

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

November 20, 2009

Pursuant to notification given November 13, 2009, the Members of the Illinois Housing Development Authority met for a regular meeting at 9:30 a.m., local time, November 20, 2009, at the offices of the Illinois Housing Development Authority, 401 North Michigan Avenue, Suite 700, Chicago, Illinois.

Those present:

BOARD:

Robert Barker	Vice Chairman
Karen Davis	Treasurer
Floyd Gardner	Member
Mary Kane	Member
Mark Kochan	Member
George Lampros	Member

STAFF:

Gloria Materre	Executive Director
Phil Culpepper	Deputy Executive Director/Chief of Staff
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
Cami Freeman	Director of Business Development and Marketing, Single Family
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	Director, Finance and Development
Mary Karnia	Neighborhood Stabilization Project Coordinator
Shelli Tucciarelli	Neighborhood Stabilization Program Administrator
Omar Brown	Financial Project Manager
Hazim Taib	Director, Structured Finance
Christian Froelich	Financial Program Manager
Bill Smirniotis	Managing Director of Homeownership Programs
Peggy Cullom	Managing Director Loan and Portfolio Management
Linda Thurmond	Managing Director for Multifamily Programs
Jane Bilger	Senior Policy Director
Bill Smythe	Manager, Multifamily Business Development
Tony Hernandez	Director, Asset Management
Eric Von Battles	Portfolio Risk and Loan Workout Manager

Diane Smith	Assistant Director, Asset Management
Adonya Little	Neighborhood Stabilization Manager
Matt Palek	Multifamily Programs
Adam Rogers	Multifamily Programs
Tara Peele	Multifamily Programs
Adrienne Whitney	Financial Asset Management

GUESTS:

Scott Schmitt	U. S. Bank Home Mortgage
Rhonda Jackson	The Bank of New York Trust Company
Renee Johnson	The Bank of New York Trust Company
Bob Demos	The Bank of New York Trust Company
Juan Blume	The Bank of New York Trust Company
Geoff Proulx	Morgan Stanley
Elizabeth May	JP Morgan Chase Bank
Susan	BAML
David Block	TCB
Bill DeBruler	DeBruler Company
Bruce Schiff	FLS Group
John Janicik	Mayer Brown
Mary Ellen Tamasy	Lake County Residential Development Corporation
Rita Backstrom	Endswill
Pat Connolly	Endswill
Rob Boyle	Justine Petersen Housing & Reinvestment Corporation
William Miceli	Miner, Barnhill & Galland
Ray Fricke	Ungaretti & Harris
Jeff Horwitz	Deutsch Levy & Engel Chtd.
Jeff Goertz	JP Morgan Securities
Paul Marengo	Schiff Hardin LLP
John Gust	Jeffries & Company
Mike Juozaitis	MEJDC
Jerry Wallack	Kutak Rock LLP
Tom Monico	Thomas & Thomas
Jim Bergman	Self
Jerome Sullivan	Great Lakes
Ofelia Navarro	SCH
Erica Sims	Lighten Gale

With a quorum consisting of Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros being present, Vice-Chairman Barker called the meeting to order at 9:33 a.m.

09-IHDA-150 Vice-Chairman Barker introduced Item 1 on the Agenda: Resolution Approving the Minutes of the Meeting of the Members of the Illinois Housing Development Authority held on October 16, 2009.

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

09-IHDA-151A Executive Director Materre introduced Tab A under Item 2 on the Agenda: Resolution Authorizing a Forward Commitment of Federal Tax Credits (FTC-10059-10) for West End Phase II – Rental, Chicago, Illinois (Amending Resolution No. 2009-IHDA-096B).

Mr. Rangel stated that by Resolution No. 2009-IHDA-96B (the “Prior Resolution”), East Lake/West End II, L. P. (the “Sponsor”) was allocated Federal Tax Credits for the calendar year 2009 in the amount of \$1,500,000.00 (the “Prior Allocation”) for the construction of a multifamily housing development (the “Project”) to be located on the real estate legally described on Exhibit A attached to this Resolution and known as West End Phase II - Rental. Section III.3 of the Authority’s Qualified Allocation Plan governing the allocation of tax credits permits the Authority to make a forward reservation from the 2010 Authority Housing Credit Ceiling (the “Forward Reservation”) in an amount not to exceed 15% of the per capita portion of the 2009 Authority Housing Credit Ceiling; such amount for 2009 is \$5,279,518.00 (the “Forward Reservation Availability”). In reviewing the amount of the Forward Reservation Availability as compared to the Prior Allocation for the Project, the Authority has determined it is in its best interest to amend the Prior Resolution to rescind the Prior Allocation and make a Forward Reservation of Federal Tax Credits for the calendar year 2010 in the amount of \$1,500,000.00 for the Project, as more fully described in the project summary attached to the Resolution. Mr. Rangel recommended the Members’ approval of the Resolution.

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

- 09-IHDA-151B Executive Director Materre introduced Tab B under Item 2 on the Agenda: Resolution Authorizing State Tax Credits (STC-10111-10) for Settler's Green, Lake Forest, Illinois.

Ms. Poniecki stated that LCRDC Lake Forest L. P. (the "Sponsor") has applied to the Authority for State Tax Credits in connection with the construction of a multifamily development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Settler's Green. The Sponsor proposes to construct 8 duplex buildings containing 16 two and three-bedroom 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. Ms. Poniecki recommended the Members' approval for the State Tax Credits in the amount \$1,500,000.00.

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

- 09-IHDA-151C Executive Director Materre introduced Tab C under Item 2 on the Agenda: Resolution Authorizing State Tax Credits (STC-10167-10) for Oakwood Shores Senior Apartments, Chicago, Illinois.

Mr. Węglarz stated that The Community Builders, Inc. (the "Sponsor") has applied to the Authority for State Tax Credits in connection with the construction of a multifamily development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Oakwood Shores. The Sponsor proposes to construct 72 rental units and one in-house manager's unit. All rental units will be reserved for seniors 62 and above. The building is part of the revitalization of Chicago's Ida B. Wells and Madden Park public housing developments into the mixed income community of Oakwood Shores. Mr. Węglarz recommended the Members' approval for State Tax Credits in the amount of \$874,083.00.

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

09-IHDA-151D Executive Director Materre introduced Tab D under Item 2 on the Agenda: Resolution Authorizing State Tax Credits (STC-10165-10) for Branch of Hope Apartments, Chicago, Illinois.

Mr. Weglarz stated that Interfaith Housing Development Corporation (the “Sponsor”) has applied to the Authority for State Tax Credits in connection with the construction of a multifamily development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Branch of Hope Apartments. The Sponsor proposes to construct a 100-unit supportive housing development which will consist of two identical 50-unit elevator buildings three stores high with parking off the alley. Mr. Weglarz recommended the Members’ approval for State Tax Credits in the amount of \$874,083.00.

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

09-IHDA-151E Executive Director Materre introduced Tab E under Item 2 on the Agenda: Resolution Modifying Resolution No. 2009-IHDA-128E (the “Prior Resolution”), Authorizing the Exchange of Federal Tax Credits (FTC-2945-09) for The Berkshires, Taylorville, Illinois.

