



Agenda  
*Regular Board Meeting*

- I. Call to Order (**10:00 a.m.**) **NOTE TIME**
- II. Freedom of Information Act Statement  
Recognition of Guests
- III. Adoption of Proposed Agenda
- IV. Executive Session
- V. Regular Session
  - A. Approval of Minutes of May 19 and June 3, 2009 (Chairman Smith)
  - B. Internal Audit Report (Don Mobley)
  - C. Bond Committee  
Consideration of Supplemental Resolution  
Regarding Various Rural Housing  
Apartment Projects (Tracey Easton)
  - D. Program Committee:
    1. Consideration of Housing Trust Fund Budget  
Amendment Request (Larry Arney)
    2. Consideration of Proposed Housing Trust Fund  
Awards (Larry Arney)
    3. Consideration of Proposed FY 2010 Housing  
Trust Fund Budget (Larry Arney)
    4. Consideration of Modifications to Authority  
Debarment Policy (Tracey Easton)
    5. Consideration of Resolution Authorizing  
Officers for Government National Mortgage  
Association (Tracey Easton)
  - E. Consideration of Requests Regarding the Low  
Income Housing Tax Credit Program (Tracey Easton)
  - F. Reports
    1. Chairman (Chairman Smith)
    2. Executive Director (Valarie Williams)
    3. Deputy for Administration (Ed Knight)

Reports Cont'd.

4. Deputy for Programs
5. Human Resources
6. Finance

(Larry Arney)  
(Cynthia Dannels)  
(Debra Seymour)

- VI. Other Business
- VII. Next Meeting – July 28, 2009
- VIII. Adjournment



## South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: (803)896-9001

TTY: (803) 896-8831

T. Scott Smith  
Chairman

Valarie M. Williams  
Executive Director

### REGULAR COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority met on Tuesday, May 19, 2009 at approximately 10:00 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners were in attendance:

T. Scott Smith, Chairman  
Clente Flemming, Vice Chair  
Eddie C. Bines  
Carl Roberts  
Robert Mickle  
Mary Thomas

The following Commissioners were excused: John Hill and Felicia Morant

Staff and Guests attending the meeting included the following:

**STAFF:** Valarie M. Williams, Executive Director  
Ed Knight, Deputy for Administration  
Larry Arney, Deputy for Programs  
Debra Seymour, Director of Finance  
Tracey Easton, Legal Counsel  
Cynthia Dannels, Human Resources  
Laura Nicholson, LIHTC  
Nancy Fairley, HOME  
Matt Rivers, Housing Trust Fund  
Carl Bowen, Rental Assistance  
Kim Spires, Homeownership  
Dennis Cokley, Compliance Monitoring  
Clayton Ingram, Marketing & Communications  
Ann Craddock, Assistant Secretary

**GUESTS:** Bob Detjen, CSG Advisors  
Bill Youngblood, McNair  
Jimmy Kerr  
John Foster, Attorney  
Kevin Connelly, Connelly Development, LLC  
Bill Chamblin, Connelly Development, LLC  
Lewis Levy, Parker Poe  
Heather Garris, OHR

Chairman Smith called the meeting to order and asked Valarie Williams to read into the record the Freedom of Information Statement.

“As required by the provisions of Section 30-4-80(e) of the Code of Laws of South Carolina, notification of this meeting has been given to all persons, organizations, local news media, and other news media which have requested such notifications.”

### **Agenda**

The Chairman presented the agenda for approval.

**MOTION** Commissioner Mickle moved to adopt the agenda as presented. The motion received a second from Commissioner Bines. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

### **Minutes**

Chairman Smith asked if there were any additions or corrections to the minutes of March 16, 2009. There being none, he called for a motion to approve the minutes.

**MOTION** Commissioner Roberts moved to approve the minutes of March 16, 2009 as presented. The motion received a second from Commissioner Mickle. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

### **Market Update**

The Chairman called upon Bob Detjen who presented a brief market update. Also, Mr. Detjen spoke about the Authority’s work with Moody’s Investment Services regarding options to provide additional credit enhancement to the mortgage revenue bond indenture. He advised that Moody’s will accept the Authority’s revenue reserve fund assets as part of the parity assets that will be counted when measuring the asset to debt ratio. In addition to accepting these assets, the Authority may pledge an additional \$3.5 million to bring the asset parity coverage up to a level that should be enough for Moody’s to continue to allow the Aa1 bond rating.

Mr. Detjen also spoke about plans for a new bond issue. He stated that the bond working group agrees that the authority should move to a new bond indenture which would be secured by mortgage backed securities. Those securities would be issued either by Fannie Mae, Freddie Mac or Ginny Mae and would be rated Aaa.

### **Bond Committee**

#### **Homeownership Revenue Bonds, Series 2009-1**

The Chairman asked Tracey Easton to present the Preliminary Resolution. Ms. Easton stated that this Resolution makes preliminary provision for the issuance of the 2009-1 obligations and gives authorization to submit a petition to the Budget and Control Board requesting approval of the issue. The issuance is not to exceed \$50,000,000. Commissioner Bines stated that the Bond Committee considered this matter and recommends approval.

**MOTION** Commissioner Bines moved to approve the Resolution as presented. The motion received a second from Commissioner Mickle. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

#### **Mortgage Revenue Bond Revenue Reserve Fund**

Chairman Smith asked Ms. Easton to present this Resolution. Ms. Easton stated that this Resolution authorizes the transfer of \$3.5 million from the 1998 Single Family Indenture Program Fund to the Mortgage Revenue Bond Revenue Reserve Fund. Commissioner Bines stated that the Bond Committee considered this matter and recommends approval.

**MOTION** Commissioner Bines moved to approve the Resolution as presented. The motion received a second from Commissioner Mickle. Following discussion, all Commissioners voted in the affirmative and the motion carried.

#### **Multifamily Rental Housing Revenue Bonds (Bridle Ridge Apartments)**

The Chairman asked Ms. Easton to present this Resolution. Ms. Easton stated that this Resolution provides for the adoption of a First Supplemental Indenture for Multifamily Rental Housing Revenue Bonds. She added that the Trustee found two conflicting provisions related to the time period for a Rebate Analyst to compute the amount of Excess Earnings. The Trustee is requesting an amendment to the Trust Indenture to eliminate the conflict. Commissioner Bines stated that the Bond Committee considered this matter and recommends approval.

**MOTION** Commissioner Bines moved to approve the Resolution as presented. The motion received a second from Commissioner Mickle. Following discussion, all Commissioners voted in the affirmative and the motion carried.

Multifamily Rental Housing Revenue Bonds  
(Appian Way Apartments)

Chairman Smith asked Ms. Easton to present this Resolution. Ms. Easton stated that this Resolution authorizes the execution and delivery of a modification of the Guaranty and Financing Agreement, a Supplemental Indenture, and an amendment to the Loan and Financing Agreement. Commissioner Bines stated that the Bond Committee considered this matter and recommends approval.

**MOTION** Commissioner Bines moved to approve the Resolution as presented. The motion received a second from Commissioner Mickle. Following discussion, all Commissioners voted in the affirmative and the motion carried.

Program Committee

Federal Home Loan Mortgage Corporation

The Chairman asked Ms. Easton to present the Resolution. Ms. Easton stated that this Resolution makes provision for certain employees of the Authority to be considered “authorized persons” for purposes of the Federal Home Loan Mortgage Corporation (Freddie Mac). The employees will be authorized to conduct transactions with Freddie Mac on behalf of the Authority. Ms. Easton pointed out a typographical error which should be noted in any motion to approve the Resolution. The error being the title for Ed Knight which should read “*Deputy Director for Administration*” rather than “*Deputy Director for Programs.*” Commissioner Mickle stated that the Program Committee considered this matter and recommends approval.

