

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

September 18, 2009

Pursuant to notification given September 11, 2009, the Members of the Illinois Housing Development Authority met for a regular meeting at 9:30 a.m., local time, September 18, 2009, at the offices of the Illinois Housing Development Authority, 401 North Michigan Avenue, Suite 700, Chicago, Illinois.

Those present:

BOARD:

Terry Newman	Chairman
Robert Barker	Vice Chairman
Floyd Gardner	Member (via telephone)
Mary Kane	Member
Mark Kochan	Member
George Lampros	Member

STAFF:

Gloria Materre	Executive Director
Jane Bilger	Chief of Staff/Assistant Executive Director
Mary Kenney	General Counsel
Kathryn Finn	Assistant General Counsel
Robert Kugel	Assistant Executive Director/Chief Financial Officer
James Kregor	Controller
Barbara Manning	Chief Internal Auditor
Christian Froelich	Manager, American Recovery and Reinvestment Act Activities
Cami Freeman	Director of Single Family HOME/Trust Fund Programs
Vanessa Hill	Single Family HOME/Trust Fund Programs
Michelle Adams	Director Administrative Services
Stephen Gladden	Assistant Director/Manager for Multifamily Underwriting
Tracy Wortham	Assistant Director, Human Resources
Steve Uitto	Director, Information Systems
Neil O'Callaghan	Director, Information Technology
Nicki Pecori	Finance and Development
Mary Karnia	Finance and Development
Omar Brown	Financial Asset Management
Hazim Taib	Financial Asset Management
Peggy Cullom	Managing Director Loan and Portfolio Management
Linda Thurmond	Managing Director for Multifamily Programs
Bill Smythe	Finance and Development
Tony Hernandez	Asset Management
Eric Von Battles	Asset Management
Diane Smith	Asset Management
Adonya Little	Multifamily Programs
Matt Palek	Multifamily Programs

Adam Rogers	Multifamily Programs
Mary Ellen Poole	Multifamily Programs
Adrienne Whitney	Financial Asset Management
Bill Smirniotis	Managing Director of Homeownership Programs
Colleen Saccotelli	Legal Department
Margaret Vizzini	Legal Department

GUESTS:

Efrain Vargas	Humboldt Construction Co.
Nicholas Brunick	Applegate & Thorne-Thompsen
Michael Goetz	Laborers' Home Development Corporation
Michael Pizzuto	Wilmington Development Corporation
Karen Miller	St. Joseph Senior Housing Corporation
Robert Helle	South Chicago SA Partners, LLC
Jeffrey Copley	Christian County Integrated Community Services
Robert Boyle	Justine Petersen Housing and Reinvestment Corporation
Randy Bennett	Department of Commerce and Economic Opportunity
Henry Morris	Liberty Meadow Estates, LLC
Scott Kotick	Alliant Capital
James Roberts	Urban Finance
Nicolette Vander Meer	Lighten-Gale Group
Bill King	Homan Arthington Housing, Inc.
Fred Bonner	Peoples Co-Op for Affordable Elderly Housing
Bob Mathes	Linn-Mathes Inc.
Mary Ellen Thomasy	LCRDC Vernon Hills SA, LLC
Robert Helle	Vernon Hills SA Partners, LLC
Thomas Crowe	Waukeegan Housing Company, LLC
Jennifer Pruitt	Pedcor Funding Corp.
Michael Moore	Rockford Faust GP, LLC
William De Bruler	The De Bruler Co.
Andy De Bruler	The De Bruler Co.
Rev. Rendall Harris	Westside Federation of Chicago
Kim Jackson	LCDC
Krista Kolis	Village of Brighton in Macoupin County
John Janicik	Mayor Brown
Tammy Scott	Machesney Park
Paul Fessler	Project Now
Becky Wilson	BCMw Community Action
Debra Jackanicz	Crosswalk
Tim West	Crosswalk
Susan Jun	Bank of America Merrill Lynch
Bob Foggio	Morgan Stanley
Mr. William Daley	Morgan Stanley
Raymond High	Morgan Stanley
Mr. Michael Koessel	Citigroup

Elizabeth May	Chase
John Gust	Jefferies & Company
Scott Schmidt	U.S. Bank Home Mortgage
Ms. Renee Johnson	The Bank of New York Trust Company
Rhonda Butler Jackson	The Bank of New York Trust Company
Robert Demos	The Bank of New York Trust Company
Catherine Baker	Landon Bone Baker Architects
Leslie Ann Jones	East Lake/West End
Mike Niehaus	Windsor Homes
Amy Janko	The Stough Group
Audra Hamernik	Cottage Housing Partners NFP
Matthew Graham	Shorewood Horizon, Inc.
John Linner	NDC Corporation
Jessica Berzak	DDG Monmouth, LLC
Debra Claybron	Voice of the People in Uptown
Anthony Fusco	Chicago Community Development Corporation
Mike Juosaitios	Lake Forest Project Consultant
Bob Kiley	Lake Forest City Manager
Tom Morsch	Alderman and Member of the Housing Trust
Peter Coutant	City Planner
Michael Burns	Chairman of the Housing Trust and former Alderman
Becky Wilson	B.C.M.W. Community Services
Brad Schueler	Tri County Opportunities
Robert Campbell	Rockford Area Affordable Housing Coalition (RAAHC)
Debbie Dixon	Roseland Place, Inc. NFP
Andrea Keene	Parkside Nine I, LLC
Michael Greer	GMS II, LLC
Shael Bellows	The Kensington Group, LLC
Rita Backstrom	Carbondale Neighbors Development, LLC
Bill Luchini	Capstone Development Group
Sherry Hamlin	River to River of Marion, LLC
Charlers Fawcett	Knollwood St. Clair Development, LLC
Yaakov Litvin	Kingston Properties I, NFP

With a quorum consisting of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros being present, Chairman Newman called the meeting to order at 9:31 a.m. Chairman Newman stated that Mr. Gardner will be attending the meeting by telephone. He stated that Mr. Gardner was not available to attend in person and is communicating with the Board by telephone from his office in Chicago, Illinois. He further stated that his communications will be received through a speakerphone in the Authority's boardroom, located in the Authority's office at 401 N. Michigan Avenue.

09-IHDA-124 Chairman Newman introduced Item 1 on the Agenda: Resolution Approving the Minutes of the Meeting of the Members of the Illinois Housing Development Authority held on August 21, 2009.

A motion to adopt the Minutes was made by Ms. Kane and seconded by Mr. Barker; the Minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Davis, Mr. Kochan and Mr. Lampros.

Chairman Newman moved that the Board retire immediately to a closed session pursuant to Section 2 (c) (11) of the Opening Meetings Act to discuss the following subject: the Resignation of Executive Director Forney and the Appointment of a new Executive Director. Mr. Kochan seconded the motion; voting was done by a roll-call vote, and the Board approved the motion by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

The Board reconvened in open session at 9:55 a.m.

At 9:55 a.m. Mr. Gardner joined the meeting via telephone.

09-IHDA-125 Chairman Newman introduced Item 2 on the Agenda: Resolution Accepting Resignation of Executive Director and Appointment of New Executive Director.