Mr. Weglarz 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 \$401,295.00 (the “2008 Federal Tax Credits”) for the construction and permanent financing of a multifamily housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as The Berkshires. Additionally, pursuant to Resolution No. 2009-IHDA-128E, and in connection with the award of Section 1602 and TCAP funds to the Project under the Equity Replacement Program, the Sponsor returned all but \$1,499.00 of the 2008 Federal Tax Credits (the “2008 Retained Federal Tax Credits”). Due to circumstances beyond the Sponsor’s control, the Project has been delayed and the Authority has determined that the Project is in danger of not being completed by the date the Project must be placed in service in order to take advantage of the Federal Tax Credits, as more fully described on the summary of the Project attached to the Resolution. The Sponsor has requested that it be allowed to return to the Authority the 2008 Retained Federal Tax Credits and that the Authority make a new allocation of Federal Tax Credits for the Project from the 2009 Authority Credit Ceiling in the same amount (the “2009 Federal Tax Credit Reservaton”). Mr. Weglarz recommended

the Members' approval for the return of the 2008 Retained Federal Tax Credits and the award of the 2009 Federal Tax Credit Reservation.

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

09-IHDA-152

Executive Director Materre introduced Item 3 on the Agenda: Resolution Authorizing Return and Re-Allocation of Federal Tax credits for Disaster Relief.

Ms. Thurmond stated that the President of the United States declared 18 Illinois counties as federal disaster areas on June 24, 2008 due to severe flooding caused by Hurricane Ike (the "Affected Counties") as set forth in Exhibit A attached to the Resolution. The Emergency Tax Extenders and Alternative Minimum Tax Relief Act of 2008 provides for a per capita allocation of \$8.00 in Federal Tax Credits based on the population of the Affected Counties (the "2008 Illinois Disaster Tax Credits"); the Illinois Disaster Tax Credits total \$12,122,168.00. The Authority allocated the 2008 Illinois Disaster Credits (the "Prior Credits") to the Sponsors in the amounts noted as identified in Exhibit B attached to the Resolution. Due to circumstances beyond the Sponsors' control, the Projects have been delayed and the Authority has determined that these Projects are in danger of not being completed by the date the Projects must be placed in service. Pursuant to Section III.11 of the Authority's Qualified Allocation Plan governing the allocation of Federal Tax Credits, the Sponsors have returned their Prior Credits to the Authority and have requested that the Authority make a new allocation reservation of Illinois Disaster Tax Credits for the Projects from the 2009 Authority Housing Credit Ceiling in the amount set forth above. The Loan Committee has reviewed the Sponsors' requests and has recommended that the Illinois Disaster Tax Credits be allocated for the Projects for the year 2009. Ms. Thurmond recommended the Members' approval of the Resolution.

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

09-IHDA-153A

Executive Director Materre introduced Tab A under Item 4 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-128G, Authorizing Funds under the Equity Replacement Program (TCAP-2964-

0118-01; SEC1602-2964-0118-01) for Carbondale Neighbors, Carbondale, Illinois.

Ms. D. Freeman stated that pursuant to Resolution No. 2009-IHDA-128G, Ritavelopment, LLC (the "Sponsor") was awarded ERP Funds consisting of a loan of TCAP Funds in the amount of \$500,000.00 (the "TCAP Tranche A Amount"), a loan or a grant of TCAP Funds in the amount of \$2,545,000.00 (the "TCAP Tranche B Amount"), and 1602 Grant Funds in the amount of \$2,749,000.00 (the "1602 Grant Amount") for the construction and permanent financing of a multifamily housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Carbondale Neighbors (the "Project"). The Sponsor has requested that the Authority restructure the TCAP Tranche A Amount, the TCAP Tranche B Amount and the 1602 Grant Amount for the Project and rescind the award of the TCAP Tranche B Amount and increase the 1602 Grant Amount to make a total 1602 Grant of \$5,058,634.00 (the "Revised Project ERP Funds"). Ms. Freeman recommended the Members' approval of the Revised Project ERP Funds to the Project.

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

09-IHDA-153B Executive Director Materre introduced Tab B under Item 4 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-106I, Authorizing Funds under the Equity Replacement Program (TCAP-2887-0101-01; SEC1602-2887-0101-01) for Twenty First Homes, Granite City, Illinois.

Ms. D. Freeman stated that pursuant to Resolution No. 2009-IHDA-106I, Twenty First Homes Developers and Justine Petersen Housing and Reinvestment Corporation (the "Sponsor") exchanged \$1,000.00 of the 2008 Federal Tax Credits for a 2009 Federal Tax Credit Reservation and was awarded ERP Funds consisting of a loan of TCAP Funds in the amount of \$2,593,545.00 (the "TCAP Amount") and 1602 Grant Funds in the amount of \$1,812,363.00 (the "1602 Grant Amount") for the construction and permanent financing of a multifamily housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Twenty First Homes (the "Project"). The Sponsor seeks to return the 2009 Federal Tax Credit Reservation and has requested that the Authority restructure the TCAP Amount and the 1602 Grant Amount for the Project and rescind the award

of the TCAP Amount and increase the 1602 Grant Amount to make a total 1602 Grant of \$4,155,965.00 (the “Increased 1602 Grant Amount”). Ms. Freeman recommended the Members’ approval of the Increased 1602 Grant Amount to the Project.

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

09-IHDA-153C Executive Director Materre introduced Tab C under Item 4 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-128F, Authorizing Funds under the Equity Replacement Program (TCAP-2697-0104-01; SEC1602-2697-0104-01) for Shelbyville Homes, Shelbyville, Illinois.

Mr. Johnson stated that pursuant to Resolution No. 2009-IHDA-128F, Shelbyville Homes Development Corporation (the “Sponsor”) was awarded ERP Funds consisting of a loan of TCAP Funds in the amount of \$1,790,000.00 (the TCAP Tranche A Amount”), a loan or a grant of TCAP Funds in the amount of \$3,422,949.00 (the “TCAP Tranche B Amount”), and 1602 Grant Funds in the amount of \$1,043,124.00 (the 1602 Grant Amount”) for the construction and permanent financing of a multifamily housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Shelbyville Homes (the “Project”). The Sponsor has requested that the Authority restructure the financing for the Project including the TCAP Tranche A Amount, the TCAP Tranche B Amount and the 1602 Grant Amount rescinding the award of the TCAP Tranche B Amount and increasing the 1602 Grant Amount to \$3,983,149.00 (the “Increased 1602 Grant Amount”). Mr. Johnson recommended the Members’ approval of the Increased 1602 Grant Amount to the Project.

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

Ms. Kenney then addressed the number of amending resolutions on the agenda, explaining that a lot of the projects are coming back to the board because of the nature of the stimulus programs and the tight time frame the Authority is on to move these projects. The Authority anticipated that as many projects move through the underwriting process that a portion of

them might have to have their financing structures adjusted. This is because of the tax repercussions to the developer vary based on the source of funding used. It wasn't until the projects progressed far into the underwriting process that the Authority could determine the appropriate balance between the two sets of stimulus funds that were available. This is the reason that so many structures are being amended.

09-IHDA-153D Executive Director Materre introduced Tab D under Item 4 on the Agenda: Resolution Amending Resolution No. 2009-IHDA-128M, Authorizing Funds under the Equity Replacement Program (TCAP-2942-0121-01; SEC1602-2942-0121-01) for Sinai Village, East St. Louis, Illinois.

Mr. Rogers stated that pursuant to Resolution No. 2009-IHDA-128M Mt. Sinai Development Corporation (the "Sponsor") was awarded ERP Funds consisting of a loan of TCAP Funds in the amount of \$481,249.00 (the "TCAP Tranche A Amount"), a loan or a grant of TCAP Funds in the amount of \$6,926,640.00 (the "TCAP Tranche B Amount"), and 1602 Grant Funds in the amount of \$550,000.00 (the "1602 Grant Amount") for the construction and permanent financing of a multifamily housing development to be located on the real estate legally described on Exhibit A attached to the Resolution and known as Sinai Village. The Sponsor has requested that the Authority restructure the TCAP Tranche A Amount, the TCAP Tranche B Amount and the 1602 Grant Amount for the Project and reduce the award of the TCAP Tranche B Amount to \$6,457,593.00 (the "Decreased TCAP Tranche B Amount"), collectively with the TCAP Tranche A Amount (the "Decreased TCAP Amount"), and increase the 1602 Grant Amount to make a total 1602 Grant of \$1,018,037.00 (the "Increased 1602 Grant Amount") (the "Revised Project ERP Funds"). Mr. Rogers recommended the Members' approval of the Revised Project ERP Funds to the Project.