**MOTION** Commissioner Mickle moved to approve the Resolution with the modification of Ed Knight’s title to “*Deputy Director for Administration.*” The motion received a second from Commissioner Bines. Following discussion, all Commissioners voted in the affirmative and the motion carried.

Housing Trust Fund

Chairman Smith asked Ms. Easton to present the Resolution. Ms. Easton stated that South Carolina Code Section 31-13-420 requires that monies from the Trust Fund only be paid out upon the signature of the chairman of the Board or a designee of the board and the executive director. This Resolution would not alter the chairman’s authority to sign, but would designate the Deputy Director of Programs as the Board’s designee. In the absence of the Deputy Director of Programs, the Director of the Housing Trust Fund is designated as the Board’s designee. Commissioner Mickle stated that the Program Committee considered this matter and recommends approval.

**MOTION** Commissioner Mickle moved to approve the Resolution as presented. The motion received a second from Commissioner Bines. Following discussion, all Commissioners voted in the affirmative and the motion carried.

## **Reports**

### **Executive Director**

The Chairman called upon Valarie Williams for her report. Ms. Williams spoke about the Southeastern Executive Directors meeting which she recently attended. Ms. Williams and the region's housing authority executive directors met and discussed the many issues impacting the programs that housing authorities administer, i.e. tax credits, stimulus funding, etc.

Ms. Williams reminded Commissioners about the upcoming training for Board members which will be held August 23-25 in Rockland, Maine.

Also, Ms. Williams updated the Board regarding the renewal of the Authority's current lease for office space. The Budget and Control Board will consider the lease renewal at their meeting on June 16.

### **Deputy for Administration**

Chairman Smith asked Ed Knight to present the administrative update. Mr. Knight presented as information a copy of the Lt. Governor's Affordable Housing Study Committee draft report. Mr. Knight pointed out several recommendations as follows: 1) Formation of a Housing Commission. Rep. Harold Mitchell recently introduced legislation for the formation of the Housing Commission which will address all issues related to housing throughout the State. The legislation has moved quickly through both Houses and should pass prior to the end of this legislative session. 2) Continuation of the Lt. Governor's Affordable Housing Study Committee. 3) Recommendation that a bond cap set aside be provided for the Authority to do single and multifamily housing.

With regard to the single family program, Mr. Knight spoke about moving to mortgage backed securities. To accomplish that, the Authority must be approved as a seller/servicer by Fannie Mae, Freddie Mac and Ginny Mae. The Authority has been approved by Freddie Mac and is providing the required information to Fannie Mae and Ginny Mae to get approval from those institutions. The Authority's current servicing software will not provide the type of reporting required by these institutions so staff is exploring options to either hire a master servicer or purchase new servicing software.

Mr. Knight told the Board that current homeownership interest rates are: Category I – 6%, Category II – 5.875%, and Category III – 5.75%. He noted that approximately \$9 million remains from the bond issue done last August. These funds combined with some recycled funds should maintain the single family program through the summer.

### Deputy for Programs

The Chairman asked Larry Arney to present the program update. Mr. Arney presented an update with regard to tax credits, neighborhood stabilization and HOME. With regard to the Tax Credit Assistance Program (TCAP), HUD advises that these funds are to be competitively awarded. The Authority's plan is posted on its website and is being reviewed by the public and HUD. The Authority would use this funding to fill gaps in funding in stalled projects. Funds available under TCAP are \$25,385,000.

Allocation for the HOME program is slightly over \$9 million. Applications have been received and are currently being reviewed.

The first round of Neighborhood Stabilization funds has been awarded. The second round of funding will be competitively awarded and staff is working on the Authority's request. Funding for this round is expected to be between \$15 and \$18 million.

### Human Resources

Chairman Smith asked Cynthia Dannels to present the Human Resources report. Ms. Dannels asked Carl Bowen and Nancy Fairley to introduce their new staff members. Mr. Bowen introduced Christopher Fulks and Jon Upson who recently joined the staff of the Housing Choice Voucher Program. Ms. Fairley introduced Kelli George, the program assistant for the Neighborhood Stabilization Program. Mr. Bowen recognized Christine Watkins who recently graduated from the Certified Public Manager Program.

### Finance

The Chairman asked Debra Seymour to present the financial report. The report was received as information.

### Executive Session

Chairman Smith called for a motion to enter executive session for the purpose of discussing personnel and potential legal matters.

#### **MOTION**

Commissioner Mickle moved to enter executive session for the purpose of discussing personnel and potential legal matters. The motion received a second from Commissioner Bines. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

[EXECUTIVE SESSION]

Upon rising from executive session, the Chairman recognized Carl Roberts for a point of clarification. Commissioner Roberts clarified for the minutes that the executive session was for legal advice and not for personnel matters. The Chairman reported that no votes or actions were taken during executive session.

**MOTION**

Commissioner Mickle moved that the current Tier 1 Low Income Housing Tax Credit applications be awarded two points even those that had the missing notary signatures. Following discussion, Commissioner Mickle amended his motion to state that two points would be awarded to those applications that had the missing notary signature. The motion received a second from Commissioner Bines. Commissioner Roberts stated that his preference would be to decline to review this issue even though he understood the motivation of the Board. The motion carried on a vote of five to one with Commissioners Smith, Flemming, Bines, Mickle and Thomas voting in the affirmative and Commissioner Roberts voting no.

**Other Business**

There being no additional business to come before the Board, Chairman Smith adjourned the meeting.

Respectfully submitted,

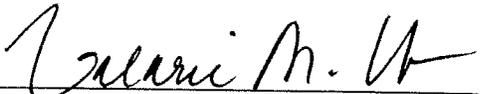
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Valarie M. Williams, Secretary

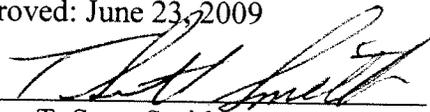
Approved: June 23, 2009

By: \_\_\_\_\_  
T. Scott Smith  
Chairman

Respectfully submitted,

  
\_\_\_\_\_  
Valarie M. Williams, Secretary

Approved: June 23, 2009

By:   
\_\_\_\_\_  
T. Scott Smith  
Chairman



## South Carolina State Housing Finance and Development Authority

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T. Scott Smith  
Chairman

Valarie M. Williams  
Executive Director

### TELEPHONIC COMMISSION MEETING

The Board of Commissioners of the South Carolina State Housing Finance and Development Authority convened a telephonic meeting on Wednesday, June 3, 2009 at approximately 9:30 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners participated in the call:

T. Scott Smith, Chairman  
Clente Flemming, Vice Chair  
Eddie C. Bines  
Carl Roberts  
Robert Mickle  
John S. Hill  
Felicia Morant

The following Commissioner was excused: Mary Thomas

Staff and Guests attending the meeting included the following:

**STAFF:** Valarie M. Williams, Executive Director  
Tracey Easton, Legal Counsel  
Larry Arney, Deputy for Programs  
Laura Nicholson, LIHTC  
Ann Craddock, Assistant Secretary

**GUESTS:** Randy Lowell

Chairman Smith called the meeting to order and asked Valarie Williams to read into the record the Freedom of Information Statement.

"As required by the provisions of Section 30-4-80(e) of the Code of Laws of South Carolina, notification of this meeting has been given to all persons, organizations, local news media, and other news media which have requested such notifications."

**Agenda**

The Chairman presented the agenda for approval.