Mr. Newman introduced Ms. Materre and welcomed her to the Authority. Mr. Newman requested the Members' approval to: 1) accept the resignation of DeShana L. Forney as Executive Director of the Authority; and 2) appoint Gloria L. Materre as the Executive Director of the Authority.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Lampros; voting was done by a roll-call vote, and the Resolution was adopted by the affirmative votes of Chairman Newman, Mr. Barker, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

Executive Director Materre stated that she gladly accepts the appointment. Coming to IHDA with extensive experience in real estate law and business development, Ms. Materre is looking forward to working with everyone at the Authority, jumping right in, and working on new projects in this exciting and evolving time in the market.

09-IHDA-128K

Assistant Executive Director Bilger introduced Tab K under Item 5 on the Agenda: Resolution Authorizing Funds under the Equity Replacement Program (TCAP-2778-0130-01) for the River to River Community of Marion, Marion, Illinois.

Mr. Rogers stated that under Equity Replacement Program, The American Recovery and Reinvestment Act of 2009 provides direct benefits to low income housing projects in Illinois by creating and preserving jobs, promoting economic recovery in the near term, and investing in infrastructure to provide long-term economic benefits. In May of this year, the Board approved two resolutions authorizing the Authority to access federal funds to provide financial assistance to projects. Under its Equity Replacement Program (or ERP), the Authority has combined the Tax-Credit Assistance Program (or TCAP) and the Section 1602 Program, with the intention of using these resources to restart the construction or rehabilitation of low-income housing projects around Illinois that have stalled primarily as a result of reduced pricing for, or an investor's demonstrated lack of interest in, a project's low-income housing tax-credits. Mr. Rogers stated that River to River Residential Corp. (the "Sponsor") applied for and is authorized to receive tax exempt bond financing from the Illinois Finance Authority in connection with the construction and permanent financing of a multifamily housing development to be known as River to River Community of Marion (the "Project"), described on Exhibit A attached to this Resolution. As the Federal Tax Credit Agency and in connection with the tax exempt bond financing for the Project, the Authority issued a Determination Letter on May 29, 2008, which awarded the Sponsor Federal Tax Credits for the year 2008 in the amount of \$253,547. The Sponsor has applied to the Authority for ERP Funds in the amount of \$1,840,328 for the construction and permanent financing of the Project that will provide 50 units of affordable senior housing in a certified Supportive Living Facility in Marion, Illinois. Mr. Rogers recommended the Members' approval of a TCAP mortgage loan or grant with a recapture provision in an amount not to exceed \$1,840,328.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Mr. Lampros; the Resolution was adopted by a roll-call vote of Chairman Newman, Vice-Chairman Barker, Mr. Gardner, Mr. Kochan and Mr. Lampros. Ms. Kane abstained from voting.

09-IHDA-128L

Assistant Executive Director Bilger introduced Tab L under Item 5 on the Agenda: Resolution Authorizing Funds under the Equity Replacement Program (TCAP-2857-0129-01) for Knollwood Retirement Center St. Clair, Caseyville, Illinois.

Mr. Rogers stated that this is another request under Equity Replacement Program. Knollwood St. Clair Development, LLC., (the "Sponsor") applied for and is authorized to receive tax exempt bond financing from the Southwestern Illinois Development Authority in connection with the construction and permanent financing of a multifamily housing development to be known as Knollwood Retirement Center St. Clair (the "Project"), described on Exhibit A attached to this Resolution. The Authority issued a Determination Letter on February 2, 2009, which awarded the Sponsor Federal Tax Credits for the year 2009 in the amount of \$297,344. The Sponsor has applied to the Authority for ERP Funds in the amount of \$1,748,251 for the construction and permanent financing of the Project. Mr. Rogers recommended the Members' approval of a TCAP mortgage loan with a recapture provision in an amount not to exceed \$1,748,251.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Mr. Barker; the Resolution was adopted by a roll-call vote of Chairman Newman, Vice-Chairman Barker, Mr. Gardner, Mr. Kochan and Mr. Lampros. Ms. Kane abstained from voting.

At 10:08 a.m. Mr. Gardner ended his attendance by telephone.

09-IHDA-126

Assistant Executive Director Bilger introduced Item 3 on the Agenda: Resolution Authorizing Provision of Funds for Trust Fund Home Modification Program 2009 (STF-50188, 50189, 50190, 50191, 50192, 50193, 50194, 50195, 50196, 50198, 50199, 50200, 50201, 50202 and 50203) under the Illinois Affordable Housing Program.

Ms. C. Freeman stated that the following entities (collectively, the “Sponsors”): Project Now, Inc., B.C.M.W. Community Services, County of Coles, Western Egyptian Economic Opportunity Council, United Cerebral Palsy of Greater Chicago, Two Rivers Regional Council of Public Officials, Western Illinois Regional Council, Regional Access Mobilization Project, Inc., City of Rockford Community and Economic Development Department, City of Kankakee Community Development and Economic Agency, Will County Center for Community Concerns, City of Springfield Office Planning and Development, Wabash Area Development Inc., St. Clair County Intergovernmental Grants Department and Tri-County Opportunities Council, have applied to the Authority for funds from the Program (the “Funds”) in the respective amounts indicated on Exhibit A attached to the Resolution, to be used to make forgivable loans to certain very low and/or extremely low income elderly and/or disabled homeowners or tenants, as approved by the Sponsors, to rehabilitate approximately one hundred thirty-eight (138) single family homes; the rehabilitation work will increase accessibility and correct health and safety concerns of the homes. This is round four of the Home Modification Program. The goal is to restore dignity and provide freedom to people living with disabilities by giving them the ability to move around the inside and the outside of their homes, privileges most of us take for granted. Ms. Freeman introduced two special guests, Robert and Karen Altzen, whose daughter, Beth, has cerebral palsy. Through the Home Modification Program, a bathroom in the Altzen home was modified and made accessible. Specialized flooring and bathtub were installed, based on the recommendation of Beth’s doctor. The Sponsors will receive \$2.18 million in total funding. It is estimated that these organizations will modify 138 units through the course of the one-year program. Ms. Freeman recommended the members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-127A

Assistant Executive Director Bilger introduced Tab A under Item 4 on the Agenda: Resolution Amending Resolution No. 2005-IHDA-119D Authorizing State Tax Credits (STC-2304-06) for Lantow Lofts EAH, Rockford, Illinois.

Mary Ellen Poole stated that by Resolution No. 2005-IHDA-119D (the “Prior Resolution”) the Authority made a reservation of State Tax Credits in connection with the down payment and closing cost assistance to buyers of condominiums in a multifamily housing development known as Lantow Lofts EAH (the “Project”). At the time of the adoption of the Prior

Resolution, the sponsor for the Project was intended to be Zion Development Corporation (“Zion”). Zion desires to withdraw as the sponsor and has requested that the Authority authorize Rockford Area Affordable Housing Coalition as the sponsor for the Project, as more fully described in the project summary attached to this Resolution. Pursuant to the Prior Resolution, the Project was limited to the purchase of condominiums by Amcore Bank employees (the “Employees”) in a building known as Lantow Lofts. The Sponsor desires to amend the Project to include the purchase of condominiums by the Employees within a ten (10) mile radius of Amcore Bank. All Employees must purchase homes within 24 months of the date of this Resolution. Ms. Poole recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-127B

Assistant Executive Director Bilger introduced Tab B under Item 4 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-005A Authorizing State Tax Credits (STC-10012-09) for Roseland Place, Chicago, Illinois.