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

09-IHDA-153E Executive Director Materre introduced Tab E under Item 4 on the Agenda: Resolution Authorizing Funds under the Equity Replacement Program (SEC1602-2946-0125-01) for Hometown Harbor, East Moline, Illinois.

Mr. Palek stated that pursuant to Resolution No. 2008-IHDA-194C, The Burton Foundation (the "Sponsor") was awarded 2008 Federal Tax Credits in the amount of \$1,279,938.00. The Sponsor was unable to syndicate all of the Federal Tax Credits, as described in the summary of the Project attached to the Resolution. The Sponsor seeks to return all of its 2008 Federal Tax Credits and has applied to the Authority for ERP Funds in the amount of \$9,474,975.00 for the construction and permanent financing of an 82-unit independent elderly housing complex. The design will incorporate 22 single-story fourplex's resulting in 42 one-bedroom and 40 two-bedroom units. Seventeen units will be available for tenants below 50% AMI and the remaining 65 units will be available to tenants at or below 60% AMI. Seventeen units are to receive project-based Section 8 vouchers for ten years. The project is known as Hometown Harbor East Moline and is located on the real estate legally described on Exhibit A attached to the Resolution. Mr. Rangel recommended the Members' approval of the return of all of the 2008 Federal Tax Credits and approval of a 1602 grant with a recapture provision in an amount not to exceed \$9,974,975.00.

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

09-IHDA-159

Executive Director Materre introduced Item 5 on the Agenda: Resolution Authorizing Execution of Commitment Letter for Treasury New Issue Bond Program and Authorizing Payment of Good Faith Deposit.

Mr. Kugel stated that on October 19, 2009, pursuant to the authority provided it under the Housing and Economic Recovery Act of 2008 ("HERA"), Pub. L. 110-289, 122 Stat. 2654, the U.S. Department of the Treasury (the "Treasury") announced the HFA Initiative which was designed to help state and local housing finance agencies ("HFAs") provide low mortgage rates and expand resources for low and middle income borrowers to purchase or rent homes that are affordable over the long term. As part of the HFA Initiative, the Treasury announced a New Issue Bond Program (the "NIBP") which will provide financing for HFAs to issue new housing bonds to fund new mortgages. Under the NIBP, the Authority will issue bonds (the "Program Bonds") supported by either single family or multifamily mortgages; Fannie Mae or Freddie Mac (the "GSEs") will exchange the Program Bonds for securities issued by the GSEs (which will be backed by the Program Bonds) and the Treasury will purchase the GSE securities from the Authority. The intent of the NIBP is to allow HFAs to issue an amount of new housing bonds equal to what

they would ordinarily be able to issue but have been unable to issue because of the current challenges in the housing and related markets.

The Authority has applied to the Treasury and been approved to participate in the NIBP in an amount up to One Hundred Eighty Four Million Eighty-Nine Thousand Seven Hundred Twenty-Nine Dollars (\$184,089,729) for its multi-family program, and in an amount up to Three Hundred Fifteen Million Nine Hundred Ten Thousand Two Hundred Seventy-One Dollars (\$315,910,271) for its single family program; copies of the current Term Sheet for the NIBP-Single Family Program and NIBP-Multi-family Program are attached as Exhibits A and B, respectively, these Term Sheets may be amended from time to time.

In order to participate in the NIBP, the Authority must execute a commitment letter with the GSEs evidencing its intent to participate in the NIBP; a copy of the commitment letter is attached as Exhibit C. In addition, the Authority must make a good faith deposit of Twenty Five Thousand Dollars (\$25,000) (the "Good Faith Deposit") payable to the GSEs on or before November 23, 2009. The Authority is in the process of structuring its single family and multifamily bond issues to participate in the NIBP and believes it is in the Authority's best interest to sign the commitment letter and to make the good faith deposit. Mr. Kugel recommended the Members' approval of the Resolution.

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

09-IHDA-154

Executive Director Materre introduced Item 6 on the Agenda: Resolution Authorizing Homeowner Mortgage Revenue Bonds, 2009 Series B (the "2009 Series B Resolution").

Mr. Brown requested the Members' authorization to issue not to exceed Three Hundred Sixteen Million Four Hundred Ten Thousand Two Hundred Seventy-One Dollars (\$316,410,271) aggregate principal amount of the Authority's Homeowner Mortgage Revenue Bonds, 2009 Series B (the "2009 Series B Bonds"). He explained that the 2009 Series B 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. He then added that this is a delegation resolution which authorizes any two of the Chairman, the Vice Chairman, the Treasurer and the Executive Director (or in the absence of the Executive Director, the Deputy Executive Director) to execute and deliver written Determinations establishing and approving terms and conditions of the 2009 Series B Bonds, subject to the limitations on such terms and

conditions contained in this 2009 Series B Resolution. Certain terms and conditions of the 2009 Series B Bonds will be established in one or more subsequent series resolutions adopted by the members of the Authority in connection with the conversion of all or portions of the 2009 Series B Bonds to bear interest at a fixed rate as described below.

The 2009 Series B Bonds will be structured as term bonds and will be issued to Fannie Mae and Freddie Mac under the Temporary New Issue Bond Program authorized by the Housing and Economic Recovery Act of 2008, as amended, in exchange for securities issued by Fannie Mae and Freddie Mac. The Temporary New Issue Bond Program is designed to provide temporary financing to assist housing finance agencies to issue new housing bonds to finance new residential mortgages. The U.S. Treasury will simultaneously purchase the Fannie Mae and Freddie Mac securities from the Authority to provide funds to make mortgage loans and purchase mortgage-backed securities under the Authority's residential mortgage financing program. The issuance to Fannie Mae and Freddie Mac must close by December 31, 2009. Fannie Mae and Freddie Mac will charge fees in connection with and in consideration of their purchase of 2009 Series B Bonds.

Under the Temporary New Issue Bond Program, the proceeds of issuing the 2009 Series B Bonds will be escrowed and invested for a period ending not later than December 31, 2010 and during that period the 2009 Series B Bonds will bear interest at a taxable short-term interest rate (the bond equivalent of the 28 day Treasury obligation discount rate). The Authority may elect to convert all or portions of the 2009 Series B Bonds during that period to bear interest at a fixed rate in conjunction with the issuance and sale of serial bonds or term bonds ("Market Bonds") to be authorized under a separate series resolution or resolutions. Interest on the 2009 Series B Bonds so converted is required to be tax-exempt. The Market Bonds must be in an aggregate amount at least two-thirds of the aggregate amount of 2009 Series B Bonds so converted to bear interest at a fixed rate. The converted 2009 Series B Bonds will bear interest at a short-term interest rate (the bond equivalent of the 28 day Treasury obligation discount rate plus a spread dependent upon the then-current rating of bonds issued under the Amended and Restated General Resolution) for two months and will bear long-term interest beginning two months after they are converted at a rate equal to the interest rate on ten year Treasury securities plus a spread dependent upon the then-current rating of bonds issued under the Amended and Restated General Resolution. This rate may be "locked in" when the 2009 Series B Bonds are first issued or may be set at the time the related Market Bonds are issued. The Authority may convert portions of the 2009 Series B Bonds in not more than 3 transactions during the period through December 31,

2010. 2009 Series B Bonds that have not been converted by that date will be redeemed and retired on that date from escrowed proceeds.