**MOTION** Vice Chairman Flemming moved to adopt the agenda as presented. The motion received a second from Commissioner Bines. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

**MOTION** Vice Chairman Flemming moved to enter executive session for the purpose of receiving legal advice. The motion received a second from Commissioner Hill. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

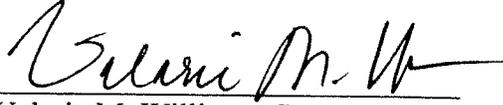
[EXECUTIVE SESSION]

Upon rising from executive session, the Chairman reported that no votes or actions were taken during executive session.

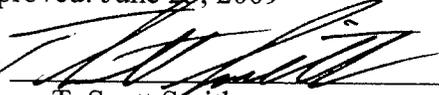
**Other Business**

There being no additional business to come before the Board, Chairman Smith adjourned the meeting.

Respectfully submitted,

  
\_\_\_\_\_  
Valarie M. Williams, Secretary

Approved: June 23, 2009

By:   
\_\_\_\_\_  
T. Scott Smith  
Chairman



Division: **Legal**

Subject: **Consideration of a Supplemental Resolution Making Final Provision for the Approval of Certain Documents Related to the Issuance of Not to Exceed \$39,470,000 Aggregate Principal Amount of Multifamily Rental Housing Revenue Bonds, (Various Rural Housing Apartment Projects), and other matters related thereto.**

The proposed resolution provides final approval of a multiple project financing of rural housing apartment projects. At the Board's November 18, 2008 meeting, it did give final approval for the issuance and allowed a partial closing to occur in December 2008. This resolution allows for the remainder of the deal to close. The State Budget and Control Board approved the issuance at its November 6, 2008 meeting. Staff recommends approval of the resolution.

**Bond Cap Utilization:**

The bond cap to be used for this project will consist of the remainder of 2006 carry forward and part of the 2008 HERA bond cap allocation. Following the issuance of these bonds, the HERA cap remaining will be \$102,512,637. The Geer Lofts Project anticipates utilizing \$10,600,000 of the HERA cap which would leave a balance of \$91,912,637. The 2008 carry forward in the amount of \$17,750,000 is anticipated to be used for a HOPE VI project in Spartanburg.

**SUPPLEMENTAL RESOLUTION MAKING FINAL PROVISION FOR THE APPROVAL OF CERTAIN DOCUMENTS TO BE ENTERED INTO WITH RESPECT TO THE ISSUANCE OF NOT TO EXCEED \$39,470,000 AGGREGATE PRINCIPAL AMOUNT MULTIFAMILY RENTAL HOUSING REVENUE BONDS (VARIOUS RURAL HOUSING APARTMENT PROJECTS), SERIES 2009, FOR THE PURPOSE OF FINANCING THE ACQUISITION, RENOVATION, AND REHABILITATION OF RENTAL UNITS LOCATED IN THE RURAL AREAS OF THE STATE FOR THE ELDERLY AND FAMILIES, AND OTHER MATTERS RELATED THERETO.**

**WHEREAS**, the South Carolina State Housing Finance and Development Authority Act of 1977 (Title 31, Chapter 13 of the Code of Laws of South Carolina 1976, as amended) (the “Act”), provides that the South Carolina State Housing Finance and Development Authority (the “Authority”), upon making a determination that sufficient persons or families of either beneficiary class (as defined by the Act) (the “Beneficiary Classes”) are unable to pay the amounts at which private enterprise is providing decent, safe, and sanitary housing, and that through the exercise of one or more of the programs authorized by the Act, decent, safe, and sanitary housing would become available to members of the Beneficiary Classes in need thereof and that a series of bonds must be sold in order to alleviate the lack of decent, safe, and sanitary housing available to members of the Beneficiary Class; and

**WHEREAS**, upon making such determination and the approval of the State Budget and Control Board (the “State Board”), the Authority may issue from time to time bonds for the purpose of obtaining funds with which to make (1) construction or rehabilitation loans secured by mortgages of housing sponsors (as defined in the Act) or of persons or families of either Beneficiary Class; and (2) permanent mortgage loans to housing sponsors who agree to and are required to provide for construction or rehabilitation of residential housing (as defined in the Act) for rental by persons or families of either Beneficiary Class; provided, however, that with respect to any particular issue of bonds, one of the following conditions must be met: (a) if there is a public distribution of the bonds, the issue must be rated by one or more of the national rating agencies, and one or more of the following conditions must be met: (i) there must be in effect a federal program providing assistance in repayment of the loans; (ii) the proceeds must be used to acquire either federally insured mortgage loans or mortgage loans insured by a private mortgage insurer authorized to do business in the State of South Carolina; or (iii) the payment of the bonds to the purchasers and holders of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Authority and the Board; or (b) if the bonds are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgage or other security agreement in transactions with banks, institutional investors, or other nonregistered persons as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina 1976, as amended, and the documents pursuant to which the bonds are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the bonds; the program established by this provision of the Act is known as the “Insured Direct Loan Program;” and

**WHEREAS**, the ownership entities listed on the attached Exhibit A (the “Housing Sponsors”), have advised the Authority that they propose to acquire and rehabilitate certain rural housing developments (the “Projects”) also set forth on said Exhibit, the costs of which are to be

funded from bond proceeds and private equity investor funds (for 4% federal Low Income Housing Tax Credits); and

**WHEREAS**, in order to provide money to finance a portion of the costs of the Projects, the Authority has previously approved, by resolution adopted on November 18, 2008 (the “Final Bond Resolution”), the issuance of its bonds, to be known as the South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (Various Rural Housing Apartment Projects) (the “Bonds”) in the original principal amount of not to exceed \$61,505,000 to be issued in three series (referred to herein as the “Series 2009A Bonds,” the “Series 2009B Bonds,” and the “Series 2008 Bonds,” respectively); and

**WHEREAS**, the Bonds were approved by resolution of the State Board pursuant to Section 31-13-220 of the Act on November 6, 2008, subject to certain approvals of the State Treasurer as required therein; and

**WHEREAS**, the Authority requested of the State Board, and was granted, an allocation of private activity bond volume cap allocated from the State’s additional allotment of private activity bond volume cap for housing transactions pursuant to Section 42(h)(3) of the Internal Revenue Code of 1986 (the “Code”), as amended by Section 3001 of the *Housing and Economic Recovery Act of 2008* (PL 110-289, July 30, 2008); and

**WHEREAS**, pursuant to the authorisation of the Final Bond Resolution, the Authority issued the Series 2008 Bonds on December 11, 2008, in the original principal amount of \$21,000,000 to pay a portion of the Project costs; and

**WHEREAS**, the Authority proposes to issue the Series 2009A Bonds under its Insured Direct Loan Program pursuant to a Trust Indenture (the “Series A Trust Indenture”) between the Authority and Regions Bank, as trustee (the “Trustee”), pursuant to which the proceeds of the Series 2009A Bonds will be paid to the Trustee for deposit as provided under the Series A Trust Indenture and used to pay Project costs; and

**WHEREAS**, the Series 2009A Bond proceeds will be used to originate mortgage loans to the Housing Sponsors (collectively, the “Series A Mortgage Loans”) pursuant to Financing Agreements (the “Series A Financing Agreements”) among the Authority, the Trustee, Bank of America, N.A., Greystone Servicing Corporation, Inc., and each of the Housing Sponsors; and

**WHEREAS**, the Authority proposes to issue the Series 2009B Bonds under its Insured Direct Loan Program pursuant to a Trust Indenture (the “Series B Trust Indenture”) between the Authority and the Trustee, pursuant to which the proceeds of the Series 2009B Bonds will be paid to the Trustee for deposit as provided under the Series B Trust Indenture and used to pay Project costs; and