Mr. Rangel stated that by Resolution No. 2009-IHDA-005A (the “Prior Resolution”), the Authority made a reservation of State Tax Credits in connection with the construction of a multifamily housing development (the “Project”) to be known as Roseland Place described on Exhibit A attached to this Resolution. At the time of the adoption of the Prior Resolution, the sponsor was intended to be NHS Redevelopment Corporation, an Illinois not-for-profit corporation (“NHS”). NHS desires to withdraw as the Sponsor and has requested that the Authority authorize Roseland Place Inc., NFP, as the sponsor for the Project as more fully described in the project summary attached to this Resolution. Ms. Rangel recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-127C

Assistant Executive Director Bilger introduced Tab C under Item 4 on the Agenda: Resolution Authorizing Federal Tax Credits for Disaster Relief (DTC-10111-09) for Settler’s Green, Lake Forest, Illinois.

Ms. Tucciarelli stated that Settler's Green was presented to the Board last month. The project is located in Lake Forest, in Lake County. It is a new construction development of 16 units intended to serve low income families with children as well as to provide affordable housing opportunities for employees to live near work in this community. Fifteen units will be rented to households at or below 60% of area median income. In the last month the Authority has received additional letters of opposition and support. Several guests came to represent the project: Bill DeBruler with the DeBruler Company, Mary Ellen Tamasy from Lake County Residential Development Corporation, Mike Juosaitios as the consultant, Bob Kiley, City Manager, Tom Morsch, Alderman and Member of the Housing Trust, Peter Coutant, City Planner, and Michael Burns, Chairman of the Housing Trust and former Alderman. Ms. Tucciarelli recommended the Members' approval of 2009 Disaster Tax Credits in the amount of \$765,329. Ms. Tucciarelli invited the City Manager and the Alderman to address the Members of the Board and explain the issues and concerns. Skip Thomson, one of the Lake Forest homeowners, asked again for a delay in adoption of the Resolution until all necessary procedures in checking on the project are over. The discussion developed between Members of the Board and the guests to provide clarification of the issues.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128A

Assistant Executive Director Bilger introduced Tab A under Item 5 on the Agenda: Resolution Extending Commitment date for the Provision of Funds (HTF-2671-01) Parkside Nine Phase I Apartments, Chicago, Illinois.

Mr. Johnson stated that by Resolution No. 2007-IHDA-082L the Authority authorized the Trust Fund Grant to the City of Chicago for Parkside Nine Phase I Apartments. Due to processing delays the Commitment for the Trust Fund Grant expired on December 31, 2007. Parkside Nine I, LLC (the "Sponsor") requested that the Commitment expiration date be extended to December 31, 2009 under the conditions explained in the project summary attached to this Resolution. This new construction family project will consist of an eight story elevator building and six townhomes attached to the rear of the building. Mr. Johnson recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of

Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128B Assistant Executive Director Bilger introduced Tab B under Item 5 on the Agenda: Resolution Authorizing Extension of Commitment Date for Trust Fund Loan (HTF-2910-01) for Genesis Place, Springfield, Illinois (Amending Resolution No. 2008-IHDA-179D)

Ms. Poniecki stated that Genesis Place (formerly known as Major Byrd Redevelopment Project) is a proposed new construction family project on scattered sites in Springfield, Illinois, which will contain 36 units of affordable housing. The project was most recently presented to and approved by the Authority's Board in November 2008 for a \$750,000 dollar Trust Fund Loan. Working towards closing of the project, the sponsor experienced some unexpected delays associated with final approvals of the HUD financing. They were unable to close by the commitment expiration date and have requested an extension to the commitment to March 31, 2010. Ms. Poniecki recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128C Assistant Executive Director Bilger introduced Tab C under Item 5 on the Agenda: Resolution Authorizing Federal Tax Credits (FTC-2616-09) and Funds under the Equity Replacement Program (TCAP-2616-0124-01; SEC1602-2616-0124-01) for Jerseyville Estates SLF, Paris, Illinois.

Ms. Poniecki stated that next several project were all under Equity Replacement Program. The American Recovery and Reinvestment Act of 2009 provides direct benefits to low income housing projects in Illinois, by creating and preserving jobs, promoting economic recovery in the near term, and investing in infrastructure to provide long-term economic benefits. In May of this year, the Board approved 2 resolutions authorizing the Authority to access federal funds to provide financial assistance to projects. Under its Equity Replacement Program (or ERP), the Authority has combined the Tax-Credit Assistance Program (or TCAP) and the Section 1602 Program, with the intention of using these resources to restart the construction or rehabilitation of low-income housing projects around Illinois that have stalled primarily as a result of reduced pricing for, or an investor's demonstrated lack of interest in, a

project's low-income housing tax-credits. Combined, these equity replacement resources will provide approximately \$300 million dollars of assistance in the State of Illinois and allow numerous 2007, 2008, and 2009 projects, that if not for this assistance, would not move forward due to the current economic environment. On July 1st of this year, the Authority's Multifamily Department received the first round of ERP applications. Projects were evaluated for substantial similarity to when they were originally approved, scored using a competitive process, and vetted for their readiness to proceed. Multifamily Staff presented seven ERP projects to the Board in August and received approval for approximately \$46 million dollars in Equity Replacement resources. Ms. Poniecki stated that there are 10 new ERP projects to be presented to the members of the Board, requesting approval of approximately \$45 million dollars in Equity Replacement resources. Two of the projects are from last month and are coming back requesting an increase and/or clarifying an administrative change. Ms. Poniecki stated that the project summaries reflect past and current proposed sources and uses, as well as notes relating to any changes to project costs.

Ms. Poniecki stated that Jerseyville Estates SLF, located in Jerseyville, Illinois, is a new construction supportive living facility which will contain 50 units of rental housing. The request for Equity Replacement funding is to cover a financing gap due to the lack of syndicator interest as well as construction cost increases caused by the delays in closing and starting work on this project and additional Authority fee and reserve requirements. Ms. Poniecki stated that the Authority's previous approvals for Jerseyville Estates included allocations of 9% tax credits, as well as a \$1,000,000 Trust Fund Loan. Today's ERP Recommendation for this project consists of a combination of TCAP & 1602 funds. Ms. Poniecki recommended the Members' approval of the exchange of the 2007 retained Federal Tax Credit Reservation for a 2009 Federal tax Credit reservation in the amount of \$1,000; approval of a TCAP Tranche A mortgage loan in an amount not to exceed \$1,000,000; approval of a TCAP Tranche B mortgage loan in an amount not to exceed \$2,036,551; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$1,441,034.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128D

Assistant Executive Director Bilger introduced Tab D under Item 5 on the Agenda: Resolution Authorizing Federal Tax Credits (FTC-22731-09) and Funds under the Equity Replacement Program (TCAP-2731-0112-01; SEC1602-2731-0112-01) for The Glen at Belvidere SLF, Belvidere, Illinois.