The 2009 Series B Resolution authorizes the execution and delivery of documents required in connection with the Temporary New Issue Bond Program including a Placement Agreement and a Settlement Agreement. This 2009 Series B Resolution also authorizes the Authorized Officers to appoint a special advisor to the Authority as required under the Temporary New Issue Bond Program and the Placement Agreement.

The 2009 Series B Bonds are special limited obligations of the Authority and have a claim for payment, together with outstanding bonds and bonds as may be issued in the future under the Amended and Restated General Resolution, solely from Revenues and funds and accounts under the Amended and Restated General Resolution. Revenues consist chiefly of debt service on Mortgage Loans and Mortgage-Backed Securities acquired under the Amended and Restated General Resolution and interest earnings on funds held under the Amended and Restated General Resolution by the Trustee, and also include amounts and assets previously transferred into the Amended and Restated General Resolution as Transfer Amounts or Contributed Assets.

The 2009 Series B 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 B Bonds and a contribution to the Reserve Fund, if required.

A cash flow projection made by the Authority will demonstrate that expected Revenues will be sufficient to meet debt service on the 2009 Series B 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 B Bonds are not general obligations of the Authority. The State's so-called "moral obligation" or "moral make-up" provision in Section 26.1 of the Illinois Housing Development Act does not apply to the 2009 Series B Bonds.

The 2009 Series B Bonds are to be issued on a parity basis as to their claim for payment with all Bonds previously issued under the Amended and Restated General Resolution. Additional parity Bonds are expected to be issued in the future under the Amended and Restated General Resolution. Future parity Bonds cannot be issued under the Amended and Restated General Resolution if their issuance would reduce the rating on the 2009 Series B Bonds.

Proceeds of the 2009 Series B Bonds will be used to meet the requirements of the Temporary New Issue Bond Program as described above. If 2009 Series B Bonds are converted to bear interest at a fixed rate as described above, volume cap in an amount equal to the principal amount of the 2009 Series B Bonds so converted will be used.

Under the Temporary New Issue Bond Program, the Authority is required to make certain covenants, including among others that (i) the Authority will apply all Recoveries of Principal and repayments of principal of Mortgage Loans and prepayments received with respect to any Mortgage-Backed Securities purchased in whole or in part with proceeds of the 2009 Series B Bonds and from proceeds of the related Market Bonds to redeem 2009 Series B Bonds and the related Market Bonds on a pro rata basis, (ii) unless advised to the contrary by the U.S. Treasury or its representatives, Market Bonds may not be issued as “super sinker” Bonds, planned amortization class Bonds (*i.e.*, “PAC Bonds”), or Bonds subject to any other priority allocation class rights, (iii) if, at any time prior to January 1, 2011, the rating of Bonds outstanding under the Amended and Restated General Resolution is reduced below Baa3/BBB-, proceeds of the 2009 Series B Bonds remaining in escrow will be applied to redeem 2009 Series B Bonds, (iv) except for certain Bonds that bear interest at a temporary floating rate, the Authority shall not issue Bonds bearing interest on a variable rate demand, adjustable rate or auction rate basis as long as any 2009 Series B Bonds remain Outstanding, and (v) unless advised to the contrary by the U.S. Treasury or its representatives, as long as any 2009 Series B Bonds remain Outstanding, the Authority may not permit any money, Mortgage Loans, Mortgage-Backed Securities or other assets to be (i) withdrawn from the Amended and Restated General Resolution for any purpose other than paying scheduled debt service (including Sinking Fund Requirements) on Bonds, paying Costs of Issuance of Bonds, paying Expenses, or paying the Redemption Price of 2009 Series B Bonds, or (ii) otherwise pledged or hypothecated.

09-IHDA-155

Executive Director Materre introduced Item 7 on the Agenda: Resolution Authorizing Single Family Initiative Bonds General Resolution.

Mr. Brown stated that the Single Family Initiative Bonds General Resolution is a new general resolution of the Authority authorizing the issuance from time to time of the Authority’s Single Family Initiative Bonds for the purpose of providing financing for residential mortgages by the Authority, either through the purchase of residential mortgages or the acquisition of mortgage-backed pass-through securities from certain agencies and instrumentalities of the United States of America, or both.

The Single Family Initiative Bonds General Resolution is substantially identical to the Authority’s existing Amended and Restated Homeowner Mortgage Bonds General Resolution. It is necessary to adopt the Single

Family Initiative Bonds General Resolution to enable the Authority to issue bonds in compliance with the requirements of the federal Temporary New Issue Bond Program authorized by the Housing and Economic Recovery Act of 2008, as amended, without imposing unduly burdensome limitations on the structure of bonds issued in the future under the Amended and Restated Homeowner Mortgage Bonds General Resolution. Mr. Brown recommended the Members' approval of the Resolution.

09-IHDA-156

Executive Director Materre introduced Item 8 on the Agenda: Resolution Authorizing Single Family Initiative Bonds 2009 Series A.

Mr. Brown requested the Members' authorization to issue not to exceed Three Hundred Sixteen Million Four Hundred Ten Thousand Two Hundred Seventy-One Dollars (\$316,410,271) aggregate principal amount of the Authority's Single Family Initiative Bonds, 2009 Series A (the "2009 Series A Initiative Bonds"). He explained that the 2009 Series A Initiative Bonds are authorized under the new Single Family Initiative Bonds General Resolution just approved by the Members of the Authority. He then added that this is a delegation resolution which authorizes any two of the Chairman, the Vice Chairman, the Treasurer and the Executive Director (or in the absence of the Executive Director, the Deputy Executive Director) to execute and deliver written Determinations establishing and approving terms and conditions of the 2009 Series A Bonds, subject to the limitations on such terms and conditions contained in this 2009 Series A Resolution. Certain terms and conditions of the 2009 Series A Bonds will be established in one or more subsequent series resolutions adopted by the members of the Authority in connection with the conversion of all or portions of the 2009 Series A Bonds to bear interest at a fixed rate as described below.

The 2009 Series A Bonds will be structured as term bonds and will be issued to Fannie Mae and Freddie Mac under the Temporary New Issue Bond Program authorized by the Housing and Economic Recovery Act of 2008, as amended, in exchange for securities issued by Fannie Mae and Freddie Mac. The Temporary New Issue Bond Program is designed to provide temporary financing to assist housing finance agencies to issue new housing bonds to finance new residential mortgages. The U.S. Treasury will simultaneously purchase the Fannie Mae and Freddie Mac securities from the Authority to provide funds to make mortgage loans and purchase mortgage-backed securities under the Authority's residential mortgage financing program. The issuance to Fannie Mae and Freddie Mac must close by December 31, 2009. Fannie Mae and Freddie Mac will charge fees in connection with and in consideration of their purchase of 2009 Series A Bonds.

Under the Temporary New Issue Bond Program, the proceeds of issuing the 2009 Series A Bonds will be escrowed and invested for a period

ending not later than December 31, 2010. During that period, the 2009 Series A Bonds will bear interest at a taxable short-term interest rate (the bond equivalent of the 28 day Treasury obligation discount rate). The Authority may elect to convert all or portions of the 2009 Series A Bonds during that period to bear interest at a fixed rate in conjunction with the issuance and sale of serial bonds or term bonds ("Market Bonds") to be authorized under a separate series resolution or resolutions. Interest on the 2009 Series A Bonds so converted is required to be tax-exempt. The Market Bonds must be in an aggregate amount at least two-thirds of the aggregate amount of 2009 Series A Bonds so converted to bear interest at a fixed rate. The converted 2009 Series A Bonds will bear interest at a short-term interest rate (the bond equivalent of the 28 day Treasury obligation discount rate plus a spread dependent upon the then-current rating of bonds issued under the General Resolution) for two months and will bear long-term interest beginning two months after they are converted at a rate equal to the interest rate on ten year Treasury securities plus a spread dependent upon the then-current rating of bonds issued under the General Resolution. This rate may be "locked in" when the 2009 Series A Bonds are first issued or may be set at the time the related Market Bonds are issued. The Authority may convert portions of the 2009 Series A Bonds in not more than 3 transactions during the period through December 31, 2010. 2009 Series A Bonds that have not been converted by that date will be redeemed and retired on that date from escrowed proceeds.