**WHEREAS**, the Series 2009B Bond proceeds will be used to originate mortgage loans to the Housing Sponsors (collectively, the “Series B Mortgage Loans”) pursuant to Financing Agreements (the “Series B Financing Agreements”) among the Authority, the Trustee, and each of the Housing Sponsors (the Series A Financing Agreements and the Series B Financing Agreements are collectively referred to herein as the “Financing Agreements”); and

**WHEREAS**, the Authority will assign substantially all of its rights under the Financing Agreements to the Trustee pursuant to the terms of the Series A Trust Indenture and the Series B Trust Indenture, respectively (the Series A Trust Indenture and the Series B Trust Indenture are collectively referred to herein as, the “Indentures”); and

**WHEREAS**, the Final Bond Resolution provided that the final terms and conditions of the Series 2009A Bonds and the Series 2009B Bonds, including the forms of the Series A Trust Indenture, the Series A Financing Agreements, the Series B Trust Indenture, and the Series B Financing Agreements, will be subject to final approval by the Authority in a supplemental resolution to be adopted by the Authority; and

**WHEREAS**, the Housing Sponsors have requested that the Authority proceed with the issuance of the Series 2009A Bonds and the Series 2009B Bonds at this time, and the Authority hereby adopts this resolution as the “supplemental resolution” referenced in the Final Bond Resolution; and

**WHEREAS**, the Authority hereby finds and confirms that (i) in order to provide the moneys necessary to implement its Insured Direct Loan Program, the Series 2009A Bonds and the Series 2009B Bonds must be issued as provided in the Final Bond Resolution and this resolution, and (ii) the revenues or other moneys estimated to be available pursuant to the Financing Agreements will provide moneys required for the payment of the principal and interest on the Series 2009A Bonds and the Series 2009B Bonds:

**NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED AS FOLLOWS:**

Section 1. Adoption of Preamble. Each statement of fact, determination, and finding of the Authority set forth in the preamble hereto has been carefully examined and has been found to be in all respects true and correct as of the date hereof.

Section 2. Issuance of Bonds. Subject to the approval of the State Treasurer as described above, there is hereby confirmed and ratified the issuance of bonds to be designated as “South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (Various Rural Housing Apartment Projects), Series 2009,” with appropriate subseries designations for the Series 2009A Bonds and the Series 2009B Bonds. The Series 2009A Bonds and the Series 2009B Bonds shall be issued in the aggregate principal amount not to exceed \$39,470,000. The Executive Director, with the advice of bond counsel and the Underwriter (as defined below), is authorized and directed to designate the principal amounts of the Series 2009A Bonds and the Series 2009B Bonds, respectively. The Series 2009A Bonds and the Series 2009B Bonds shall be executed on behalf of the Authority by the Chairman or Vice Chairman and the seal of the Authority shall be affixed thereto and attested by the Secretary of the Authority, in substantially the forms attached to the respective Indentures, the form, terms, and conditions of which are hereby approved with such changes, additions, insertions, or modifications as shall be approved by the officers of the Authority executing such Series 2009A Bonds and the Series 2009B Bonds, such approval to be conclusively evidenced by such officers’ execution thereof.

Section 3. Approval of Form of Indentures. The Series 2009A Bonds and the Series 2009B Bonds shall be secured by the respective Indentures to be executed on behalf of the Authority by the Chairman or Vice Chairman and attested by the Secretary of the Authority, forms of which are presented at this meeting and filed with the minutes of this meeting, the form, terms, and conditions of which are hereby approved with such changes, additions, insertions, or modifications as shall be approved by the officers of the Authority executing the Indentures, their approval to be conclusively evidenced by such officers' execution thereof.

Section 4. Approval of Form of Financing Agreements. The transactions described in the recitals to this Resolution shall be consummated pursuant to the terms of the Financing Agreements to be executed on behalf of the Authority by the Chairman or Vice Chairman and attested by the Secretary of the Authority, forms of which are presented at this meeting and filed with the minutes of this meeting, the form, terms, and conditions of which are hereby approved with such changes, additions, insertions, or modifications as shall be approved by the officers of the Authority executing the Financing Agreements, their approval to be conclusively evidenced by such officers' execution thereof.

Section 5. Sale of the Series 2009A Bonds and the Series 2009B Bonds; Bond Purchase Agreements. The Chairman or Vice Chairman of the Authority is hereby authorized to sell the Series 2009A Bonds and the Series 2009B Bonds to Merchant Capital, LLC (the "Underwriter") as underwriter, or to such other purchaser as approved by the Executive Director, pursuant to the terms and conditions of the Bond Purchase Agreements (collectively, the "Bond Purchase Agreement") to be executed on behalf of the Authority by the Chairman or Vice Chairman. The authority hereby conferred may be exercised so long as: (i) the average interest rate on the Series 2009A Bonds does not exceed 8.0% per annum, (ii) the final maturity of the Series 2009A Bonds is not later than 42 years after their date of issue, (iii) the Series 2009A Bonds are rated in one of the three highest rating categories by Standard and Poor's Corporation ("S&P"), (iv) the maximum interest rate on the Series 2009B Bonds does not exceed 12.0% per annum, (v) the final maturity of the Series 2009B Bonds is not later than 4 years after their date of issue, and (vi) the Series 2009B Bonds are rated in one of the three highest rating categories by S&P. The purchase prices of the Series 2009A Bonds and the Series 2009B Bonds shall be as approved by the Chairman or Vice Chairman.

Section 6. Preliminary and Final Official Statements. There is hereby authorized the distribution of preliminary and final Official Statements in connexion with the sale of the Series 2009A Bonds and Series 2009B Bonds. The Executive Director of the Authority is hereby authorized and directed to take such action as she deems appropriate or as is requested of her in connexion with the distribution of the preliminary Official Statements or the execution and delivery of the final Official Statements. The Executive Director is hereby authorized to execute and deliver appropriate certificates that the Official Statements are "deemed final" as of their dates within the meaning of rule 15c2-12 of the Rules and Regulations of the United States Securities and Exchange Commission.

Section 7. Approval of Form of Restrictive Covenants and Regulatory Agreement. The Projects, when acquired by the Housing Sponsors, will be encumbered by restrictive covenants to ensure the Projects continuously comply with the requirements of the Act and of the Internal Revenue Code of 1986, as amended, pursuant to Agreements as to Restrictive Covenants

between the Authority and the respective Housing Sponsor (the “Restrictive Covenants”) and pursuant to a Tax Regulatory Agreement among the Authority and the Housing Sponsors (the “Regulatory Agreement”), each to be executed on behalf of the Authority by any one of the Chairman, the Vice Chairman, or the Executive Director of the Authority, in substantially the form as presented at this meeting with such changes, additions, insertions, or modifications as shall be approved by the officers of the Authority executing such documents, their approval to be conclusively evidenced by such officers’ execution thereof.

Section 8. Designation of Trustee. The designation of Regions Bank as Trustee under the Indentures is hereby confirmed. Any one of the Chairman, the Vice Chairman, or the Executive Director is hereby authorised and directed to designate any additional paying agent and registrar and any other fiduciary under the Indentures as necessary.

Section 9. General Authority. The Board of Commissioners of the Authority and its appropriate officers, attorneys, agents, and employees are hereby authorised to do all acts and things required of them by the Final Bond Resolution, this Resolution, the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, or the Bond Purchase Agreement, or desirable or consistent with the requirements hereof or thereof for the acquisition, renovation, and rehabilitation of the Projects or the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Bonds, the Final Bond Resolution, this Resolution, the Indentures, the Financing Agreement, the Restrictive Covenants, the Regulatory Agreement, and the Bond Purchase Agreements, and each such Commissioner, officer, attorney, and employee is hereby authorised and directed to execute and deliver any and all papers, financing statements, reports, forms, certificates, and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereby and thereby.