Ms. Poniecki stated that The Glen at Belvidere SLF is a new construction supportive living facility to be located in Belvidere, Illinois. The Board previously approved Federal Housing Tax Credits for this project in September of 2008. Today's request for Equity Replacement funds is to cover a financing gap due to the lack of syndicator interest as well as construction cost increases. Ms. Poniecki recommended the Members' approval of the exchange of the 2007 retained Federal Tax Credit Reservation for 2009 Federal Tax Credit Reservation in the amount of \$15,385; approval of a TCAP mortgage loan or grant with a recapture provision in an amount not to exceed \$6,247,823; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$4,248,548.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128E

Assistant Executive Director Bilger introduced Tab E under Item 5 on the Agenda: Resolution Amending and Restating Resolution no. 2009-IHDA-106H, Authorizing Funds under the Equity Replacement Program (TCAP-2945-0116-01; SEC1602-2945-0116-01) for The Berkshires, Taylorville, Illinois.

Ms. Poole stated that pursuant to Resolution No. 2008-IHDA-178D, Christian County Integrated Community Services (the "Sponsor") was awarded Federal Tax Credits for the year 2008 in the amount of \$401,295 (the "2008 Federal Tax Credits"), but was unable to syndicate all of the Federal Tax Credits, as set forth more fully in the summary of the Project summary attached to this Resolution. The Sponsor seeks to return all but \$1,499 of the 2008 Federal Tax Credits and has applied to the Authority for ERP Funds in the amount of \$5,369,805 for the construction and permanent financing of a multifamily housing development to be known as The Berkshires, described on Exhibit A attached to this Resolution. The Sponsor is proposing to construct 24 new attached townhomes located in Taylorville, Illinois. All townhomes will be available to tenants at or below 60% of the median area income. Ms. Poole recommended the Members' approval of a TCAP Tranche A mortgage loan not to exceed \$1,475,000; a TCAP Tranche B mortgage loan in an amount not to exceed \$2,286,883; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$1,607,922.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128F

Assistant Executive Director Bilger introduced Tab F under Item 5 on the Agenda: Resolution Federal Tax Credits (FTC-2697-09) and Funds under the Equity Replacement Program (TCAP-2697-0104-01; SEC1602-2697-0104-01) for Shelbyville Homes, Shelbyville, Illinois.

Mr. Johnson stated that Resolution No. 2008-IHDA-111G, Shelbyville Homes Development Corp. (the "Sponsor") was awarded 2007 Federal Tax Credits in the amount of \$426,992; the Sponsor was unable to syndicate all of the Federal Tax Credits, as set forth more fully in the summary of the Project attached to this Resolution; accordingly, the Sponsor seeks to return to the Authority all but \$1,538.50 of the Federal Tax Credits, and has applied to the Authority for ERP Funds in the amount of \$6,255,618 for the construction and permanent financing of a multifamily housing development to be known as Shelbyville Homes (the "Project"), described on Exhibit A attached to this Resolution. The Sponsor proposes to construct 30 one and two-story single family homes, of which five will be available for occupancy by developmentally disabled residents. At the expiration of the Federal Tax Credit compliance period, the homes will be converted from rental to home ownership. Mr. Johnson recommended the Members' approval of the exchange of retained Federal Tax Credit Reservation for a 2009 Federal Tax Credit reservation in the amount of \$1,538.50; approval of ERP funds in an amount not to exceed \$6,255,618, consisting of a TCAP loan not to exceed \$1,790,000 and a TCAP mortgage loan or grant with a recapture provision in an amount not to exceed \$3,422,494; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$1,043,124.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128G

Assistant Executive Director Bilger introduced Tab G under Item 5 on the Agenda: Resolution Authorizing Federal Tax Credits (FTC-296-09) and Funds under the Equity Replacement Program (TCAP-2964-0118-01; SEC1602-2964-0118-01) for Carbondale Neighbors, Carbondale, Illinois.

Ms. D. Freeman stated that by Resolution No. 2008-IHDA-161L, Ritavolvement, LLC., (the "Sponsor") was awarded Federal Tax Credits for the year 2008 in the amount of \$556,737, but was unable to syndicate all of the Federal Tax Credits, as set forth more fully in the summary of the Project attached to this Resolution. The Sponsor seeks to return all but \$1,000 of the Federal Tax Credits and has applied to the Authority for ERP Funds in the amount of \$5,794,000 for the new construction of 20 single family homes to be built on scattered sites in Carbondale, Illinois, known as Carbondale Neighbors (the "Project"), and described on Exhibit A attached to this Resolution. Ms. Freeman recommended the Members' approval of the exchange of the 2008 Federal Tax Credit reservation for 2009 Federal tax Credit Reservation in the amount of \$1,000; approval of a Tranche A TCAP mortgage loan with recapture provision in an amount not to exceed \$500,000; a Tranche B TCAP mortgage loan or grant with a recapture provision in an amount not to exceed \$2,545,000; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$2,749,103.

A motion to adopt the Resolution was made by Mr. Kochan and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128H

Assistant Executive Director Bilger introduced Tab H under Item 5 on the Agenda: Resolution Authorizing Funds under the Equity Replacement Program (TCAP-2935-0103-01; SEC1602-2935-0103-01) for Bella Vista Apartments (Family), Waterloo, Illinois.

Mr. Rangel stated that by Resolution No. 2008-IHDA-161H, Blackhawk Apartments, Inc. and Capstone Development Group, LLC (the "Sponsor") was awarded Federal Tax Credits for the year 2008 in the amount of \$229,134, but was unable to syndicate all of the Federal Tax Credits, as set forth more fully in the project summary attached to this Resolution. The Sponsor seeks to return all but \$10,000 of the 2008 Federal Tax Credits and has applied to the Authority for ERP Funds in the amount of \$2,567,057 for the rehabilitation of a 44-unit apartment community accommodated for families, known as Bella Vista Apartments (Family), and described on Exhibit A attached to this Resolution. The development consists of 16 one-bedroom apartments and 28 two-bedroom apartments, with five of the units being set aside for residents with special needs. Mr. Rangel recommended the Members' approval of the exchange of the 2008 Federal Tax Credit Reservation for a 2009 Federal Tax Credit reservation in the amount of \$10,000; approval of a TCAP Mortgage loan or grant with a recapture provision in an amount not to exceed \$1,490,234; and

approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$1,076,823.

A motion to adopt the Resolution was made by Ms. Kane and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128I

Assistant Executive Director Bilger introduced Tab I under Item 5 on the Agenda: Resolution Authorizing Funds under the Equity Replacement Program (TCAP-2933-0117-01; SEC1602-2933-0117-01) for Bella Vista Apartments (Elderly), Waterloo, Illinois.