This 2009 Series A Resolution authorizes the execution and delivery of documents required in connection with the Temporary New Issue Bond Program including a Placement Agreement and a Settlement Agreement. This 2009 Series A Resolution also authorizes the Authorized Officers to appoint a special advisor to the Authority as required under the Temporary New Issue Bond Program and the Placement Agreement.

The 2009 Series A Bonds are special limited obligations of the Authority. They have a claim for payment, together with outstanding bonds and bonds as may be issued in the future under the General Resolution, solely from Revenues and funds and accounts under the General Resolution. Revenues consist chiefly of debt service on Mortgage Loans and Mortgage-Backed Securities acquired under the General Resolution and interest earnings on funds held under the General Resolution by the Trustee, and also include amounts and assets previously transferred into the General Resolution as Transfer Amounts or Contributed Assets.

This 2009 Series A Resolution authorizes a contribution to the various funds held under the 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 and a contribution to the Reserve Fund, if required.

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 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 State's so-called "moral obligation" or "moral make-up" provision in Section 26.1 of the Illinois Housing Development Act does not apply to the 2009 Series A Bonds.

Additional parity Bonds may be issued in the future under the General Resolution. Future parity Bonds cannot be issued under the General Resolution if their issuance would reduce the rating on the 2009 Series A Bonds.

Proceeds of the 2009 Series A Bonds will be used to meet the requirements of the Temporary New Issue Bond Program as described above. If 2009 Series A Bonds are converted to bear interest at a fixed rate as described above, volume cap in an amount equal to the principal amount of the 2009 Series A Bonds so converted will be used.

Under the Temporary New Issue Bond Program, the Authority is required to make certain covenants, including among others that (i) the Authority will apply all Recoveries of Principal and repayments of principal of Mortgage Loans and prepayments received with respect to any Mortgage-Backed Securities purchased in whole or in part with proceeds of the 2009 Series A Bonds and from proceeds of the related Market Bonds to redeem 2009 Series A Bonds and the related Market Bonds on a pro rata basis, (ii) unless advised to the contrary by the U.S. Treasury or its representatives, Market Bonds may not be issued as "super sinker" Bonds, planned amortization class Bonds (*i.e.*, "PAC Bonds"), or Bonds subject to any other priority allocation class rights, (iii) if, at any time prior to January 1, 2011, the rating of Bonds outstanding under the General Resolution is reduced below Baa3/BBB-, proceeds of the 2009 Series A Bonds remaining in escrow will be applied to redeem 2009 Series A Bonds, (iv) except for certain Bonds that bear interest at a temporary floating rate, the Authority shall not issue Bonds bearing interest on a variable rate demand, adjustable rate or auction rate basis as long as any 2009 Series A Bonds remain Outstanding, and (v) unless advised to the contrary by the U.S. Treasury or its representatives, as long as any 2009 Series A Bonds remain Outstanding, the Authority may not permit any money, Mortgage Loans, Mortgage-Backed Securities or other assets to be (i) withdrawn from the General Resolution for any purpose other than paying scheduled debt service (including Sinking Fund Requirements) on Bonds, paying Costs of Issuance of Bonds, paying Expenses, or paying the Redemption Price of 2009 Series A Bonds, or (ii) otherwise pledged or hypothecated.

Mr. Brown recommended the Members' approval of Resolutions No. 2009-IHDA-154, Resolution No. 2009-IHDA-155, and Resolution No. 2009-IHDA-156.

A motion to adopt the Resolution No. 2009-IHDA-154 was made by Mr. Lampros and seconded by Mr. Gardner; the Resolution was adopted by the affirmative votes of Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

Ms. Kenney noted that the written resolution in the board book did not reflect the amount that the board was being asked to approve today. The written resolution reflected an amount of Three Hundred Fifty Million Dollars (\$350,000,000). The Members were being asked to approve an issuance amount of Three Hundred Sixteen Million Four Hundred Ten Thousand Dollars (\$316,410,000). Ms. Kenney requested leave to amend the written resolution to reflect the resolution as passed. The Members approved the Resolution with leave for the written resolution to be amended to conform to the resolution as passed.

A motion to adopt the Resolution No. 2009-IHDA-155 was made by Ms. Davis and seconded by Ms. Kane; the Resolution was adopted by the affirmative votes of Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

Ms. Kenney then stated that this motion as well would be taken subject to the par amount in the written resolution being reduced from \$350,000,000 to \$316,000,000 and an amendment to the written resolution so that it would conform to the resolution as passed.

A motion to adopt the Resolution No. 2009-IHDA-156 was made by Ms. Kane, seconded by Mr. Lampros and the Resolution was adopted by the affirmative votes of Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-158

Executive Director Materre introduced Item 9 on the Agenda: Resolution Authorizing the Issuance and Sale of Not To Exceed \$184,000,000 of Multifamily Initiative Bonds Series 2009 Bonds

Mr. Taib requested the Members' authorization for the issuance and sale of not to exceed \$184,080,000 of the Authority's Multifamily Initiative Bonds, Series 2009 (collectively the "Bonds"), which Bonds shall be

initially issued as Multifamily Initiative Bonds, Series 2009A (the “Initial Series”) bearing interest at a variable rate that is federally taxable, and which Initial Series shall be converted in whole or in part, from time to time, into one or more series (each a “Subsequent Series” and, collectively with the Initial Series, the “Series”), each bearing interest at a fixed rate that is federally tax-exempt. The Initial Series is required to be issued on or prior to December 31, 2009, and the Subsequent Series are required to be issued on or prior to December 31, 2010.

The Resolution also authorizes the Authority to enter into a Trust Indenture, one or more Supplemental Indentures and a Placement Agreement, each in substantially the form attached to the Resolution, setting forth the respective terms of the Bonds and their conversion, subject to completion in accordance with the Determinations discussed below. Lastly, the Resolution approves the preparation and dissemination of a disclosure document to United States Department of the Treasury (acting through the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association) as purchaser of the Bonds.

The Bonds would be issued to provide funds to be applied, together with other available funds of the Authority, to finance multifamily housing developments at below-market interest rates. The Treasury, acting through FHLMC and Fannie Mae, has established a program, available to state and local housing finance agencies (“HFAs”), by which HFAs may avail themselves of, essentially, a below-market line of credit from the Federal government. The Bonds will not be general obligations of the Authority.

This is a delegation Resolution. It authorizes any two of the Chairman (or, in the absence of the Chairman, the Vice-Chairman), Treasurer or Executive Director (or, in the absence of the Executive Director, the Deputy Executive Director) to execute and deliver written Determinations establishing and approving the terms and conditions of the Initial Series as federally taxable variable rate bonds, and the conversion, from time to time, of portions of the proceeds thereof establishing a Subsequent Series as federally tax-exempt fixed rate bonds, subject to the limitations contained in the Resolution, and approving the final forms of the Indenture, Supplemental Indentures, Placement Agreement and disclosure documents. The final forms of Indenture and Supplemental Indentures shall reflect whether the individual Series of Bonds are issued on a parity basis, with changes from the forms attached to the Resolution if necessary.