Section 10. Limited Obligations; No Personal Liability.

(a) The Bonds are not a debt or grant or loan of credit of the State of South Carolina or any other political subdivision of the State. Neither the State nor any political subdivision of the State will be liable for the Bonds, nor shall the Bonds be payable out of any funds other than those revenues of the Authority pledged to the payment of the Bonds under the Indentures.

(b) No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the Authority contained in the Final Bond Resolution, this Resolution, the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, the Bond Purchase Agreement, or the Bonds, against any member of the Board of Commissioners, or any officer or employee of the Authority, as such, in his or her individual capacity, past, present, or future, either directly or through the Authority, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that the Final Bond Resolution, this Resolution, the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, the Bond Purchase Agreement, and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer, or employee as such, past, present, or future, either directly or by reason of any of the obligations, covenants, promises, or agreements, entered into between the Authority and

the registered owners or to be implied therefrom as being supplemental hereto or thereto; and that all personal liability of that character against every such member, officer, and employee is, by the adoption of this Resolution and the execution of the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, or the Bond Purchase Agreement, or the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Resolution and the execution of the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, the Bond Purchase Agreement, and the Bonds, expressly waived and released. The immunity of the members, officers, and employees, of the Authority under the provision contained in this Section shall survive the termination of this Resolution.

**ADOPTED IN MEETING DULY ASSEMBLED** this \_\_\_\_ day of \_\_\_\_\_, 2009.

**SOUTH CAROLINA STATE HOUSING  
FINANCE AND DEVELOPMENT  
AUTHORITY**

Attest:

By: \_\_\_\_\_  
Secretary

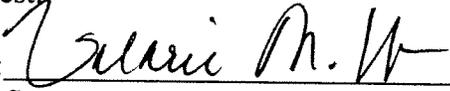
By: \_\_\_\_\_  
Chairman

the registered owners or to be implied therefrom as being supplemental hereto or thereto; and that all personal liability of that character against every such member, officer, and employee is, by the adoption of this Resolution and the execution of the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, or the Bond Purchase Agreement, or the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Resolution and the execution of the Indentures, the Financing Agreements, the Restrictive Covenants, the Regulatory Agreement, the Bond Purchase Agreement, and the Bonds, expressly waived and released. The immunity of the members, officers, and employees, of the Authority under the provision contained in this Section shall survive the termination of this Resolution.

ADOPTED IN MEETING DULY ASSEMBLED this 23<sup>rd</sup> day of June, 2009.

**SOUTH CAROLINA STATE HOUSING  
FINANCE AND DEVELOPMENT  
AUTHORITY**

Attest:

By:   
Secretary

By:   
Chairman

**EXHIBIT A**

<b>Project</b>	<b>Housing Sponsors</b>
Autumnwood Village	New Autumnwood Village Apartments, LLC
Belle Ville Apartments	New Belle Ville Apartments, LLC
Berkeley Place Apartments	New Berkeley Place Apartments, LLC
Bon Aire Apartments	New Bon Aire Apartments, LLC
Breckenridge Apartments	New Breckenridge Apartments, LLC
Brookside Manor	New Brookside Manor Apartments, LLC
Buena Vista Apartments (I/II)	New Buena Vista Apartments, LLC
Colony Square Apartments	New Colony Square Apartments, LLC
Creekside Apartments	New Creekside Apartments, LLC
Duval Apartments	New Duval Apartments, LLC
Fairfax Garden (I/II)	New Fairfax Apartments, LLC
Forestview Apartments	New Forestview Apartments, LLC
Harvin Manor	New Harvin Manor Apartments, LLC
Hidden Valley Apartments	New Hidden Valley Apartments, LLC
Holly Springs Apartments	New Holly Springs Apartments, LLC
Huntington Square Apartments	New Huntington Square Apartments, LLC
Jerine Apartments	New Jerine Apartments, LLC
Meadowbrook Apartments	New Meadowbrook Apartments, LLC
Melrose Lane Apartments	New Melrose Lane Apartments, LLC
Midway Manor	New Midway Manor Apartments, LLC
North Oaks Apartments	New North Oaks Apartments, LLC
Oak Crest Apartments	New Oak Crest Apartments, LLC
Oakvale Apartments	New Oakvale Apartments, LLC
Palmetto Lane Apartments	New Palmetto Lane Apartments, LLC
Pickens Apartments	New Pickens Apartments, LLC
Plantation Apartments	New Plantation Apartments, LLC
Poplar Creek Apartments	New Poplar Creek Apartments, LLC
Ridge Crest Apartments	New Ridge Crest Apartments, LLC
Ridgeview Apartments	New Ridgeview Apartments, LLC
Steeplechase Apartments	New Steeplechase Apartments, LLC
Timmons Village Apartments	New Timmons Village Apartments, LLC
Town & Country Apartments	New Town & Country Apartments, LLC
Westwood Townhouses	New Westwood Apartments, LLC
Wildwood Apartments	New Wildwood Apartments, LLC
Willow Creek Apartments	New Willow Creek Apartments, LLC
Willow Run Apartments	New Willow Run Apartments, LLC
Woodcreek Apartments	New Woodcreek Apartments, LLC
Woodland Park Apartments	New Woodland Park Apartments, LLC
Woodlawn Manor Apartments	New Woodlawn Manor Apartments, LLC
Woodruff Arms Apartments	New Woodruff Arms Apartments, LLC
Woodstream Apartments	New Woodstream Apartments, LLC



Division: **Housing Trust Fund**

Subject: **Housing Trust Fund Financial Information**

## **Fiscal Year Budget Analysis**

### ***FY Fund Receipts***

Following is an analysis of projected versus actual receipts coming into the Trust Fund. Actual Receipts includes Deed Transfer Fee revenue, P&I payments received on outstanding loans, and other payoffs/returns of previously disbursed funds.

#### **Housing Trust Fund Receipts FY 2009**

	<b>Projected</b>	<b>Actual</b>	<b>Variance</b>
May-08	936,309.93	1,022,996.42	86,686.49
Jun-08	919,828.85	950,484.79	30,655.94
Jul-08	899,882.09	1,030,922.22	131,040.13
Aug-08	860,053.83	1,012,689.90	152,636.07
Sep-08	828,647.19	981,128.42	152,481.23
Oct-08	807,519.15	837,882.31	30,363.16
Nov-08	782,762.50	734,859.70	(47,902.80)
Dec-08	769,732.21	695,600.80	(74,131.41)
Jan-09	759,550.08	564,715.15	(194,834.93)
Feb-09	741,774.10	645,803.26	(95,970.84)
Mar-09	730,342.86	447,864.68	(282,478.18)
Apr-09	<u>708,679.84</u>	<u>409,144.65</u>	<u>(299,535.19)</u>
<b>Total</b>	<b>\$9,745,082.62</b>	<b>\$9,334,092.30</b>	<b>(\$410,990.32)</b>
<b>+ Beginning Balance</b>	<b>\$191,758.87</b>		
<b>- Admin Fee</b>	<b><u>(\$400,000.00)</u></b>		
<b>2009 FY Budget</b>	<b>\$9,536,841.49</b>		

## ***Budget Amendment Request***

Due to previously approved awards being returned during the course of the year, staff is requesting that additional budget authority be granted for this fiscal year to allow those funds to be reallocated to new projects.

The purpose of this request is to ensure that adequate funding is available should the Board subsequently approve all recommended projects. This will also leave staff with enough budget authority to process any emergency repairs received between now and the end of the fiscal year.

