ILLINOIS HOUSING DEVELOPMENT AUTHORITY

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FINANCE COMMITTEE MEETING MINUTES
Friday, June 26, 2026

The meeting of the Finance Committee of the Illinois Housing Development Authority took place on Friday, June 26, 2026, at 10:00am at 111 East Wacker Drive, Chicago, IL.

I.A. Mr. Tornatore called the meeting to order at 10:00am.

I.B. Ms. Davis called the roll. Finance Committee Chair Sam Tornatore, Ms. Erika Poethig, Chairman King Harris, Mr. Brice Hutchcraft, Ms. Luz Ramirez, Ms. Sonia Berg, Mr. Daniel Hayes, Ms. Claire Leopold, and Mr. Tom Morsch were present.

I.C. Mr. Tornatore called a motion for the approval of the May 15, 2026 minutes to be approved as presented. Motion carried.

II.A. Presentation of Consolidated Interim Financial Statements

Mr. Jalaluddin stated: May fiscal YTD data covering eleven months of FY26 shows operating revenues total $57.7M, favorable to budget by $3.9M, driven by strength in ongoing fee activity related to bond administration and compliance credit monitoring. Higher origination fees associated with federal 9% tax credit reservations are partially offset by lower AUM.

Mr. Jalaluddin continued: Administrative reimbursements total $28.9M, favorable to budget by $0.5M. Operating expenses are $62.9M, $10.6M under budget, primarily driven by vacancy savings, lower professional services spend, and reduced financing costs recorded within bond indentures. Additional favorability is reflected in office administration due to savings in liability insurance and contingency planning for the new office lease, which is expected to carry into FY27. Technology-related favorability reflects project implementation timing across various initiatives, several of which will spill into the next fiscal year.

Mr. Jalaluddin continued: Governmental Fund operating revenues, consisting of administrative reimbursements, total $28.9M, favorable to budget by $0.5M, driven by higher activity in Illinois Affordable Housing Trust Fund and HOME programs, partially offset by slower activity across other programs. Reimbursement activity generally aligns with operational activity; however, certain programs, including the State and Local Fiscal Recovery Fund and Opioid Settlement Fund, are expected to remain below budget due to lower than anticipated program activity and cost for the fiscal year.

Mr. Jalaluddin concluded: Governmental Fund operating expenses total $28.9M, $0.5M unfavorable to budget, primarily driven by higher staffing costs supporting program activity, partially offset by underspend across other categories. Overall expenses remain aligned with reimbursement revenues, resulting in operating performance remaining near breakeven.

II.B. Multifamily Update

Ms. Pawlus stated: The Multifamily Update includes five items for Board action. Building Communities 2026 proposes 5 new non-elderly units in Waukegan, all serving households at or below 80% Area Median Income, recommended for 618,858 Illinois Affordable Housing Tax Credits. Best Building converts commercial space into 44 elderly units in Rock Island, with units serving households at 60% and 30% Area Median Income, recommended for 1.5M Illinois Affordable Housing Tax Credits. Lake Forest Senior Cottages adds 6 new elderly units in Lake Forest, all serving households at or below 60% Area Median Income, recommended for 3.625M Illinois Affordable Housing Tax Credits. Continental Plaza involves rehabilitation of 292 units in Chicago, recommended for a Conduit Loan not to exceed $33.235M.

Ms. Pawlus continued: For the 2026 9% Low Income Housing Tax Credit round, the Authority received 48 applications requesting approximately $74M in credits. Multifamily recommends 22 awards totaling $36.7M, supporting 969 affordable units statewide across Chicago, the Chicago Metro region, Other Metro areas, and Non-Metro areas.

Ms. Pawlus concluded: The public comment period for the Draft 2027–2028 Qualified Allocation Plan has closed. The Final Qualified Allocation Plan will be presented to the Board on July 24, with publication scheduled for early August.

Committee members discussed observations on the QAP with Executive Director Faust providing additional commentary.

II.C. Single Family/Homeownership Update

Mr. Nestlehut stated: Homeownership reservations for May 2026 totaled almost $190M in first mortgages, reflecting a 7% increase by loan count and a 20% increase by loan volume compared to May 2025.

Mr. Nestlehut continued: AccessHome accounted for 79% of reservations. Access 4% represented 4%, Access 5% represented 6%, and Access 10% comprised 11% of total production. Chicagoland remained the largest region by loan count and volume, followed by the Central, Northwest, and Southern regions. As of May 31, 2026, the pipeline exceeded $562M, and the average turn-time from reservation to purchase was 46 days. GNMA and Conventional reservation histories continued to show IHDA's rate trends relative to FHA and Freddie Mac benchmarks over the past 13 months.

Mr. Nestlehut concluded: Year-to-date demographic data through May 31, 2026, shows 17.8% of purchased-loan borrowers identified as Black or African American and 32.1% as Hispanic or Latino, both above statewide levels. Performance remains consistent with trends across 2021–2026.

Committee members engaged in discussion regarding additional demographic metrics of buyers, with IHDA agreeing to provide those metrics in the future.

III.A.1. Resolution Authorizing Acceptance of Ceded Volume Cap

Mr. Lindsey stated: The resolution authorizes acceptance of ceded volume cap under the Illinois Private Activity Bond Allocation Act and State Guidelines. The Authority received roughly $6.8M in unused 2026 volume cap: roughly $4.1M from Champaign and $2.7M from Urbana. The Authority will use this cap to finance Single Family or Multifamily Revenue Bonds. Prior allocations totaled $6.3M in 2025, $6.1M in 2024, $5.9M in 2023, and $5.6M in 2022. Volume cap is requested twice annually, and ceded cap from Champaign and Urbana has been received since 2019.

Mr. Lindsey concluded: The Capital Markets team continues to evaluate volume-cap strategy relative to pipeline needs and will discuss long-term planning at a future Finance Committee meeting.

III.A.2. Update to Exhibit C of Financial Management Policy

Ms. Jacobson stated: The item before the Committee is a request to amend Exhibit C of the Financial Management Policy to add Oppenheimer & Co. to IHDA's authorized Selling Group. As a Selling Group member, Oppenheimer would be a pre-qualified firm available to support marketing and distribution of IHDA bonds on a transaction-by-transaction basis, without obligating IHDA to use the firm or creating counterparty or financial exposure.

Ms. Jacobson concluded: Finance reviewed Oppenheimer's financial condition, regulatory standing, and housing-finance experience. The firm is well-capitalized, nationally distributed, active in housing-finance transactions, and maintains 330K+ retail accounts with $143.3B in assets, with no material concerns identified. Adding Oppenheimer would expand IHDA's investor reach and enhance distribution flexibility for future bond transactions. Finance recommends approval of Oppenheimer as an addition to the authorized Selling Group.

Committee members engaged in discussion regarding Oppenheimer's role as a selling group, with Ms. Jacobson providing commentary.

III.B.1. Continental Plaza Apartments

Mr. Babcock stated: The Finance Department will be requesting approval for the issuance of Multifamily Housing Revenue Bonds Series 2026 in an amount not to exceed $33.2M to finance the acquisition and rehabilitation of 292 units at Continental Plaza in Chicago's Auburn Gresham neighborhood; the bonds will be publicly offered by Stifel, Nicolaus & Company as tax-exempt, fixed-rate, short-term obligations, with permanent financing through a Merchants Capital FHA 241(a) loan, and the request authorizes issuance up to $33.235M an interest rate not to exceed 8.5%, and a final maturity within 60 months, with an anticipated closing on August 31.

IV. Mr. Tornatore adjourned the meeting at 10:27am.