotions
- B. Increases in employee benefit plan costs brought on by rising healthcare costs.
- C. Increases in fees and rates for audit services per agreed-upon engagement letter.
- D. Increases in rating agency rates and fees.
- E. Increased repairs and maintenance expenses came as a result of repairing/upgrading existing apparatus at opportune times while new construction is underway.

**Pennsylvania Housing Finance Agency  
General Activities Budget  
Schedule of Expenses - Estimated Quarterly  
Fiscal Year Ending June 30, 2020**

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>	<u>2nd Qtr Total</u>	<u>3rd Qtr Total</u>
<b>Salaries and Related Benefits:</b>							
Salaries	4,938,000	5,092,000	5,195,000	5,350,000	20,575,000	10,030,000	15,225,000
Employee Benefits	1,800,000	1,800,000	1,800,000	1,800,000	7,200,000	3,600,000	5,400,000
Retirement	1,050,000	1,050,000	1,050,000	1,050,000	4,200,000	2,100,000	3,150,000
Payroll Taxes	375,200	387,000	394,800	406,500	1,563,500	762,200	1,157,000
	<u>8,163,200</u>	<u>8,329,000</u>	<u>8,439,800</u>	<u>8,606,500</u>	<u>33,538,500</u>	<u>16,492,200</u>	<u>24,932,000</u>
<b>Program Expenses:</b>							
Annual Report	30,000	30,000	---	---	60,000	60,000	60,000
Audit	135,000	135,000	---	---	270,000	270,000	60,000
Advertising/Public Relations/Req. for Proposals	18,750	18,750	18,750	18,750	75,000	37,500	78,750
Appraisals/Market Studies	7,500	7,500	7,500	7,500	30,000	15,000	22,500
Cost Estimating/Professional Consultation	6,250	6,250	6,250	6,250	25,000	12,500	18,750
Credit Rating	16,250	16,250	16,250	16,250	65,000	32,500	48,750
Information Services	12,500	12,500	12,500	12,500	50,000	25,000	37,500
Legal Counsel	18,750	18,750	18,750	18,750	75,000	37,500	56,250
	<u>245,000</u>	<u>245,000</u>	<u>80,000</u>	<u>80,000</u>	<u>650,000</u>	<u>490,000</u>	<u>382,500</u>

Pennsylvania Housing Finance Agency  
General Activities Budget  
Schedule of Expenses - Estimated Quarterly  
Fiscal Year Ending June 30, 2020

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>	<u>2nd Qtr Total</u>	<u>3rd Qtr Total</u>
<b>General and Administrative:</b>							
Board Expenses	11,250	11,250	11,250	11,250	45,000	22,500	33,750
Books and Reference Materials	10,000	10,000	10,000	10,000	40,000	20,000	30,000
Computer Maintenance and Supplies	131,250	131,250	131,250	131,250	525,000	262,500	393,750
Corporate Memberships	16,250	16,250	16,250	16,250	65,000	32,500	48,750
Insurance	75,000	75,000	75,000	75,000	300,000	150,000	225,000
Building Debt and Bond Expenses	805,000	805,000	805,000	805,000	3,220,000	1,610,000	2,415,000
Office Machine/Furniture Rental	27,500	27,500	27,500	27,500	110,000	55,000	82,500
Office Rent	49,750	49,750	49,750	49,750	199,000	99,500	149,250
Office Supplies	52,500	52,500	52,500	52,500	210,000	105,000	157,500
Personnel Advertising/Employment Agency Fees	6,250	6,250	6,250	6,250	25,000	12,500	18,750
Postage and Freight	81,250	81,250	81,250	81,250	325,000	162,500	243,750
Printing and Composition	31,250	31,250	31,250	31,250	125,000	62,500	93,750
Professional Memberships	6,250	6,250	6,250	6,250	25,000	12,500	18,750
Professional Training	31,250	31,250	31,250	31,250	125,000	62,500	93,750
Professional and Technical Consultants	87,500	87,500	87,500	87,500	350,000	175,000	262,500
Real Estate Taxes	37,500	37,500	37,500	37,500	150,000	75,000	112,500
Repairs and Maintenance	118,750	118,750	118,750	118,750	475,000	237,500	356,250
Telephone	75,000	75,000	75,000	75,000	300,000	150,000	225,000
Temporary Help	12,500	12,500	12,500	12,500	50,000	25,000	44,000
Travel	90,000	90,000	90,000	90,000	360,000	180,000	270,000
Unemployment Compensation	15,750	15,750	15,750	15,750	63,000	31,500	47,250
Utilities	71,250	71,250	71,250	71,250	285,000	142,500	213,750
Miscellaneous	3,750	3,750	3,750	3,750	15,000	7,500	11,250
Total General and Administrative Expenses:	<u>1,846,750</u>	<u>1,846,750</u>	<u>1,846,750</u>	<u>1,846,750</u>	<u>7,387,000</u>	<u>3,693,500</u>	<u>5,546,750</u>
Total Expenses:	<u>10,254,950</u>	<u>10,420,750</u>	<u>10,366,550</u>	<u>10,533,250</u>	<u>41,575,500</u>	<u>20,675,700</u>	<u>30,861,250</u>