Included in this amendment is a request to increase the overall HTF Budget for FY 2008-09 by \$1,000,000.00. There are adequate funds available to cover this increase.

<b>Existing Budget</b>	<b>Adjustment Request</b>	<b>Adjusted Budget</b>	<b>Awards to Date (Including Current Proposals)</b>	<b>Remaining Balance</b>
\$9,536,841.49	\$1,000,000.00	\$10,536,841.49	(\$10,477,482.68)	\$59,358.81

## ***Fiscal YTD Awards by Activity***

<b>Activity</b>	<b>Awards to Date</b>	<b>Current Proposals</b>	<b>Total Awards to Date</b>
Homeownership	\$651,900.00	\$0.00	\$651,900.00
Owner-Occupied Rehabilitation *	\$4,871,515.09	\$1,217,325.00	\$6,088,840.09
Group Homes **	\$750,000.00	\$0.00	\$750,000.00
Supportive Housing	\$2,049,529.00	\$99,741.00	\$2,149,270.00
Multifamily Rental Housing ***	\$1,360,795.00	\$0.00	\$1,360,795.00
<b>Totals</b>	<b>\$9,160,416.68</b>	<b>\$1,317,066.00</b>	<b>\$10,477,482.68</b>

\* Includes Emergency Repair awards.

\*\* Includes awards made under the memorandum of understanding with DDSN

\*\*\* Includes joint awards with the HOME program.

## **Fiscal Year Cash Balance Analysis**

### ***Unencumbered Cash Balance***

Based on the receipts listed earlier, returns of previously approved awards, and the fiscal year beginning balance, the unencumbered HTF cash balance is:

Cash Balance as of 05/31/09	\$13,673,157.27
Less Previous Awards Not Disbursed:	(12,121,126.11)
Less Total Awards in this Cycle:	(1,317,066.00)
Less Administrative Fee	0.00
<b>Remaining Unencumbered Balance:</b>	<b>\$234,965.16</b>

\* Previous Awards Not Disbursed and Cash Balance have been reconciled through April 30, 2009. Activity for May, 2009 was not yet reconciled as of the preparation of this information.



Division: **Housing Trust Fund**

Subject: **Proposed Housing Trust Fund Awards**

Listed below are 18 proposals with total funds requested of \$1,317,066 for your consideration. These proposals are grouped as follows:

- 16 Owner-Occupied Rehabilitation Block Grant proposals for \$1,217,325
- 2 Supportive Housing proposals for \$99,741

### **Owner-Occupied Rehabilitation Block Grants**

**Project Number:** 36809      **HTF Amount:** \$89,000

**Allen Temple Community Eco. Dev. Corp.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following county: Greenville.

**Project Number:** 36709      **HTF Amount:** \$66,750

**Allendale County ALIVE, Inc.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following county: Allendale.

**Project Number:** 36909      **HTF Amount:** \$89,000

**Alphons and Ruth Vink Foundation**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Chester, Lancaster & York.

**Project Number:** 37009      **HTF Amount:** \$89,000

**Brookland West-Columbia Community & Housing Development Corp.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Lexington, Richland & Fairfield.

**Project Number:** 36209      **HTF Amount:** \$89,000

**Carolina Communities Foundation, Inc.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Calhoun, Barnwell, Orangeburg & Bamberg.

**Project Number:** 37109      **HTF Amount:** \$89,000

**Charis CDC, Inc.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Richland, Lexington, Saluda & Aiken.

**Project Number:** 37209      **HTF Amount:** \$89,000

**Chesterfield-Marlboro Economic Opportunity Council, Inc.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Chesterfield & Marlboro.

## Owner-Occupied Rehabilitation Block Grants (Continued)

**Project Number:** 37309     **HTF Amount:** \$66,750

**City of Sumter Housing & Economic Development Corporation**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following county: Sumter.

**Project Number:** 36309     **HTF Amount:** \$69,000

**Grand Strand Housing & CDC**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Horry & Georgetown.

**Project Number:** 37409     **HTF Amount:** \$89,000

**Home Rehabilitation of Cherokee County**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following county: Cherokee.

**Project Number:** 36409     **HTF Amount:** \$28,000

**Homes of Hope, Inc.**

Under a continuing program, the Sponsor proposes the re-manufacturing of donated mobile home units to be used to provide owner-occupied housing for four very-low income families. The work is conducted in a facility used by Homes of Hope to assist individuals recovering from addictions in learning job skills. As in the past, the HTF investment is \$7,000 per unit. When completed, the units will be located in the following county: Greenville.

**Project Number:** 37509     **HTF Amount:** \$89,000

**Jasper County Neighbors United Inc.**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Jasper, Beaufort, Colleton & Hampton.

**Project Number:** 37609     **HTF Amount:** \$52,325

**LatchKey, Inc.**

The Sponsor proposes to rehabilitate two houses for eligible families. The houses are located in the following counties: Greenville, Spartanburg & Laurens.

**Project Number:** 37709     **HTF Amount:** \$44,500

**Upstate Circle of Friends**

The Sponsor proposes to rehabilitate two houses for eligible families. The houses are located in the following counties: Greenville, Pickens, Aiken, Spartanburg & Laurens.

**Project Number:** 36509     **HTF Amount:** \$89,000

**VEER CDC**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Richland, Orangeburg, Calhoun, Aiken & Lexington.

**Project Number:** 36609     **HTF Amount:** \$89,000

**Waccamaw Regional Council of Government**

The Sponsor proposes to rehabilitate three houses for eligible families. The houses are located in the following counties: Georgetown & Williamsburg.

## **Supportive Housing**

**Project Number:** 38009    **HTF Amount:** \$68,164

**Upstate Homeless Coalition of South Carolina**

The Sponsor proposes the acquisition of a single family home to house homeless families in the process of transitioning to self-sufficiency. The property is located in the following county: Greenville.

**Project Number:** 37909    **HTF Amount:** \$31,577

**Wateree Community Actions, Inc.**

The Sponsor proposes the rehabilitation of two single family homes used to house chronically homeless individuals and families in the process of transitioning to self-sufficiency. The properties are located in the following county: Sumter.



Division: **Housing Trust Fund**

Subject: **Proposed Housing Trust Fund Budget – FY 2010**

Staff is requesting that the Board of Commissioners approve a programmatic budget for the Housing Trust Fund in the amount of \$3,843,320.67 for fiscal year 2010.

Following is an analysis of projected receipts for income to the Trust Fund for fiscal year 2010. These projections were computed using a linear regression model to analyze actual receipts since January, 2007. Seasonality of receipts was included in the model, but the actual projections for the budget were normalized for seasonality. A graphical representation of the actual and projected receipts has been included for clarity.

