

BOARD MEETING AGENDA
THURSDAY, SEPTEMBER 10, 2020

10:30 A.M.

A G E N D A

1. CALL TO ORDER AND ROLL CALL
2. APPROVAL OF THE MINUTES FROM THE
AUGUST 13, 2020 BOARD MEETING
3. POLICY COMMITTEE REPORT
4. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT
 - A. Property Workout - Goodwill Neighborhood Residences
 - B. Request for Loan Commitment - Sparrow's Way
 - C. Other Business
5. APPROVAL OF SINGLE FAMILY MORTGAGE REVENUE BONDS
SERIES 135 AND SERIES 136
6. CARES FUNDING UPDATE
7. OTHER BUSINESS
8. PUBLIC COMMENTS
9. ADJOURNMENT

**Pennsylvania Housing Finance Agency
Meeting of the Board
August 13, 2020**

Members Present:

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

Members Absent:

Robert Loughery

*On telephone conference call

Others Present:

- *Robin L. Wiessmann, Executive Director & CEO
- *Leonidas Pandeladis, Deputy Executive Director and Chief Counsel
- *Holly Glauser, Director of Development
- *Jordan Laird, Director of Finance
- *Bryce Maretzki, Director of Strategic Planning & Policy
- *Adrienne Trumpy, Director of Accounting
- *Scott Elliott, Director of Communications
- *Kathryn Newton, Director of Loan Servicing
- *Melissa Grover, Director of Government Affairs
- *Coleen Baumert, Director of Homeownership Programs
- *Ali Tomich, Director of Western Region
- *Jay Hausher, Director of Eastern Region
- *Carl Dudeck, Director of Housing Management
- *Lori Toia, Director of Homeowners Emergency Mortgage Assistance Program (HEMAP)
- *Susan Delgado, Director of Human Resources
- *Wendy Gessner, Director of Commonwealth Cornerstone Group
- *Terri Redmond, Director of Counseling
- *Linda Stewart, Manager of Tax Credit Program
- *Lisa Case, Manager of Project Operations
- *Ed Neuhart, Manager of Financial Operations

- *David Doray, Manager of Multifamily Underwriting
- *Heather Shull, Manager of Investments
- *Chris Anderson, Communications Officer
- *Steve O'Neill, Assistant Counsel
- *Aaron Son, Special Assistant of Policy and Finance
- *Clay Lambert, Business Policy Officer
- *Shelby Rexrode, Policy Officer
- *Ray Carey, Policy Officer
- *Lauren Starlings, Assistant Counsel
- *Jada Greenhowe, Assistant Counsel
- *Kelly Wilson, Senior Development Officer
- *Beth Silvick, Senior Development Officer
- *Ann Mermelstein, Senior Development Officer
- *Christie Gerbig, Senior Development Officer
- *David Gregorits, Development Officer
- *Sherry Pates, Development Officer
- *Demier Casteel, Development Officer
- *Robert Milne, Development Officer
- *Nicole Eutzy, Development Officer
- *Yashira Aybar, Development Officer
- *Nina Lehr, Development Officers
- *Lynette Davenport, Development Officer
- *Leighton Stiffler, Internal Audit Officer
- *Joe Scott, Development Officer
- *Autumn Summerville, Development Officer
- *Shilvosky Buffaloe, Development Officer
- *Alan Flannigan, Department of Banking and Securities
- *Jennifer Shockley, Pennsylvania Developer's Council
- *Senator Joe Pittman
- *Juan Powell and Lisa Greener, Community Builders Inc.
- *Andrew Cohen and Chelsea Arlantino, Woda Cooper Companies, Inc.
- *David Geiger, URA of Pittsburgh
- *Karen Welsh, UpStreet Architects
- *Mark Comroe, Region Nine Housing Corp.
- *Mario Zacharjasz, PZS Architects
- *Peter Yaffe and Ronald Henry, Capitol Strategies Group
- *Margot Elton, Pennrose Properties
- *Justin Gregory, MVAH Development
- *Laura Northrup, Mullin and Lonergan
- *Andrew Frishkoff, LISC/Philadelphia
- *Lindsey Evans, McCormack Baron
- *Sean Kelly, Leon N. Wiener & Associates
- *Tammie Fitzpatrick, Lefevre Funk Architects Inc.
- *M. Brad Ingerman and Geoffrey Long, Ingerman Development Co., LLC
- *Ron Boston, Duane Morris Government Strategies LLC
- *PA Association of Realtors