Mr. Rangel stated that by Resolution No. 2008-IHDA-161I, Blackhawk Apartments, Inc. and Capstone Development Group, LLC., (the "Sponsor") was awarded Federal Tax Credits for the year 2008 in the amount of \$181,186, but was unable to syndicate all of the Federal Tax Credits as described in the project summary attached to this Resolution. The Sponsor seeks to return all but \$10,000 of the 2008 Federal Tax Credits and has applied to the Authority for ERP Funds in the amount of \$2,165,426 for the rehabilitation of a 32-unit senior apartment community. The project consists of 24 one-bedroom apartments and eight two-bedroom apartments, with four of the units being set aside for residents with special needs. The project is known as Bella Vista Apartments (Elderly), and is described on Exhibit A attached to this Resolution. Mr. Rangel recommended the Members' approval of the exchange of the 2008 Federal tax Credit Reservation for a 2009 Federal Tax Credit Reservation in the amount of \$10,000; approval of a TCAP mortgage loan or grant with a recapture provision in an amount not to exceed \$1,249,256; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$916,170.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128J

Assistant Executive Director Bilger introduced Tab J under Item 5 on the Agenda: Resolution Amending and Restating Resolution No. 2009-IHDA-106F Authorizing a Loan (MHR-2866-01) and State Tax Credits (STC-2866-01) and Funds under the Equity Replacement Program (TCAP-2866-0126-01; SEC1602-2866-0126-01) for St. James Senior Estates II, Crete, Illinois.

Mr. Palek stated that by Resolution No. 2008-IHDA-111E St. Joseph Senior Housing Corporation (the "Sponsor") was awarded Federal Tax Credits for the year 2008 in the amount of \$414,399 but was unable to syndicate the Federal Tax Credits, as set forth in the project summary attached to this Resolution. The Sponsor seeks to return to the Authority all of the Federal Tax Credits, and has applied to the Authority for funds for the new construction of a 45-unit, three-story independent elderly living facility known as St. James Senior Estates II, described on Exhibit A attached to this Resolution. This living facility will provide nine market rate units and 36 affordable units available to tenants between 30% and 60% of area median income. Mr. Palek recommended the Members' approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$4,815,360; a first position HOME loan in an amount not to exceed \$2,500,000; and State Tax Credits in an amount not to exceed \$95,000.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Kochan; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128M

Assistant Executive Director Bilger introduced Tab M under Item 5 on the Agenda: Resolution Authorizing Federal Tax Credits (FTC-2942-09) and Funds under the Equity Replacement Program (TCAP-2942-0121-01); SEC1602-29424-0121-01) for Sinai Village, East St. Louis, Illinois.

Mr. Rogers stated that by Resolution No. 2008-IHDA-147G, Mt. Sinai Development Corporation (the "Sponsor") was awarded 2008 Federal Tax Credits in the amount of \$816,000. The Sponsor was unable to syndicate all of the Federal Tax Credits. The Sponsor seeks to return all but \$1,000 of its 2008 Federal Tax Credits, and has applied to the Authority for ERP Funds in the amount of \$7,957,889 for the new construction of 30 single family homes including 20 three-bedroom ranch-style and 10 four-bedroom two-story homes known as Sinai Village, described on Exhibit A attached to this Resolution. Mr. Rogers recommended the Members' approval of the exchange of the 2008 Federal Tax Credit reservation for 2009 Federal Tax Credit reservation in the amount of \$1,000; approval of a TCAP funds in an amount not to exceed \$7,407,889 consisting of a TCAP loan not to exceed \$481,249 and a TCAP loan or grant with a recapture provision in an amount not to exceed \$6,926,640; and approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$550,000.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-128N

Assistant Executive Director Bilger introduced Tab N under Item 5 on the Agenda: resolution Authorizing Extension of Commitment Date for Conduit Bond Loans (CDT-2791-01) and Funds under the Equity Replacement Program (TCAP-2791-0131-01; Sec1602-2791-0131-01) for Willow Heights, Decatur, Illinois.

Mr. Rogers stated that by Resolution No. 2008-IHDA-73 (the "Prior Resolution"), Kingston Properties I, NFP (the "Sponsor") applied for and is authorized to receive a first lien mortgage loan and a second lien mortgage loan under the Authority's Tax-Exempt Bond Program (collectively, the "Conduit Bond Loans") in connection with the acquisition and rehabilitation of an existing project based Section 8 independent elderly development known as Willow Heights, and described on Exhibit A attached to this Resolution. As the Federal Tax Credit Agency and in connection with the tax exempt bond financing for the project, the Authority issued a Determination Letter on May 16, 2008, which awarded the Sponsor Federal Tax Credits for the year 2008 in the amount of \$221,569.00. However, the Sponsor intends to syndicate only \$20,000 of the award of Federal Tax Credits, has applied to the Authority for ERP Funds in the amount of \$2,713,984. Pursuant to the Prior Resolution, the commitment for the Conduit Bond Loans was set to expire on November 25, 2008. Pursuant to Resolution No. 2008-IHDA-196K, the Authority authorized extending the commitment expiration date for the Conduit Bond Loans to May 31, 2009 (the "Commitment Expiration Date"). In connection with its application for the ERP Funds, the Sponsor has requested that the Authority extend the Commitment Expiration Date for the Conduit Bond Loans to April 30, 2010. Mr. Rogers recommended the Members' approval of a TCAP funds in an amount not to exceed \$1,400,000 consisting of a TCAP loan not to exceed \$900,000 and a TCAP loan or grant with a recapture provision in an amount not to exceed \$500,000; approval of a Section 1602 grant with a recapture provision in an amount not to exceed \$2,213,984; and extension of the Conduit Bond Loan Commitment Expiration Date to April 30, 2010.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Kochan; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-129 Assistant Executive Director Bilger introduced Item 6 on the Agenda: Resolution Amending and Restating Resolution No. 2008-IHDA-180, which in turn Amended and Restated Resolution No. 2008-IHDA-074, Authorizing the Issuance of not to exceed \$3,000,000 Multifamily Housing Revenue Bond, Series 2009A (Willow Heights Apartments) (Non-AMT) and not to exceed \$1,500,000 variable Rate Multifamily Housing Revenue Bond, Series 2009B (Willow Heights Apartments) (Non-AMT).