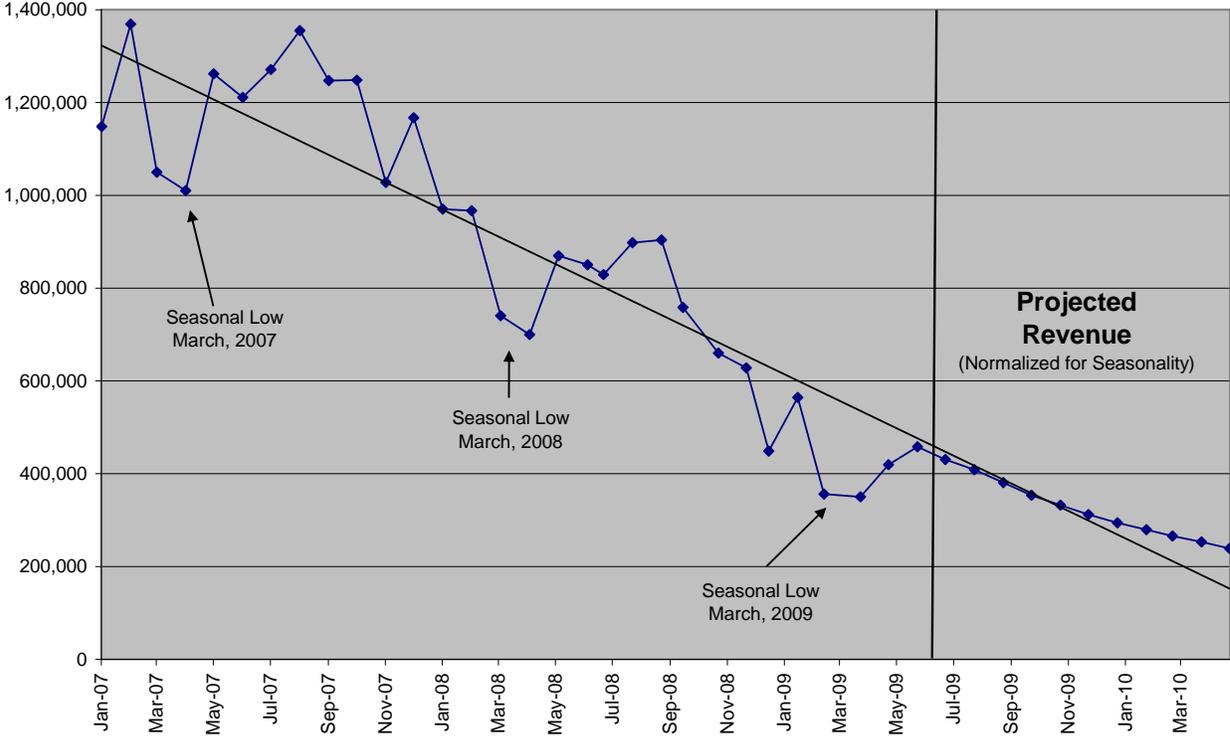
Regardless of actual budget authority, HTF and Finance Division staff will review the actual cash position of the Fund on a monthly basis. In no case will funds be awarded unless unencumbered cash AND budget authority both exist in amounts sufficient to cover the awards.

**Housing Trust Fund Receipts  
FY 2010**

	<b>Projected</b>
Jun-09	458,047.91
Jul-09	430,536.63
Aug-09	409,011.87
Sep-09	381,063.34
Oct-09	353,618.01
Nov-09	332,322.74
Dec-09	312,208.25
Jan-10	294,200.62
Feb-10	279,331.69
Mar-10	266,074.93
Apr-10	253,124.77
May-10	238,814.76
<b>Total</b>	<b>\$4,008,355.51</b>
<b>+ Beginning Balance</b>	<b>\$234,965.16</b>
<b>- Admin Fee</b>	<b>(\$400,000.00)</b>
<b>2010 FY Budget</b>	<b>\$3,843,320.67</b>

# Housing Trust Fund

## Monthly Revenue Projections - FY 2010





Division: **Legal**

Subject: **Requesting Approval of Debarment Policy.**

The Debarment Policy was initially approved by the Board on May 16, 2006. The majority of suspensions and debarments are handled through the individual program's manuals, but the policy was intended as a "catch-all" for any situations that were not covered by the programs. Since May, 2006, staff found some corrections that should be made for clarification purposes. The draft was posted on the Authority's website for 30 days for public comment. The period for public comment expired Friday, May 29, 2009 at 5:00 p.m. No comments were received. The policy is now being presented to the Board for final approval.

## **South Carolina State Housing Finance and Development Authority Debarment and Program Suspension Policy**

The following Debarment and Program Suspension Policy is intended to apply in all cases unless a specific program has its own debarment or suspension language. In such cases, the program's specific requirements supersede this policy. Any Federal or State policies that may be more restrictive will take precedence over this policy.

The South Carolina State Housing Finance and Development Authority (“Authority”) recognizes two levels of infractions in which an individual or organization may be debarred or suspended from participation with one or all Authority programs. Flagged infractions are temporary suspensions due to errors or omissions that may be corrected by the individual or organization within a timely manner. Status infractions are suspensions or debarments due to repetitive uncorrected flagged infractions or specific actions that are uncorrectable.

The Authority may, at its sole option and discretion, elect to impose suspensions or debarments on individuals either independently or while in the employ of an organization doing business with the Authority. Suspensions or debarments imposed upon individuals may be imposed either in conjunction with, in lieu of, or independently of suspensions imposed on organizations. Individuals that are suspended or debarred are prohibited from participating in any manner with Authority programs.

### **1. Flagged Infractions**

If an individual or organization has a payment due to the Authority that is 90 days or more past due, fails to perform or meet program deadlines, or fails to correct audit reports during the correction period, the individual and/or organization may be suspended from participation with all Authority programs immediately. Upon correcting the issue, the individual and/or organization will be allowed to participate in Authority programs 30 days after the correction. If an individual or organization receives a suspension for a flagged infraction 3 times for the same or similar infractions, the Authority may, in its sole discretion, impose a suspension or debarment ranging from 1 year to permanent.

### **2. Status Infractions**

Status infractions may include, but are not limited to, misappropriation of funds, ineligible use of funds, fraud, misrepresentation, permanent noncompliance, falsification of program documentation, nonperformance, and repetitive uncorrected flagged infractions.

If an individual or organization is debarred from any Federal or State Government program, the same may be immediately debarred for the same time period from all Authority programs.

Individuals and organizations may be immediately suspended upon indictment for fraud in the exercise of activities pertaining to Authority programs. If the individuals and/or organizations are convicted of fraud in the exercise of activities pertaining to Authority programs, the individual and/or organization is immediately and permanently debarred.

Status infractions resulting from repetitive uncorrected flagged infractions are discussed under flagged infractions. (See above.)

Status infractions will result in suspensions or debarments ranging from 30 days to permanent debarment and may cover only the program area in which the infraction occurred or may be applicable to all Authority programs. The Authority, in its sole discretion, will determine the severity of the infraction and the appropriate penalty. If an individual and/or organization is suspended 3 times due to a status infraction, the individual and/or organization may be permanently debarred from all Authority programs.

### 3. Procedure and Appeals

The Authority maintains sole discretion in determining whether to suspend or debar individuals or organizations. The Authority maintains sole discretion in determining what evidence is admissible in determining whether to suspend or debar.

#### a. Procedure for all Suspensions Up to Permanent Debarment and Appeals

Once staff determines that an infraction has occurred, staff notifies the Program's Director of the reasons for the infraction and submits relevant documentation. After review and agreement by the Program Director, the Program Director submits the information to the Deputy Director for Programs for review. After review and agreement by the Deputy Director for Programs, the information is submitted to the Authority's Legal Division for final review and placement of the individual and/or organization's name on the Authority's suspension list. The Authority's Legal Division will send a letter advising the individual and/or organization of the suspension, the reason for the suspension, the term of the suspension, and the appeals process. An individual and/or organization may appeal a suspension or debarment by submitting documentation for review by a committee of three to consist of three of the following: ~~Deputy Director for Administration,~~ Deputy Director for Programs, Director of Finance, Internal Auditor, and General Counsel. This committee will determine whether the suspension or debarment remains in place, is reversed or modified. If the committee determines the suspension or debarment remains in place or is modified, the committee will submit its decision to the Executive Director for approval. Upon the Executive Director's

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approval, the Authority's Legal Division will send a letter advising of the decision of the committee.