- *Christine Paul and Cindy Picone, Diamond and Associates
- *Conifer Realty
- *Ed Primm, Allegheny County Housing
- *Federation Housing Inc
- *HACE Management Company
- *APM
- *Alliant Asset Management
- *Jim Pianka
- *George Werner, Piper Sandler & Co.
- *Nicholas Fluehr and Matthew Engler, Wells Fargo
- *Michael Baumrin and Mitch Gallo, RBC Capital Markets
- *Barry Gottfried, Stifel
- *Alan Jaffe and Bob Foggio, Jefferies
- *Joseph Monitto and David Notkin, Bank of America Securities
- *Joe Tait, Raymond James
- *Paul Haley, Damian Busch, Vikram Shah and Charles Ellinwood, Barclays
- *Peter Weiss and Gloria Boyd, JPMorgan
- *Allison Hutchings, Assistant Secretary
- *Jeannie Galloway, Assistant Secretary
- *Margaret Strawser, Secretary

A meeting of the Members of the Board of the Pennsylvania Housing Finance Agency, which offices are located at 211 North Front Street, Harrisburg, Pennsylvania, was held on Thursday, August 13, 2020 at 10:30 a.m. via conference call. Due to COVID-19, no physical meeting space was provided for this meeting.

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 July 7 , 2020.

1. CALL TO ORDER AND ROLL CALL

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

2. APPROVAL OF THE MINUTES FROM THE JUNE 18, 2020 BOARD MEETING

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

A motion was made to approve the minutes from the June 18, 2020 Board Meeting. This motion was seconded and was unanimously approved.

3. RECOGNITION OF RETIREE

Director Wiessmann recognized and congratulated Ed Neuhart, Manager of Financial Operations in Housing Management Division, who will be retiring in August. Mr. Neuhart has been with the Agency for 34 years. Mr. Dudeck also recognized Mr. Neuhart for his work ethic,

his service to the Agency and to the community by teaching accounting at Harrisburg Area Community College. Acting Chair Vague also offered his congratulations on a wonderful career and best wishes in future endeavors.

4. PROGRAM AND DEVELOPMENT REVIEW COMMITTEE REPORT

Mr. Welks reported the PDR Committee had a lengthy and substantive discussion about the proposals being considered today. The Committee had an opportunity to listen to the proposals in depth. The Committee has examined the proposals carefully and thoughtfully.

A. Approval of Transfer of General Partner Interests - Legacy Commons

Mr. Welks reported that the Committee considered the change in general partner regarding Legacy Commons. No Board action is needed since the Committee received prior authorization from the Board to handle such requests.

B. Review and Approval of the 2020 PHARE Allocation of Resources

Mr. Welks asked Mr. Maretzki to outline the review and approval of the 2020 Pennsylvania Housing Affordability Rehabilitation and Enhancement (PHARE) allocation of resources. Mr. Maretzki gave a brief funding history of the PHARE program and the three funding sources for the program which come from impact fees from the Marcellus Shale regions of the Commonwealth; revenues from the state realty transfer tax (RTT) and monies from the National Housing Trust Fund (HTF). The Agency issued an RFP on September 9, 2019 with an application submission deadline of November 15, 2019. There were 350 applications requesting over \$138 million in funding received for the 2019-2020 funding year.