Ms. Karnia stated that this Resolution authorizes the Authority to enter into a Bond Issuance and Placement Agreement, Loan Agreement and Pledge Agreement, in substantially the forms attached to this Resolution, setting forth the terms of the Series 2009 Bonds, subject to completion in accordance with the determination discussed. This Resolution amends and restates Resolution No. 2008-IHDA-180, adopted on November 21, 2008, which in turn amended and restated Resolution No. 2008-IHDA-074, adopted on May 16, 2008. The Series 2009 Bonds would be issued to provide funds to be applied to make a new mortgage loan to Willow Heights Apartment Associates Limited Partnership, for the financing the acquisition and rehabilitation of Willow Heights Apartments, a 64-unit multifamily residential rental development located at 1460 Wellington Way, Decatur, Illinois. The Series 2009 Bonds will be purchased by U.S. Bank National Association. The Series 2009A Bond will be issued as a fixed-rate bond with an interest rate and mandatory tender date to be established in accordance with the determination discussed; at the tender date, if the Series 2009A Bond is remarketed, the interest rate will be reset (if, at the mandatory tender date, the Series 2009A Bond is not remarketed, it would be retired). The Series 2009A Bond will be a special limited obligation and will not be a general obligation of the Authority. The Series 2009B Bond will be issued as a variable rate bond with an initial interest rate and a final maturity date to be established in accordance with the determination discussed. The Series 2009B Bond will be a special limited obligation and will not be a general obligation of the Authority. This is a delegation Resolution. It authorizes any two of the Chairman, Vice-Chairman, Treasurer or Executive Director (or in the absence of the Executive Director, the Deputy Executive Director) to execute and deliver a written Determination establishing and approving terms and conditions of the Series 2009A Bond and the Series 2009B Bond, subject to the limitations contained in this Resolution, and approving the final forms of the Bond Issuance and Placement Agreement, Loan Agreement and Pledge Agreement. Issuance of the Series 2009 Bonds will require the use of volume cap in an aggregate amount not to exceed \$4,500,000. Ms. Karnia recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Barker; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-130

Assistant Executive Director Bilger introduced Item 7 on the Agenda: Illinois Housing Development Authority Homeowner Mortgage Revenue Bonds 2009 Series A Resolution.

Mr. Smirniotis stated that prior to Omar Brown presenting the next Resolution, he would like to briefly update the Board on the state of the Single Family Loan Program. Two months ago the Authority announced the Home Start Program which is a 30 year fixed rate FHA loan, and also the Home Start Tax Advance loan product. As a reminder: the Tax Advance loan product is an opportunity for the borrower to monetize the first time homebuyer tax credit now to apply towards a down payment. After a nine month absence in the market, the Authority encountered a slow beginning to the new programs. After weeks of lender training throughout the State, and along with increased marketing efforts, the Authority has begun to see renewed interest in the programs. The current rate on an Authority 30 year loan is 5.25%. The Authority has developed, but not yet launched, a down payment assistance program that would help eligible borrowers acquire their first home. This program would present borrowers with another option to the tax advance loan. With the federal tax credit expected to expire November 30th, this new program may be one of the only assistance programs that will be available to Illinois residents. As housing prices have become more affordable, more of the housing purchases in today's market are first time homebuyers. A family earning the national median income of \$53,182 can afford nearly 75 percent of the current homes for sale on Realtor.com. In the past year, the Housing Affordability Index maintained by the National Association of Realtors has increased 29 percent overall and 19 percent for first-time homebuyers, and is higher now than at any time in the 28 year history of the index. The Authority's Home Start Program with down payment assistance will be a welcome choice for the first-time homebuyer and a valuable tool to the Authority's lenders.

Mr. Brown stated that the 2009 Series A Resolution authorizes the issuance of not to exceed \$100,000,000 aggregate principal amount of the Authority's Homeowner Mortgage Revenue Bonds, 2009 Series A. These may include one or more subseries of tax-exempt bonds and a subseries of taxable bonds. The 2009 Series A Bonds are authorized under the Amended and Restated Homeowner Mortgage Revenue Bonds General Resolution approved by the Members of the Authority on September 19,

2008. This is a delegation resolution which authorizes any two of the Chairman, the Vice Chairman, the Treasurer or the Executive Director (or in the absence of the Executive Director, the Deputy Executive Director) to execute and deliver a written Determination establishing and approving terms and conditions of the 2009 Series A Bonds, including their offering, sale and delivery, subject to the limitations on such terms and conditions contained in this 2009 Series A Resolution. The 2009 Series A Bonds are special limited obligations of the Authority. This 2009 Series A Resolution establishes a Series Reserve Requirement for the 2009 Series A Bonds of three percent of the principal of outstanding Mortgage Loans acquired with proceeds of the 2009 Series A Bonds and amounts to be used to acquire Mortgage Loans. The Series Reserve Requirement is zero for Mortgage-Backed Securities acquired with proceeds of the 2009 Series A Bonds and amounts to be used to acquire Mortgage-Backed Securities. In addition, to the extent that proceeds of the 2009 Series A Bonds have been or are to be used to acquire Mortgage Loans, the 2009 Series A Bonds are to be secured by one or more pool insurance policies covering losses on first lien Mortgage Loans purchased with proceeds of the 2009 Series A Bonds together with outstanding bonds, and bonds as may be issued in the future under the General Resolution. The 2009 Series A Bonds may be issued in one or more subseries. The 2009 Series A Bonds may be issued as fixed interest rate bonds or as variable interest rate bonds, or in part as fixed interest rate bonds and in part as variable interest rate bonds. If any of the 2009 Series A Bonds are issued as variable interest rate bonds, the delegated officers of the Authority are authorized to provide for the Authority to acquire a letter of credit or other credit enhancement and to obtain a liquidity facility or similar instruments, in each case with respect to the variable rate bonds. A conversion of variable rate bonds from one interest rate mode to another (e.g., variable to fixed) may be made upon a written Supplemental Determination of the delegated officers of the Authority described. The 2009 Series A Resolution allows the delegated officers to purchase a municipal bond insurance policy insuring payment of principal of and interest on all or a portion of the 2009 Series A Bonds when due, upon a finding that the purchase of such policy or policies is likely to facilitate the marketing and sale of the 2009 Series A Bonds and that such a policy or policies may be obtained at an acceptable premium. This 2009 Series A Resolution also allows the delegated officers to cause the Authority to enter into interest rate swaps or other rate protection contracts with respect to the 2009 Series A Bonds. The 2009 Series A Resolution authorizes a contribution to the various funds held under the Amended and Restated General Resolution of amounts from the Administrative Fund of the Authority, including contributions to pay costs of issuance of or capitalized interest on the 2009 Series A Bonds. A cash flow projection made by the Authority will demonstrate that expected Revenues will be sufficient to meet debt service on the 2009 Series A Bonds and outstanding Series of Bonds issued under the Amended and Restated General Resolution under a variety of

scenarios (including delays in acquiring Mortgage Loans and Mortgage-Backed Securities and early prepayments of Mortgage Loans and Mortgage-Backed Securities). The 2009 Series A Bonds are not general obligations of the Authority. The 2009 Series A Bonds will be used (i) to refund at or in advance of maturity all or any portion of the Authority's outstanding Homeowner Mortgage Revenue Bonds, as determined by the delegated officers of the Authority described above, (ii) for certain replacement refundings for federal income tax purposes of outstanding bonds of the Authority issued to finance single-family mortgage loans, (iii) to finance qualifying newly originated mortgage loans through the purchase of Mortgage-Backed Securities, including Mortgage-Backed Securities temporarily purchased with certain other funds of the Authority, (iv) to purchase qualifying newly originated mortgage loans under the Authority's Homeowner Mortgage Purchase Program (including qualifying mortgage loans originally purchased with funds from the Authority's Administrative Fund), (v) to pay costs of issuing the 2009 Series A Bonds, (vi) to pay capitalized interest on the 2009 Series A Bonds, if required, and (vii) to make a deposit to the Reserve Fund, if required. The portion of the 2009 Series A Bonds that is not taxable and is not used to refund other bonds is expected to use volume cap in an amount not exceeding \$100,000,000. The Authority may use a portion of the proceeds of the 2009 Series A Bonds to purchase Mortgage-Backed Securities. Details of the Mortgage Loans to be financed through the purchase of Mortgage-Backed Securities are set out in the Series Mortgage Finance Program Determination which is attached to this 2009 Series A Resolution. There are also limitations on the purchase prices of dwellings. In all cases, Mortgage Loans, other than the second lien Mortgage Loans described below, must be secured by a mortgage constituting a valid first mortgage lien on a qualifying dwelling. Subsequent to the issuance of 2009 Series A Bonds, portions of the proceeds of the 2009 Series A Bonds set aside to purchase Mortgage Loans may be used to purchase Mortgage-Backed Securities, and portions of the proceeds of the 2009 Series A Bonds set aside to purchase Mortgage-Backed Securities may be used to purchase Mortgage Loans, upon a written Subsequent Determination of the delegated officers of the Authority described in the Resolution. Mr. Brown recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Kochan; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-131