The Resolution also delegates to any two of the Chairman (or, in the absence of the Chairman, the Vice-Chairman), Treasurer or Executive Director (or, in the absence of the Executive Director, the Deputy Executive Director) the authority, to be exercised on or prior to December 31, 2010, to execute and deliver a written acceptance of a fixed rate to apply to each Subsequent Series, subject to the limitations contained in the Resolution.

The Resolution also delegates to the Executive Director the authority to designate a commercial bank to serve as trustee and paying agent under the Indenture and each Supplemental Indenture, and a dealer or financial advisor to serve as special advisor under the Placement Agreement.

The Initial Series will be issued as variable rate bonds, with interest that is initially federally taxable. Issuance of each Subsequent Series will involve the conversion of a portion of the proceeds of the Initial Series to a fixed rate of interest that is federally tax-exempt, and will, at that time, require the use of volume cap. The Resolution also authorizes the deposit of Authority funds under the Indenture and Supplemental Indentures as required to obtain and preserve the ratings on the Bonds. Mr. Taib recommended the Members' approval of the Resolution.

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

Ms. Kenney noted that the bond transactions presented today are a bit unusual in that the Official Statements were not yet available because of the deadlines involved. She noted that the Official Statements for the deals would be brought for the board's review at the meeting on December 18, 2009.

09-IHDA-157

Executive Director Materre introduced Item 10 on the Agenda: Resolution Ratifying Changes to Deposit Accounts Established Pursuant to the American Recovery and Reinvestment Act of 2009 and Establishing Additional Accounts at JP Morgan Chase Bank, N.A.

Ms. Whitney stated that pursuant to Resolution No. 2009-IHDA-056 ("Prior Resolution"), the Authority has authorized and established accounts pursuant to the American Recovery and Reinvestment Act of 2009 ("ARRA") at JP Morgan Chase Bank, N.A. ("Chase Bank").

As set forth in the Prior Resolution, the Authority will be receiving funds from the U.S. Department of Housing and Urban Development ("HUD") pursuant to the Tax Credit Assistance Program ("TCAP") provisions of ARRA. The Authority also will be receiving funds from HUD pursuant to certain provisions of the HOME Investment Partnership Program ("HOME").

It was determined by HUD that the Authority will receive TCAP funds and HOME funds in the same deposit account at Chase Bank.

The Authority has determined that the account, established pursuant to the Prior Resolution as the TCAP Account into which the Authority would deposit TCAP funds from HUD, shall be renamed "Tax Credit Assistance Program Funds and HOME Funds Account" (the "Initial HUD Account") into which the Authority will deposit TCAP funds and HOME funds from HUD.

HUD has issued guidance to recipients of TCAP funds and HOME funds requiring, among other things, the establishment of additional deposit accounts for the deposit and use of TCAP funds and HOME funds.

The Authority has determined the necessity to open four additional deposit accounts to segregate certain TCAP funds and HOME funds.

Pursuant to the Illinois Procurement Code, 30 ILCS 500/1 et seq., the Authority published a request for proposals for commercial banking services; the Authority evaluated proposals and, pursuant to Resolution 2008-IHDA-047, the Authority is authorized to establish accounts for its various programs with Chase Bank, located in Chicago.

The Authority has determined that it is in its best interest to establish the following additional deposit accounts at Chase Bank (collectively, the "Additional HUD Accounts"): (i) an account to be known as the Tax Credit Assistance Program Funds Account (the "TCAP Account") into which the Authority shall move TCAP funds from the Initial HUD Account and from which the Authority shall make sub-awards of such TCAP funds; (ii) an account to be known as the Tax Credit Assistance Program Funds Recapture Account (the "TCAP Recapture Account") into which the Authority shall deposit only recaptured TCAP funds; (iii) an account to be known as the HOME Funds Account (the "HOME Account") into which the Authority shall move HOME funds from the Initial HUD Account and from which the Authority shall make sub-awards of such HOME funds; and (iv) an account to be known as the HOME Program Income Account (the "HOME Program Income Account") into which the Authority shall deposit only HOME-defined "Program Income" received by the Authority from debt service on HOME funds and recaptured HOME funds and from which the Authority shall make further sub-awards of such funds. Ms. Whitney recommended the Members' approval for the Resolution.

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

09-IHDA-160

Executive Director Materre introduced Item 11 on the Agenda: Resolution Authorizing Assignment of Mortgage Loan for Westwood Apartments (HTF-003).

Mr. Hernandez stated that the Authority has previously made a third mortgage loan in the amount of \$500,000.00 (the "Authority Loan") to 62nd Street Limited Partnership, an Illinois limited partnership, for the acquisition, rehabilitation and permanent financing of 10 buildings containing 162 units in the West Woodlawn community of Chicago known as Westwood Apartments and located at 6235-43 South King Drive, 6224-34 South King Drive, 6152-58 South King Drive, 6200-04 South Vernon, 6156-68 South Vernon, 6201-03 South Eberhart, 6153-59 South Eberhart, 6200-06 South Rhodes, 6154-56 South Rhodes, and 6153-59 South St. Lawrence, Chicago, Illinois (the "Development").

A first mortgage loan was made by Community Investment Corporation ("CIC") in the original amount of \$4,254,000.00 (the "Senior Loan"); a second mortgage loan was made by the City of Chicago (the "City") in the original amount of \$1,450,000.00 (the "City Loan"). CIC has sold the Senior Loan to Seaway Bank.

CIC, as the Senior Loan servicer, has filed a foreclosure case in the Circuit Court of Cook County, Illinois on October 5, 2009, and CIC seeks an assignment of the City Loan and the Authority Loan to its affiliate, Community Initiatives, Inc. ("CII"), in order to assure that it will not be outbid and will take title to the Development at a foreclosure sale.

The Authority and CII will enter into an assignment agreement (the "Agreement") wherein the Authority Loan would be assigned to CII; the Agreement would also provide that should CII be outbid at a foreclosure sale or acquire title to the Development, through foreclosure or otherwise, and ultimately sell the Development for more than the amount of the Senior Loan, the proceeds, less certain expenses, would be distributed to the Authority and the City in order of their lien priorities; and CII will sell the Development by a competitive sale. CII has further agreed that CII will sell the Development by a competitive sale and affordability restrictions will not be required as a condition of the sale.

The Authority has determined that it is in its best interest to enter into the Agreement with CII.

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

09-IHDA-161

Executive Director Materre introduced Item 12 on the Agenda: Resolution Authorizing Transfer of Physical Assets for Renaissance Center d/b/a Heritage Woods of Chicago (FAF-029).

Mr. Hernandez stated that the Authority has previously made a mortgage loan in the principal amount of Eight Hundred Seventy-Five Thousand and No/100 Dollars (\$875,000.00) (the "IHDA Mortgage Loan") to Renaissance Center, L.P., an Illinois limited partnership (the "Owner"), for the acquisition, construction and permanent financing of a Supportive Living Facility commonly known as Heritage Woods of Chicago and located at 2800 West Fulton Street, Chicago, Illinois (the "Development").

The IHDA Mortgage Loan is presently subordinate to a first position loan made by Harris Bank and Trust, a second and third position loan made by the City of Chicago and a fourth position loan made by Renaissance Social Services, Inc. (collectively, the "Senior Lenders").

Renaissance Center L.L.C., an Illinois limited liability company, is the sole general partner of the Owner (the "General Partner"); HRI Venture L.L.C., an Illinois limited liability company, is the managing member of the General Partner (the "Managing Member").

The Owner desires to transfer the Managing Member's interest in the Development to JGB Venture LLC (the "Proposed Managing Member"), and the Proposed Managing Member desires to assume the obligations of the Managing Member under the IHDA Mortgage Loan (the "Transfer and Assumption").