Staff has reviewed all of the applications in accordance with the 2020 PHARE Plan. The average funding request was \$315,000 and the average funding award is \$156,000. Over 60% of the applications submitted have been recommended for funding. A portion of the PHARE funds are used to support 4% tax credit applications. Staff recommends approval of the resolution submitted to the Board regarding the processing of the PHARE programs and applications.

Mr. Schwartz extended his congratulations to Agency staff for their in depth review.

Mr. Welks asked for a motion that the Board approve the resolution regarding the processing of the PHARE programs and applications. This motion was made by Ms. Coutts and seconded by Ms. Possinger. Mr. Schwartz, Mr. Paone and Ms. Koppel abstained. Motion carried with abstention.

C. Review and Approval of the 2020 LIHTC Allocation of Resources

Ms. Glauser reported that the Agency received 75 applications (one was withdrawn after submission) for funding in accordance with the 2019/2020 Allocation Plan. Of the applications received, \$89 million of tax credits, \$18 million of HOME funds, \$36 million of PHARE HTF were requested. She reminded the members that HTF funds are also utilized for the 4% tax credit applications and are funded through the PHARE mechanism. The oversubscription of HTF was a challenging hurdle for staff. There is currently slightly over \$11 million in HTF funds for the 2020 awards. Due to the cap on HTF, the Agency adjusted the preferences and geographic distribution in accordance with the Allocation Plan. All feasible applications were reviewed by staff and senior management and recommendations are made based on the feasibility of those applications and funding availability in accordance with the Allocation Plan. For the 2020 tax credits being evaluated, there is \$11 million in Housing Trust Funds; \$6.5 million HOME funds and \$20 million available.

Ms. Glauser expressed a sincere thank you to the team at the Agency, including both current employees and Mr. Ed Neuhart and Mr. Stan Salwocki who have recently retired, for their robust review and assessment of the applications and compliance with the various programmatic and regulatory requirements.

Staff recommends the reservation of tax credits for 32 developments and the conditional forward commitment to four (4) developments. The conditional reservation allows for the developments to demonstrate their financial viability in accordance with the 2019/2020 Allocation Plan. Of the 36 developments recommended for funding, there are a total of 1,785 units, \$42 million for tax credit developments, \$6.1 mil of HOMES funding, \$13 million of PHARE-HTF funding. The Agency is recommending funding for 48% of the applications received.

Mr. Schwartz offered his appreciation to Ms. Glauser and Agency staff for their terrific work in assessing and evaluating the applications. It is always a difficult exercise to allocate funding for a scarce resource.

Ms. Possinger made the motion that the Board approve the 2020 Low Income Tax Credit Allocation process and authorize certain Agency actions regarding program funding. The motion was seconded by Ms. Coutts. Mr. Schwartz and Mr. Paone abstained. Motion carried with abstention.

D. Other Business

There was no other Committee business to be brought before the Board. Chair Vague thanked Agency staff for the presentations and their thoroughness of their review.

5. CARES FUNDING UPDATE

Mr. Maretzki provided an overview of the CARES funding, known as Act 24 of 2020 enacted by Governor Wolf. Of the \$2 billion the Commonwealth received, PHFA was allocated an aggregate total of \$175 million, of which \$25 million was allocated for the Pandemic Mortgage Assistance Program (PMAP), which is managed by Lori Toia, Director of HEMAP, and \$150 million was allocated for the Rent Relief Program (RRP). Within 30 days of enactment, the Agency finalized program and implementation guidelines. On July 6, 2020, the first applications were accepted for both programs. With the assistance of the County Commissioners Association of Pennsylvania, the Agency has a partner in every county of Commonwealth which is accepting and reviewing applications. As Director Wiessmann previously indicated, it has been an all-Agency effort to establish and implement these programs.