Assistant Executive Director Bilger introduced Item 8 on the Agenda: Omnibus Amendatory Series Resolution Providing for Amendment of the Program Determinations previously made for outstanding Series of

Homeowner Mortgage Revenue Bonds and with respects to Certain Contributed Funds.

Mr. Brown stated that this Omnibus Amendatory Series Resolution amends the Program Determinations attached as exhibits to the Series Resolutions for all of the Series of outstanding Homeowner Mortgage Revenue Bonds to change, in the manner described below, the maximum limitation provided in each of the Program Determinations on the amount of the servicing fees to be paid by the Authority in respect of the Mortgage Loans financed with proceeds of the Homeowner Mortgage Revenue Bonds authorized by each such Series Resolution. This Omnibus Amendatory Series Resolution also amends the Program Determinations attached as exhibits to Resolution No. 2009-IHDA-078 adopted on June 19, 2009 authorizing the transfer of moneys from the Administrative Fund of the Authority to the Program Fund under the Amended and Restated Homeowner Mortgage Revenue Bonds General Resolution approved by the Members of the Authority on September 19, 2008. The various Program Determinations provide that the servicing fee with respect to each Mortgage Loan shall not be greater than three-eighths of one percent (.375%) per year of the outstanding principal amount of that Mortgage Loan, computed and paid monthly. The amended Program Determinations will provide that, as of each June 30, the sum of the servicing fees withdrawn as Expenses from the Funds and Accounts established by the General Resolution over the previous twelve months with respect to Mortgage Loans financed by outstanding Homeowner Mortgage Revenue Bonds or purchased from moneys transferred pursuant to Resolution No. 2009-IHDA-078 shall not be greater on an aggregate basis than three-eighths of one percent (.375%) of the average of the aggregate outstanding principal amount of such Mortgage Loans on the final day of each of the previous twelve months. This Omnibus Amendatory Series Resolution is adopted pursuant to Section 209(d) and Section 608(a)(iii) of the Amended and Restated Homeowner Mortgage Revenue Bonds General Resolution and, pursuant to Section 608(a)(iii), will become effective when the Authority files with the Trustee a Cash Flow Certificate accompanied by a Rating Certificate. Cash flow projections included in the Cash Flow Certificate will demonstrate that expected Revenues will be sufficient to meet debt service on the outstanding Series of Homeowner Mortgage Revenue Bonds issued under the Amended and Restated General Resolution under a variety of cash flow scenarios as required by Section 608(d) (including among other things delays in acquiring Mortgage Loans and Mortgage-Backed Securities and early prepayments of Mortgage Loans and Mortgage-Backed Securities). Mr. Brown recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of

Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-132

Assistant Executive Director Bilger introduced Item 9 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-031, Authorizing an Agreement with a Loan Servicer for the Single Family Program.

Ms. Cullom stated that the Authority purchases single family mortgage loans (the "Loans") with proceeds from the bonds issued under its Homeowner Mortgage Revenue Bonds General Resolution in order to fund single family mortgages for Illinois residents (the "Single Family Program"). The Loans are currently serviced by approximately forty-six (46) financial institutions (the "Existing Servicers"). Some of the Existing Servicers have recently faced financial difficulties and are not as viable as they once were. These difficulties pose potential business interruption risks to the Authority. Recent events affecting the market, recent downgrades of the various mortgage insurance companies who insure the Loans under the Single Family Program, have forced the Authority to re-evaluate the way in which it finances Loans under its Single Family Program. All of the mortgage insurers participating in the Authority's Single Family Program are currently rated at or below a "BBB+" and "Ba3" rating by Standard & Poor's Rating Services ("S&P") and Moody's Investors Service, Inc. ("Moody's"), respectively. The issuance of bonds under the Single Family Program typically requires the purchase of mortgage insurance for the underlying Loans from a mortgage insurance company having claims paying ability as rated by S&P and Moody's of not less than "AA-" and "Aa3," respectively; as a result, the Authority has been unable to issue bonds and thus provide Loans under its Single Family Program. Ms. Cullom stated that in order to deal with this issue, on September 19, 2008, the Authority passed an Amended and Restated Homeowner Mortgage Revenue Bonds General Resolution, Resolution No. 2008-IHDA-150 (the "Resolution"), which authorizes the Authority to purchase mortgage-backed securities from certain agencies and instrumentalities of the United States of America with proceeds from the bonds issued under its Single Family Program. The recent downgrades of the mortgage insurers have also placed stress on the Resolution because the mortgage insurance on the existing Loans is no longer viewed as creditworthy as it once was. The Authority is exploring various options to strengthen the Resolution including the securitization or sale of certain existing Loans. In order to sell or securitize certain of the Loans in the Single Family Program, the Authority must centralize the servicing of the Loans to one servicer. The Authority also believes that such consolidation will create a greater efficiency and ease of administration, as well as reduce the overall costs of servicing. For all of these reasons, the Authority has determined that it is in the best interest of the Authority to reduce the number of entities servicing Loans under the Single Family