The Authority has determined that it is in its best interest to approve the Transfer and Assumption conditioned on the approval of the Senior Lenders. Mr. Hernandez recommended the Members' approval for 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 Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-162

Executive Director Materre introduced Item 13 on the Agenda: Resolution Authorizing an Amendment of Resolution 2009-IHDA-024 for San Miguel Apartments (HTF-202).

Mr. Hernandez stated that the Authority has previously made a third mortgage loan in the original principal amount of Three Hundred Fifty Thousand and No/100 Dollars (\$350,000.00) (the "IHDA Mortgage

Loan”) to LaSalle National Trust, N.A., not personally, but as Trustee under that certain Trust Agreement dated April 1, 1993, and known as Trust No. 117826 (the “Trust”), and Argyle Neighborhood Development Corporation, an Illinois not-for-profit corporation and the sole beneficiary of the Trust (the “Owner”), for the acquisition, rehabilitation and permanent financing of a multifamily housing development commonly known as 907 West Argyle Street, Chicago, Illinois (the “Development”).

By Resolution No. 2009-IHDA-024 (the “Prior Resolution”), the Authority approved to subordinate the IHDA Mortgage Loan to a new first mortgage loan in the amount of \$330,000.00 from Community Investment Corporation (“CIC Mortgage Loan”). Since the adoption of the Prior Resolution, the City of Chicago (the “City”) has amended the terms of its second mortgage loan increasing its annual principal and interest payments on the City’s second mortgage loan and extending the maturity date of the City’s second mortgage loan to be co-terminus with the CIC Mortgage Loan (collectively, the “Amended City Mortgage Loan”).

The Owner has requested that the Authority agree to subordinate the IHDA Mortgage Loan to the Amended City Mortgage Loan. As a condition to approving the Owner’s request, the Authority has requested and the Owner has agreed to modify the payment terms of the IHDA Mortgage Loan (the “Loan Modification”) from a \$1,000.00 annual payment of principal to a \$2,400.00 annual payment of principal following the effective date of the Loan Modification.

The Loan Committee has reviewed the Owner’s request to subordinate the IHDA Mortgage Loan to the Amended City Mortgage Loan (the “Subordination”) and to modify the IHDA Mortgage Loan and has recommended that the Subordination and Loan Modification be approved. The Authority has determined that it is in its best interest to subordinate the IHDA Mortgage Loan to the Amended City Mortgage Loan and to modify the IHDA Mortgage Loan to maintain the long-term economic viability of the Development. Mr. Hernandez recommended the Members’ approval for the Resolution.

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

09-IHDA-164

Executive Director Materre introduced Item 14 on the Agenda: Resolution Ratifying the Establishment of Owner’s Equity in Pioneer Village (TEB-2649).

Ms. Hillock stated that the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., provides that the Authority shall, by resolution, establish owner's equity ("Equity") in a development at the time of making the final mortgage advance. The Equity in a development shall consist of the difference between the amount of the mortgage loan and the total cost of the development. The difference between the amount of the mortgage loan and the total cost of Pioneer Village is \$5,708,784.00. Ms. Hillock recommended the Members' approval of the Resolution.

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

09-IHDA-165

Executive Director Materre introduced Item 15 on the Agenda: Resolution Authorizing Execution of Single Family Mortgage Purchase Agreements with Additional Financial Institutions.

Mr. Smirniotis stated that pursuant to Resolution No. 94-IHDA-90-A, the Authority entered into an agreement (the "Agreement"), as set forth in Exhibit A attached to the Resolution, with financial institutions participating in the Homeowner Mortgage Revenue Bond Program (the "Program") in order to purchase single family mortgage loans (the "Mortgages Loans"). Pursuant to Resolutions No. 2008-IHDA-88; 2008-IHDA-201; 2009-IHDA-044 and 2009-IHDA-109 the Authority allowed additional financial institutions to participate in the Program. The Authority desires to continue to purchase the Mortgage Loans and has determined it is in its best interests to allow additional financial institutions to participate in the Program. Mr. Smirniotis stated that he Authority desires to enter into the Agreement with the additional financial institutions as set forth in Exhibit B attached to the resolution in order to purchase the Mortgage Loans. Mr. Smirniotis recommended the Members' approval for the Resolution.

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

09-IHDA-166

Executive Director Materre introduced Item 16 on the Agenda: Resolution Authorizing grant Agreement with Neighbor Works America and Authorizing Sub-Grants to Certain Sub-Grantees.

Ms. Hill stated that pursuant to the Neighborhood Reinvestment Corporation Act, 42 U.S.C. 8101-8107, the Neighborhood Reinvestment

Corporation (the “Corporation”) is authorized to establish neighborhood housing services programs throughout the United States, monitor their progress and provide them with grants and technical assistance.

The Corporation has established the National Foreclosure Mitigation Counseling Program (the “Program”) whereby state housing finance agencies, among other approved housing counseling intermediaries, can apply for grants, (individually a “Grant”) to provide mortgage foreclosure mitigation assistance to areas with high rates of defaults and foreclosures, to help eliminate the default and foreclosure of mortgages of owner-occupied single-family homes that are at risk of such defaults and foreclosures.

The Authority has determined it is in its best interest to participate in the Program and has applied to the Corporation, d/b/a NeighborWorks America for a Grant in connection with the Program and has been awarded a Grant in the amount of One Million Three Hundred Ninety-Four Thousand Two Hundred Seventy and No/100 Dollars (\$1,394,270). If awarded the Grant under the Program, the Authority will enter into agreements (individually, an “Agreement”) with qualified housing counseling agencies (the “Sub-grantees”) in order to use the proceeds of the Grant to provide counseling services to homeowners of owner-occupied homes with mortgages in default, in danger of being in default, or likely to suffer foreclosure; the counseling provided shall consist of activities that are likely to prevent foreclosure and result in the long term affordability of the mortgage or other positive outcomes for the homeowner (collectively, the “Counseling Services”).

The Authority will be able to use a portion of the proceeds of the Grant for expenses incurred in connection with the administration and operation of the Program. A summary that sets forth the terms and conditions of the Program and the amount expected to be allocated to each Sub-grantee for the provision of counseling services and related program costs is attached to this Resolution as Exhibit A. The list of Sub-grantees on Exhibit A identifies all potential Sub-grantees, however, some of the identified Sub-grantees may not receive grants; in addition, the grant amounts allocated to Sub-grantees on Exhibit A may be increased or decreased by the Authority in order to protect the Authority’s interests and to meet the aggregate goals and requirements of the Program. Ms. Hill recommended the Members’ approval for 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 Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-167 Executive Director Materre introduced Item 17 on the Agenda: Resolution Authorizing Extension of Program Grant Agreement with the City of Chicago.

Ms. Thurmond stated that pursuant to Resolution No. 2004-IHDA-048 the Authority entered into a Program Grant Agreement (the "Grant Agreement") with the City of Chicago, (the "City"), the purpose of which was to facilitate the funding and closing of certain multifamily housing projects receiving funding from several financing sources (the "Multiloan Projects"), including funding from the City and from the Illinois Affordable Housing Program. Under the Grant Agreement the Authority was authorized to fund up to Eleven Million and No/100 Dollars (\$11,000,000.00) for Multiloan Projects by making grants to the City in the approximate amount of Three Million Seven Hundred Fifty Thousand and No/100 Dollars (\$3,750,000.00). The Grant Agreement expired by its terms on March 1, 2008 (the "Prior Expiration Date") and the Authority has made no grants since that date. The Authority has determined that it is in the best interest of the Authority to retroactively extend the Prior Expiration Date for an additional two years to March 1, 2010. Ms. Thurmond recommended the Member's approval of the Resolution.