As of July 31, the Agency has asked for verification of unemployment of 13,000 individuals; 10,000 applications from renters; 5,700 applications from landlords requesting \$38 million in assistance. As of August 13, 2020, the Agency has provided direct assistance for the Rental Relief Program in the amount of \$465,000. Receipt of complete applications for rental and homeowner assistance has been a significant challenge. Both the tenant and landlord and the homeowner and the lender must work together to supply a complete funding application. Recipients from both programs have indicated that the assistance level of \$1,000 is not enough. As outlined in the legislation, September 30, 2020 is the last day for applications to be submitted and November 30, 2020 is last day for payment disbursement.

Mr. Schwartz asked for an update on legislative activity regarding the CARES funding. Director Wiessmann indicated that PHFA's primary goal for CARES Act was the availability of a significant amount of money dedicated for housing. Housing, as we all know, is a crucial part of the economy. The Agency has suggested the program deadline be extended another 30 days, thereby maximizing the funding to more Pennsylvanians in need.

Mr. Nese asked about administrative costs of the program. Director Wiessmann indicated it would be helpful for a federal program to also allow for coverage of administrative costs for those implementing the program.

6. INVESTMENT BANKER REPORT

Chair Vague invited Mr. Michael Baumrin of RBC Capital Markets to provide a market update to the members. Mr. Baumrin indicated the market is driven by three words, COVID, COVID, COVID. He outlined questions surrounding COVID include the infection rate and the rate it is spreading, possibilities of re-openings of businesses and schools, and the hope of an effective vaccine. RBC is monitoring the spread of COVID infection rates and thankfully mortality rates have decreased. During the second quarter, the GDP fell 33% which prompted the Federal Reserve to lower the interest rate to 2.5%. Interest rates in municipal bond market are the lowest they have ever been. Lastly, with incredible uncertainty for the economy and the presidential election which will be highly contested, he feels the Federal funds rate will stay very low and will remain accommodative and anticipates a strong rebound in the housing industry.

7. OTHER BUSINESS

Director Wiessmann informed the members that there is enough demand in the Agency's mortgage portfolio to warrant another bond transaction. The next bond transaction will be going to market at the beginning of September.

Director Wiessmann asked members of staff to report on COVID-19 updates. Ms. Baumert indicated the mortgage portfolio pipeline is stable and continues to be active and healthy. The Agency continues to purchase mortgage loans and the MRB program is the top producing product line offering a secured interest rate of 2.45%. Ms. Newton indicated the Agency has granted 2,400 forbearances since mid-March. Of those, only 750 remain in an active forbearance state. The 30- and 60-day delinquencies are down, too. Ms. Grover indicated the Agency continues to have conversations with both legislative chambers about effectiveness of CARES Act. Extension of the application deadline is a top priority for when the legislature returns in September. The Agency is continuing its efforts to make the CARES program accessible to those in need. Director Wiessmann expressed her appreciation for the updates.

The members were reminded that the next monthly Board meeting will be held September 10, 2020.

8. PUBLIC COMMENTS

Mr. Pandeladis indicated no public comments were received by the participation deadline. The Agency advertised appropriately under the Sunshine Act. Earlier this week, there was correspondence received by Mr. David Anker from Philadelphia regarding a LIHTC application

for a specific development located at 1122 Oak Lane, Philadelphia. Mr. Anker specified that there were three neighborhood organizations which opposed the development. His request arrived after the deadline for public comments, but his concerns would be shared with the Members of the Board.

9. ADJOURNMENT

There being no further business to present to the Board, a motion was made and seconded that the Board meeting be adjourned. The motion was unanimously approved. The meeting adjourned at 11:55 a.m.

The next monthly meeting of the Members of the Board of the Pennsylvania Housing Finance Agency will be held at the Agency's offices at 211 North Front Street, in Harrisburg, Pennsylvania 17101 on Thursday, September 10, 2020 at 10:30 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Margaret Strawser".