Program. The Authority issued a request for proposals for a financial institution that will act as: (i) a mortgage loan servicer of Loans currently existing in the Authority's portfolio and newly originated Loans; (ii) an FNMA/FHLMC/GNMA approved seller/servicer which would assist the Authority in securitizing designated Loans in transactions with third parties so that the Authority can purchase mortgage-backed pass-through securities with proceeds of the Bonds; and (iii) an FNMA/FHLMC/GNMA approved seller/servicer which would assist the Authority in selling designated Loans into the secondary market for cash or securities (collectively, the "Services"). The Authority evaluated proposals and determined that US Bank Home Mortgage ("US Bank") was the most well qualified and best able to provide the Services consistent with the Authority's needs. Ms. Cullom stated that pursuant to Resolution No. 2009-IHDA-031, the Authority was authorized to enter into an agreement with US Bank to provide the Services for the two (2) year period from approximately April 1, 2009 through February 28, 2011, with the option to renew the Agreement for four (4) consecutive two (2) year periods. The Authority was not able to negotiate an agreement with US Bank, and has entered into negotiations with a division of Bank of America, NA known as BAC Home Loans Servicing, L.P., (the "Vendor"), which is the next most well qualified vendor best able to provide the Services consistent with the Authority's needs. The Authority now desires to enter into a subservicing agreement (the "Servicing Agreement") with the Vendor to service the Loans currently existing in the Authority's portfolio and newly originated Loans for the two (2) year period from approximately October 1, 2009 through September 30, 2011, with the option to renew the Servicing Agreement for four (4) consecutive two (2) year periods. For each Loan that is serviced by the Vendor, the Authority will pay the Vendor fees in the amounts as set forth in Exhibit A attached to this Resolution. In connection with the fees set forth in Exhibit A. The Authority also desires to enter into an agreement with the Vendor for the Sale and/or Securitization of designated Loans (the "Securitization Agreement") for the same term period as the Servicing Agreement. The Vendor will receive its fees under the Securitization Agreement from the debt service payments of the various mortgages. Prior to entering into the Servicing Agreement and the Securitization Agreement, the program determinations under the Resolution will be amended under separate resolution and the Authority will also file a certain cash flow certificate and rating certificate with the trustee for the Homeowner Mortgage Revenue Bonds. Ms. Cullom recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Ms. Kane and seconded by Mr. Lampros; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-133

Assistant Executive Director Bilger introduced Item 10 on the Agenda: Resolution Ratifying the Sale of a Single Family Home for Seguin Services (HTF-833).

Mr. Hernandez stated that the Authority has previously made a second mortgage loan in the amount of \$500,000 (the "Loan") to Seguin Services, Inc., (the "Owner"). The Owner used the proceeds of the Loan to purchase fifteen single family homes (the "Homes"). The Loan is evidenced by a promissory note, and is secured by a second mortgage (individually, a "Mortgage") on each Home creating a second mortgage lien on such Home and is governed by a regulatory and land use restriction agreement (individually, a "Regulatory Agreement") on each Home. The Owner now desires to sell a Home located at 5340 South 72nd Court, Summit, Illinois (the "Summit Home") to Michael P. Hulbert, Jr. for a sale price of \$160,000 (the "Sale"). In connection with the Summit Home, the Owner was indebted to the Authority in the principal amount of \$33,333 (the "Summit Home Loan"). The outstanding unpaid principal balance of the Summit Home Loan was \$21,726.00. The Owner desires to use the proceeds of the Sale to pay in full the Summit Home Loan and all existing mortgage liens recorded on the Summit Home and requested that the Authority release the Mortgage and the Regulatory Agreement recorded on the Summit Home upon the receipt of a payment of \$21,726 to the Authority (the "Release"). Mr. Hernandez stated that in order to effectuate the Sale in a timely manner, the Authority's staff granted its consent to the Sale and the Release. The Owner sold the Summit Home for the sale price of \$160,000 to Michael P. Hulbert, Jr. and used the sale proceeds to pay in full the Summit Home Loan and all existing mortgage liens recorded on the Summit Home. Mr. Hernandez recommended the Members' approval to ratify the Sale and the Release.

A motion to adopt the Resolution was made by Mr. Lampros and seconded by Mr. Kochan; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-134

Assistant Executive Director Bilger introduced Item 11 on the Agenda: Resolution Authorizing Partial Repayment of Loan for Illinois Community Action Association (HTF-207).

Mr. Hernandez stated that the Authority previously made a non-recourse, unsecured loan in the amount of \$500,000 (the "Loan") to Illinois Community Action Association (the "Borrower"). The Borrower used the proceeds of the Loan to make a series of mortgage loans to not-for-profit

organizations for the acquisition and rehabilitation of single-family and multi-family developments located throughout Illinois (collectively, the “Developments”). The Loan is at 0% interest, the unpaid principal balance of the Loan is \$283,610.46, and the Loan matured April 1, 2005. On June 15, 1993, the Borrower used a portion of the Loan proceeds to make a mortgage loan in the amount of \$40,000 to Rockford Neighborhood Redevelopment Corporation (“RNRC”) for the acquisition and rehabilitation of one of the Developments. RNDC subsequently was dissolved and its assets sold. The Borrower was unable to collect the outstanding unpaid balance of \$21,786.86 (“RNRC Unpaid Balance”), and the Borrower has notified the Authority that, as a result of the inability to collect the RNRC Unpaid Balance, the full outstanding unpaid principal balance of the Loan cannot be collected, and the Borrower has requested the Authority accept \$261,892.25 (the “Partial Payment”) as satisfaction of the Loan. Mr. Hernandez stated that the Loan Committee has reviewed the Borrower’s request and recommends accepting the Partial Payment as satisfaction of the Loan. Mr. Hernandez recommended the Members’ approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-135

Assistant Executive Director Bilger introduced Item 12 on the Agenda: Resolution Authorizing an Agreement with Polsinelli Shughart PC.

Ms Kenney stated that the Authority needs representation (the “Services”) in order to foreclose on its HOME, Trust Fund and FAF loans to Brown Shoe Litchfield, LP, with respect to a project known as Brown Shoe Factory Lofts in Litchfield, Illinois (the “Lawsuit”). The Authority determined that it is necessary and more cost efficient to hire a local law firm to represent the Authority in this Lawsuit. It has been determined that the law firm of Polsinelli Shughart PC (the “Firm”) is best able to provide the Services consistent with the Authority’s needs. Pursuant to the emergency purchase provision of the Illinois Procurement Code, 30 ILCS 500/20-30, the Authority will enter into a Legal Services Agreement and, if applicable, Work Letter(s) with the Firm (collectively, the “Agreement”) providing that the total fee for the Services will not exceed \$12,000. The Authority will make the necessary posting in order to comply with the provisions of the Illinois Procurement Code. The Authority is authorized to make periodic payments to the Firm pursuant to the Agreement. The Firm has agreed to an hourly rate between \$210 and \$280. The amount anticipated to prosecute this Lawsuit will not exceed

\$12,000. Ms. Kenney recommended the Members' approval of the Resolution.

A motion to adopt the Resolution was made by Mr. Barker and seconded by Mr. Kochan; the Resolution was adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

Presentation 1 For Presentation 1, Finance Committee Report, Mr. Barker recommended the Members' approval of the Minutes from the August 21, 2009, Finance Committee meeting.

A motion to adopt the Minutes was made by Mr. Barker and seconded by Mr. Kochan; the Minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

Presentation 2 For Presentation 2, Multifamily Status Report as of August 31, 2009. Chairman Newman referred the Members to the Board materials.

Presentation 3 For Presentation 3, Audit Committee Minutes, Mr. Lampros recommended the Members' approval of the Minutes from July 17, 2009 Audit Committee meeting.

A motion to adopt the Minutes was made by Ms. Kane and seconded by Mr. Kochan; the Minutes were adopted by the affirmative votes of Chairman Newman, Vice-Chairman Barker, Ms. Kane, Mr. Kochan and Mr. Lampros.

Chairman Newman invited Mr. Michael Koessel to give current market update.

There being no further business, Chairman Newman adjourned the meeting at 11:28 a.m.