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

09-IHDA-168 Executive Director Materre introduced Item 18 on the Agenda: Resolution Authorizing Execution of Grant Agreement with the United States Department of Housing and Urban Development for Funds under the Neighborhood Stabilization Program Authorized under the Housing and Economic Recovery Act of 2008.

Ms. Bilger stated that in accordance with the Housing and Economic Recovery Act of 2008 enacted July 30, 2008, the United States Department of Housing and Urban Development (the "HUD") has allocated \$53,113,044 to the State of Illinois in connection with the Neighborhood Stabilization Program (the "NSP") for the purpose of providing targeted assistance to state and local governments for the acquisition and redevelopment of abandoned and foreclosed properties within the State of Illinois (the "State").

On October 15, 2008, former Governor Rod R. Blagojevich named the Illinois Department of Human Services (the "DHS") as the State agency designated to administer the NSP.

In 1981, in accordance with implementing procedures under the Housing and Community Development Act of 1974, 42 U.S.C. 5300 et. seq., as supplemented amended, the Illinois Department of Commerce and Economic Opportunity (the “DCEO”) was designated by the governor as the administrator of the federal Community Development Block Grant Program (the “CDBG”) to help further the economic and community development activities of the State; NSP funds are considered by HUD as a special allocation of CDBG funds.

Given the respective expertise of the Authority and DCEO, it was determined that the Authority, DCEO and DHS would enter into an intergovernmental agreement under which the Authority and DCEO would provide support to DHS in administering the NSP. On January 16, 2009, the Authority passed a resolution (the “Prior Resolution”) authorizing an intergovernmental agreement (the “Intergovernmental Agreement”) between the Authority, DHS and DCEO (the “Parties”) in which the Parties agreed that DHS would implement and administer the NSP with assistance and guidance from the Authority and DCEO. On April 6, 2009, the Authority entered into the Intergovernmental Agreement with DHS and DCEO.

Since that time, it has been determined that the Authority is in the best position to administer the NSP on behalf of the State and on November 12, 2009, Governor Pat Quinn designated the Authority to act as the sole administrator of the NSP on behalf of the State, superseding the prior designation made on October 15, 2008. The Parties therefore wish to terminate the Intergovernmental Agreement and the Authority and DHS seek to enter into a new intergovernmental agreement (the “New Intergovernmental Agreement”) reflecting the Authority’s new role and the transfer of responsibilities from DHS to the Authority. As the administrator of NSP, it will also be necessary for the Authority to enter into a grant agreement with HUD, substantially in the form as attached hereto as Exhibit A. Mr. Bilger 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 Vice-Chairman Barker, Ms. Davis, Mr. Gardner, Ms. Kane, Mr. Kochan and Mr. Lampros.

09-IHDA-169

Executive Director Materre introduced Item 19 on the Agenda: Resolution Authorizing Accounts for Neighborhood Stabilization Program Funds at JP Morgan Chase Bank, NA

Ms. Bilger stated that pursuant to the Housing and Economic Recovery Act of 2008 (“HERA”), Pub. L. 110-289, 122 Stat. 2654, enacted July 30, 2008, the United States Department of Housing and Urban Development (the “HUD”) has allocated \$53,113,044 to the State of Illinois in connection with the Neighborhood Stabilization Program (the “NSP”) for the purpose of providing targeted assistance to state and local governments for the acquisition and redevelopment of abandoned and foreclosed properties within the State of Illinois (the “State”) through the federal Community Development Block Grant (“CDBG”) program.

It has been determined that the Authority is in the best position to administer the NSP on behalf of the State and Governor Pat Quinn is prepared to designate the Authority as the sole administrator of the NSP on behalf of the State. As the administrator of NSP, it will be necessary for the Authority to enter into a grant agreement with HUD pursuant to which the Authority will receive NSP funds from HUD.

Pursuant to the Illinois Procurement Code, 30 ILCS 500/1 et seq., the Authority published a request for proposals for commercial banking services; the Authority evaluated proposals and, pursuant to Resolution 2008-IHDA-047, the Authority is authorized to establish accounts for its various programs with JP Morgan Chase Bank, N.A., located in Chicago (“Chase Bank”).

The Authority has determined that it is in its best interest to establish an account to be known as the Neighborhood Stabilization Program Funds Account at Chase Bank (the “NSP Funds Account”), into which the Authority shall deposit NSP funds from HUD and from which the Authority shall make sub-awards.

The Authority has determined that it is in its best interest to establish an account to be known as the NSP Program Income Account at Chase Bank (the “NSP Program Income Account”) into which the Authority shall deposit only CDBG-defined “Program Income” received by the Authority resulting from repayment or recapture of NSP funds and from which the Authority shall make further sub-awards of such funds. Ms. Bilger recommended the Members’ approval of the Resolution.

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

Ms. Covello stated that the Authority has previously purchased certain audit software known as TeamMate (the "Software") from CCH (the "Vendor") in connection with the functions of the Authority's Internal Audit department. The Authority has determined it is necessary to purchase five (5) additional licenses for the Software and pursuant to the small purchase provision of the Illinois Procurement Code, 30 ILCS 500/20-20, the Authority desires to enter into an agreement with the Vendor to purchase the additional licenses for the one (1) year period from approximately December 1, 2009 to November 30, 2010 at a fee not to exceed Fourteen Thousand Five Hundred and No/100 Dollars (\$14,500.00). Ms. Covello recommended the Members' approval of the Resolution.

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

09-IHDA-171

Executive Director Materre introduced Item 21 on the Agenda: Resolution Authorizing Execution of Agreement and Expenditure of Funds in Connection with Directors' and Officers' Liability Insurance.

Ms. Wortham stated that pursuant to the Illinois Procurement Code, 30 ILCS 500/1 et seq., the Authority selected Mesirow Financial as the insurance broker (the "Broker") to assist in the placement of various insurance coverage, including liability insurance for directors and officers (the "D&O Liability Insurance"). The previous agreements for D&O Liability Insurance expires on December 3, 2009. Ms. Wortham stated that the Authority desires to enter into new agreements for D&O Liability Insurance with a primary policy limit in the amount of Ten Million and No/100 Dollars (\$10,000,000.00) and an excess policy limit in the amount of Ten Million and No/100 Dollars (\$10,000,000.00) (the "Policy Limits"). The Broker has received bids from various insurance companies to provide the D&O Liability Insurance at the Policy Limits. The Authority has evaluated the bids provided by the Broker and has selected Federal Insurance Company, also known as "Chubb", the lowest bidder, to provide D&O Liability Insurance at the primary policy limit and Chartis, formerly known as AIG, the lowest bidder, to provide D & O Liability Insurance at the excess policy limit (collectively, the "Vendors"). The Authority desires to enter into agreements with the Vendors for the D&O Liability Insurance for the period from December 3, 2009 to December 3, 2010 at a fee not to exceed Fifty-Nine Thousand Five Hundred and No/100 Dollars (\$59,500.00) for the primary policy limit and Forty-Two

Thousand One Hundred Fifty and No/100 Dollars (\$42,150.00) for the excess policy limit. Ms. Wortham recommended the Members' approval of the Resolution.

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

Presentation 1 For Presentation 1, Finance Committee Report, Vice-Chairman Barker recommended the Members' approval of the Minutes from the October 16, 2009, Finance Committee meeting.

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

Presentation 2 For Presentation 2, Mr. Kregor gave a presentation on Fiscal Year 2009 Highlights.

Presentation 3 For Presentation 3, Multifamily Status Report as of October 31, 2009. Vice-Chairman Barker referred the Members to the Board materials.

Presentation 4 For Presentation 4, Audit Committee Minutes, Mr. Lampros recommended the Members' approval of the Minutes from September 18, 2009 Asset Management Committee meeting.

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

There being no further business, Vice-Chairman Barker adjourned the meeting at 11:03 a.m.