Margaret Strawser
Secretary

PENNSYLVANIA HOUSING FINANCE AGENCY

Date: September 10, 2020
Subject: Property Workout
To: Members of the Board
Pennsylvania Housing Finance Agency
From: Carl Dudeck, Jr.
Director of Housing Management

PHFA No. O-488 Goodwill Neighborhood Residences

Goodwill Neighborhood Residences is a 36 unit property for elderly occupancy located in Scranton, Lackawanna County. The property originally received mortgage financing in the aggregate amount of \$1,950,000, with a PennHOMES loan in the amount of \$950,000 and two Special Purpose Acquisition loans in the amount of \$757,500 and \$242,500, respectively. No payments have ever been made on any of the mortgages. The property is subject to a 30 year extended use period expiring in 2027.

The current owner is Lackawanna Housing Associates, a Pennsylvania limited partnership, whose general partner is Pennrose Equities, a Pennsylvania partnership with RKB, Inc., a Pennsylvania corporation, its general partner, Richard K. Barnhart, President.

The property has consistently experienced ongoing operating losses and currently the owner has advanced funds totaling \$335,540 to support operations.

As the owner cannot continue to operate the building as it is currently structured, a buyer has been sought and found.

It is the intent of the owner to sell the property to Goodwill Residence LLC, a Pennsylvania limited liability company, Abraham Frankel, Manager. Management of the property will be taken over by Goldstone Management. Mr. Frankel has tax credit experience and it is his intent to keep the property as affordable housing.

Sale proceeds will be insufficient to fully repay the Agency's outstanding debt. To complete the transfer requested, the Agency is required to accept 50% of the outstanding Agency loans as payment in full and to satisfy all of its outstanding liens and covenants on the property. Staff is requesting Board approval of this request.

A resolution is attached for your consideration.

**RESOLUTION OF THE MEMBERS OF THE BOARD
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
APPROVING A PROPERTY WORKOUT FOR
GOODWILL NEIGHBORHOOD RESIDENCES, PHFA O-488**

WHEREAS, Goodwill Neighborhood Residences in Scranton, Lackawanna County (the "Development") received PHFA financing in 1996 to support the construction and permanent financing of 36 elderly occupancy units; and

WHEREAS, the Development is owned by Lackawanna Housing Associates, a Pennsylvania limited partnership, whose general partner is Pennrose Equities, a Pennsylvania partnership with RKB, Inc. a Pennsylvania corporation, its general partner, Richard K. Barnhart, President (the "Owner"); and

WHEREAS, the Agency provided a loan in the aggregate amount of \$1,950,000, consisting of a PennHOMES loan in the amount of \$950,000 and two Special Purpose Acquisition loans in the amount of \$757,500 and \$242,500, respectively (collectively referred to herein as the "PHFA Loan"); and

WHEREAS, no payments have been made on the PHFA Loan and the Owner is unable to continue operating the Development as it is currently structured; and

WHEREAS, it is the intent of the Owner to sell the Development to Goodwill Residence, LLC, a Pennsylvania limited liability company;

WHEREAS, the sale of the Development will be insufficient to fully repay the PHFA Loan; and

WHEREAS, the Owner has contacted the Agency requesting that the Agency accept an amount equal to 50% of the outstanding PHFA Loan as payment in full; and

WHEREAS, the Agency has reviewed the request and has decided to approve payment of the PHFA Loan as set forth below.

NOW, THEREFORE, be it resolved by the Members of the Pennsylvania Housing Finance Agency on this 10th day of September, 2020, as follows:

Section 1. The Agency staff is authorized to accept an amount equal to 50% of the outstanding PHFA Loan as payment in full and to take all actions necessary to accomplish the same.

Section 2. This resolution shall take effect immediately.

REQUEST FOR LOAN COMMITMENT

Pennsylvania Housing Finance Agency
September 10, 2020

SUBJECT: Sparrow’s Way
Request for Loan Commitment
Tax Credit Development: TC2019-813/N-145
York, York County
Development Officer: Yashira Aybar

TO: Members of the Board
Pennsylvania Housing Finance Agency

FROM: Robin L. Wiessmann
Executive Director & CEO 

DEVELOPMENT DESCRIPTION:

This proposal is for the new construction of 23 buildings consisting of 23 units for general occupancy with potential for homeownership conversion. The development is comprised of 10 two-bedroom and 13 three-bedroom townhouses. There will be four fully accessible units and four units targeted for families experiencing homelessness. The development is estimated to be a total of 44,064 gross building square feet.

OWNER:

Sparrow’s Way LP
Mike Kearney, Camp Hill, PA

FINANCING PLAN:

PHFA First Mortgage Loan	\$ 945,000
EG Stoltzfus Playground Contribution	25,000
County of York HOME Funds	660,000
Reinvested Developer Fee for Homeownership Reserve	23,000
Energy Rebates	41,400
Reinvested Developer Fee	1,284
Equity (Fulton Bank @ \$0.92750)	<u>5,842,629</u>
Total Development Costs	\$ 7,538,313
Tax Credit Award at Closing	\$ 629,933

	<u>Total</u>	<u>Per Unit</u>	<u>Per Sq. Ft.</u>
Construction Costs	\$5,323,970	\$231,477	\$121
Total Replacement Costs & Reserves	6,544,144	284,528	149
Total Development Costs	7,538,313	327,753	171

SITE DESCRIPTION:

The Sparrow’s Way development will be located on approximately 4.79 acres at an address currently identified as 2150 Pineview Drive, in Dover Township. Site control is in the form of an Option Agreement through September 29, 2020. The development has full zoning approval with single-family attached dwelling and multifamily housing a permitted use.

**RESOLUTION OF THE MEMBERS OF THE BOARD
OF THE PENNSYLVANIA HOUSING FINANCE AGENCY
APPROVING MORTGAGE FINANCING FOR
SPARROW'S WAY, PHFA NO. N-145**

WHEREAS, the Agency has received a request for first mortgage financing for the construction of twenty-three (23) buildings consisting of twenty-three (23) units for general occupancy located in York County, known as Sparrow's Way (the "Development") to be owned and operated by Sparrow's Way LP, a Pennsylvania limited partnership ("Owner"); and

WHEREAS, staff has reviewed the Development's fiscal and physical condition, the proposed construction budget and capital needs, the sources and uses of funds available to the Development, the ownership entity, the market and the rents at the Development; and

WHEREAS, based upon its underwriting, staff recommends that the Agency provide financing to the Development through a primary loan in an amount not to exceed \$945,000 with an interest rate of 4.625% amortized over 35 years, to be initially funded out of Agency reserves.

NOW, THEREFORE, be it resolved by the Members of the Board of the Pennsylvania Housing Finance Agency on this 10th day of September, 2020, as follows:

Section 1. Staff is authorized and directed to take all actions necessary to provide mortgage loan financing to Owner to support the construction and operation of the Development by providing a primary loan in the approximate aggregate amount of \$945,000 (which may be increased by 15% as a contingency allowance based on final underwriting) with an interest rate of 4.625% amortized over 35 years subject to the following conditions: (a) Owner agrees to the terms and conditions of a regulatory agreement that establishes a 35 year affordability restriction; (b) commitment of all other necessary funding sources set forth in the underwriting and financing plan; and (c) the Agency's final review and approval of the necessary financing documents.

Section 2. This resolution shall take effect immediately.

**Pennsylvania Housing Finance Agency
Memorandum**

Date: September 10, 2020

To: Members of Board of
Pennsylvania Housing Finance Agency

From: Robin L. Wiessmann
Executive Director & CEO



Re: Pennsylvania Housing Finance Agency
Single Family Mortgage Revenue Bonds,
Series 135 and Series 136

On June 22, 2020, the Agency closed on its \$147,965,000 Series 2020-132 Single Family Mortgage Revenue Bonds. The bond proceeds funded our single family mortgage loan origination program, providing 30 year mortgages with rates between 2.75% to 4.25%.

We continue to originate loans in our production pipeline (currently offering rates between 2.5% and 3.5%). We have already priced the structure for our next bond financing transaction, Series 133.

We are seeking authorization to proceed with the next two bond issues in the program, with a delegation to the Finance Committee to finalize all terms and conditions related to the issuance of each of these transactions. The attached resolutions authorize the transactions.

RESOLUTION OF THE MEMBERS OF THE PENNSYLVANIA HOUSING
FINANCE AGENCY AUTHORIZING THE ISSUANCE OF
SINGLE FAMILY MORTGAGE REVENUE BONDS,
SERIES 135

WHEREAS, pursuant to the Housing Finance Agency Law, 35 P.S. Section 1680.101 et seq., "the Agency has the power...as authorized from time to time by resolution of the members and subject to the written approval of the Governor to issue its negotiable bonds...and notes in such principal amount as... shall be necessary to provide sufficient funds for achieving its corporate purposes...at such price or prices as the Agency shall determine..."; and

WHEREAS, the Agency has determined to issue its Single Family Mortgage Revenue Bonds, Series 135 in accordance with a resolution to be attached hereto and made a part hereof ("Series Resolution"); and

WHEREAS, pursuant to a resolution of the Agency adopted June 13, 1991 and entitled "RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY DELEGATING TO THE FINANCE COMMITTEE CERTAIN SPECIFIC AUTHORITY RELATING TO AGENCY BOND ISSUES," the Agency has determined to delegate to the Finance Committee of the Board of the Agency, within the perimeters established herein, the authorization to negotiate the final terms of such series of bonds.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 10th day of September, 2020 as follows:

Section 1. Adoption of the Series 135 Resolution. The Series Resolution authorizing the issuance of the Agency's Single Family Mortgage Revenue Bonds, Series 135 (the "Bonds") is hereby incorporated herein by reference and is adopted by the Agency.

Section 2. Delegation of Authorization to Negotiate Final Terms. (a) Subject to the provisions of this Section 2, the Finance Committee is hereby authorized and directed to negotiate, prepare or accept, execute, deliver and distribute, for and on behalf of the Agency and in the name thereof, a contract of purchase and/or agreement and memorandum of understanding, which outlines terms of final pricing, interest rates, tender and redemption provisions, bond maturities, payment of associated costs of issuance appropriate for the financing (including reasonable compensation for applicable structuring and fees related thereto), and such documents as may be necessary for the transaction, including offering and disclosure documents, an indenture and all other documents relating to the issuance of and investment mechanisms relating to the Bonds and related securities, which may include taxable, variable rate or fixed rate notes. At the time such final terms have been negotiated on behalf of the Agency, such final terms shall be incorporated into the Series Resolution, which, with such final terms so incorporated, shall constitute the Series Resolution of the Agency authorizing the issuance of the Bonds.

(b) The final terms of the Series 135 Bonds shall be as negotiated by the Finance Committee, provided, however, as follows: (i) the principal amount of the Series 135 Bonds shall not exceed \$350,000,000, (ii) the final maturity of the Series 135 Bonds shall be no later than 2060, and (iii) the initial interest rate or rates on the Series 135 Bonds shall be a rate or rates resulting in a net interest cost no higher than 8% per annum.

Section 3. Additional Authorization. The Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance is authorized to enter into one or more guaranteed investment contracts, escrow deposit agreements or other investment instruments relating to the Bonds, to take all necessary actions and to make any necessary and appropriate amendments or adjustments to all or a relevant portion of any bonds issued under the Indenture and to secure substitute facilities and remarketing agreements for any of the Agency's outstanding variable rate demand obligations.

Section 4. Effective Date and Official Intent. This Resolution shall take effect immediately and shall serve to declare the official intent of the Agency to allow reimbursement of qualified capital expenditures from proceeds of the Bonds in accordance with Treasury Regulations.

RESOLUTION OF THE MEMBERS OF THE PENNSYLVANIA HOUSING
FINANCE AGENCY AUTHORIZING THE ISSUANCE OF
SINGLE FAMILY MORTGAGE REVENUE BONDS,
SERIES 136

WHEREAS, pursuant to the Housing Finance Agency Law, 35 P.S. Section 1680.101 et seq., "the Agency has the power...as authorized from time to time by resolution of the members and subject to the written approval of the Governor to issue its negotiable bonds...and notes in such principal amount as... shall be necessary to provide sufficient funds for achieving its corporate purposes...at such price or prices as the Agency shall determine..."; and

WHEREAS, the Agency has determined to issue its Single Family Mortgage Revenue Bonds, Series 136 in accordance with a resolution to be attached hereto and made a part hereof ("Series Resolution"); and

WHEREAS, pursuant to a resolution of the Agency adopted June 13, 1991 and entitled "RESOLUTION OF THE PENNSYLVANIA HOUSING FINANCE AGENCY DELEGATING TO THE FINANCE COMMITTEE CERTAIN SPECIFIC AUTHORITY RELATING TO AGENCY BOND ISSUES," the Agency has determined to delegate to the Finance Committee of the Board of the Agency, within the perimeters established herein, the authorization to negotiate the final terms of such series of bonds.

NOW, THEREFORE, be it resolved by the members of the Pennsylvania Housing Finance Agency on this 10th day of September, 2020 as follows:

Section 1. Adoption of the Series 136 Resolution. The Series Resolution authorizing the issuance of the Agency's Single Family Mortgage Revenue Bonds, Series 136 (the "Bonds") is hereby incorporated herein by reference and is adopted by the Agency.

Section 2. Delegation of Authorization to Negotiate Final Terms. (a) Subject to the provisions of this Section 2, the Finance Committee is hereby authorized and directed to negotiate, prepare or accept, execute, deliver and distribute, for and on behalf of the Agency and in the name thereof, a contract of purchase and/or agreement and memorandum of understanding, which outlines terms of final pricing, interest rates, tender and redemption provisions, bond maturities, payment of associated costs of issuance appropriate for the financing (including reasonable compensation for applicable structuring and fees related thereto), and such documents as may be necessary for the transaction, including offering and disclosure documents, an indenture and all other documents relating to the issuance of and investment mechanisms relating to the Bonds and related securities, which may include taxable, variable rate or fixed rate notes. At the time such final terms have been negotiated on behalf of the Agency, such final terms shall be incorporated into the Series Resolution, which, with such final terms so incorporated, shall constitute the Series Resolution of the Agency authorizing the issuance of the Bonds.

(b) The final terms of the Series 136 Bonds shall be as negotiated by the Finance Committee, provided, however, as follows: (i) the principal amount of the Series 136 Bonds shall not exceed \$350,000,000, (ii) the final maturity of the Series 136 Bonds shall be no later than 2060, and (iii) the initial interest rate or rates on the Series 136 Bonds shall be a rate or rates resulting in a net interest cost no higher than 8% per annum.

Section 3. Additional Authorization. The Executive Director, Deputy Executive Director and Chief Counsel or Director of Finance is authorized to enter into one or more guaranteed investment contracts, escrow deposit agreements or other investment instruments relating to the Bonds, to take all necessary actions and to make any necessary and appropriate amendments or adjustments to all or a relevant portion of any bonds issued under the Indenture and to secure substitute facilities and remarketing agreements for any of the Agency's outstanding variable rate demand obligations.

Section 4. Effective Date and Official Intent. This Resolution shall take effect immediately and shall serve to declare the official intent of the Agency to allow reimbursement of qualified capital expenditures from proceeds of the Bonds in accordance with Treasury Regulations.