b. Procedure for Permanent Debarment

Once staff determines that an infraction has occurred, staff notifies the Program's Director of the reasons for the infraction and submits relevant documentation. After review and agreement by the Program Director, the Program Director submits the information to the Deputy Director for Programs for review. After review and agreement by the Deputy Director for Programs, the information is submitted to the Authority's Legal Division for review. Upon agreement of all three, the request for permanent debarment is submitted to the Executive Director. Upon the Executive Director's approval, the Legal Division will send a letter advising the individual and/or organization of the Authority's intent to permanently debar the individual and/or organization from participation with all Authority programs and the reason for the debarment. The individual and/or organization will be given 30 days to respond to the Authority with any documentation or evidence showing why the Authority should not permanently debar the individual and/or organization. Upon the expiration of the 30 days, if no response has been received, the individual and/or organization will be permanently debarred. If a response has been received, a committee of three to consist of three of the following: the Executive Director, Deputy Director for Administration, Deputy Director for Programs, Director of Finance, Internal Auditor, and General Counsel will review the information and determine if permanent debarment is still appropriate. If the committee determines permanent debarment is still appropriate, the committee will submit their findings to the Executive Director for presentation to the Board of Commissioners. The individual and/or organization will be notified of time and date of the Board meeting at which such proposal will be presented and may attend the meeting to be able to answer any questions from the Board of Commissioners. If the Board of Commissioners, in their discretion, agree with the findings of the committee, the Legal Division shall immediately place the individual and/or organization on the suspension list. If the Board of Commissioners, in their discretion, disagrees with the findings, the Board may suspend the individual and/or organization from a specific Authority program or all Authority programs for any time period they determine, in their discretion, to be appropriate or grant the individual and/or organization immediate full access to Authority programs. The individual and/or organization will be notified in writing of the final decision.

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infraction Type ... [1]

<b><u>infraction Type</u></b>	<b><u>PENALTY</u></b>	<b><u>DESCRIPTION</u></b>
<b>Flagged</b>	30-day hold on participation after date of correction	1 <sup>st</sup> & 2 <sup>nd</sup> Infractions
	Suspension or debarment ranging from 1 year to permanent	3 <sup>rd</sup> Infraction for Same or Similar
<b>Status</b>	Debarment	Concurrent with Federal or State Government Debarment
	Suspension	Indictment for Fraud in Authority Programs
	Debarment	Conviction of Fraud in Authority Programs
	Suspension	1 <sup>st</sup> & 2 <sup>nd</sup> Infractions of any kind
	Debarment	3 <sup>rd</sup> Infraction of any kind

## **South Carolina State Housing Finance and Development Authority Debarment and Program Suspension Policy**

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The Authority maintains sole discretion in determining whether to suspend or debar individuals or organizations. The Authority maintains sole discretion in determining what evidence is admissible in determining whether to suspend or debar.

#### a. Procedure for all Suspensions Up to Permanent Debarment and Appeals

Once staff determines that an infraction has occurred, staff notifies the Program's Director of the reasons for the infraction and submits relevant documentation. After review and agreement by the Program Director, the Program Director submits the information to the Deputy Director for Programs for review. After review and agreement by the Deputy Director for Programs, the information is submitted to the Authority's Legal Division for final review and placement of the individual and/or organization's name on the Authority's suspension list. The Authority's Legal Division will send a letter advising the individual and/or organization of the suspension, the reason for the suspension, the term of the suspension, and the appeals process. An individual and/or organization may appeal a suspension or debarment by submitting documentation for review by a committee of three to consist of three of the following: Deputy Director for Administration, Deputy Director for Programs, Director of Finance, Internal Auditor, and General Counsel. This committee will determine whether the suspension or debarment remains in place, is reversed or modified. If the committee determines the suspension or debarment remains in place or is modified, the committee will submit its decision to the Executive Director for approval. Upon the Executive Director's

approval, the Authority's Legal Division will send a letter advising of the decision of the committee.

b. Procedure for Permanent Debarment

Once staff determines that an infraction has occurred, staff notifies the Program's Director of the reasons for the infraction and submits relevant documentation. After review and agreement by the Program Director, the Program Director submits the information to the Deputy Director for Programs for review. After review and agreement by the Deputy Director for Programs, the information is submitted to the Authority's Legal Division for review. Upon agreement of all three, the request for permanent debarment is submitted to the Executive Director. Upon the Executive Director's approval, the Legal Division will send a letter advising the individual and/or organization of the Authority's intent to permanently debar the individual and/or organization from participation with all Authority programs and the reason for the debarment. The individual and/or organization will be given 30 days to respond to the Authority with any documentation or evidence showing why the Authority should not permanently debar the individual and/or organization. Upon the expiration of the 30 days, if no response has been received, the individual and/or organization will be permanently debarred. If a response has been received, a committee of three to consist of three of the following: the Executive Director, Deputy Director for Administration, Deputy Director for Programs, Director of Finance, Internal Auditor, and General Counsel will review the information and determine if permanent debarment is still appropriate. If the committee determines permanent debarment is still appropriate, the committee will submit their findings to the Executive Director for presentation to the Board of Commissioners. The individual and/or organization will be notified of time and date of the Board meeting at which such proposal will be presented and may attend the meeting to be able to answer any questions from the Board of Commissioners. If the Board of Commissioners, in their discretion, agree with the findings of the committee, the Legal Division shall immediately place the individual and/or organization on the suspension list. If the Board of Commissioners, in their discretion, disagrees with the findings, the Board may suspend the individual and/or organization from a specific Authority program or all Authority programs for any time period they determine, in their discretion, to be appropriate or grant the individual and/or organization immediate full access to Authority programs. The individual and/or organization will be notified in writing of the final decision.

*Adopted June 23, 2009*



Division: **Legal**

Subject: **Consideration of a Resolution Authorizing Officers for Government National Mortgage Association and Other Matters Related Thereto.**

This Resolution makes provisions for certain employees of the Authority to be considered Authorized Persons for purposes of the Government National Mortgage Association (Ginnie Mae). These employees will be authorized to conduct transactions with Ginnie Mae on behalf of the Authority. This action is required by Ginnie Mae to participate in their programs which our new Homeownership Revenue Bonds contemplates such participation. This Resolution will stay in effect until revoked or replaced. Staff recommends approval of the resolution.

**Resolution of Board of Directors  
and Certificate of Authorized  
Signatures**

U.S. Department of Housing  
and Urban Development  
Government National Mortgage Association

OMB Approval No. 2503-0033 (Exp 09/30/2010)

(Please type all entries)

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a current OMB control number.

Ginnie Mae is authorized to collect the information on this form as required by Section 306(g) of the National Housing Act and/or the Ginnie Mae Handbook, 5500.3, Rev. 1. Ginnie Mae maintains this information to ensure that the persons identified below perform in accordance with acceptable business standards. The information collected will not be disclosed outside the Department except as required by law.

Name of Issuer **S.C. State Housing Finance and Development Authority**

Issuer ID Number

**Resolved First, that**

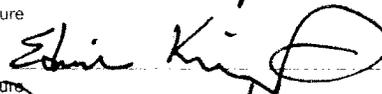
**Valarie M. Williams, Executive Director**

Name and Title of Officer

Signature 

**Edwin Knight, Deputy Director for Administration**

Name and Title of Officer

Signature 

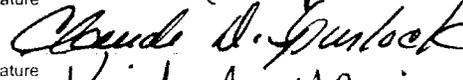
**Debra Seymour, Director of Finance**

Name and Title of Officer

Signature 

**Claude Spurlock, Director of Mortgage Purchasing**

Name and Title of Officer

Signature 

**Kimberly Spires, Director of Investor Services**

Name and Title of Officer

Signature 

**Lisa Rivers, Director of Mortgage Servicing**

Name and Title of Officer

Signature 

**Lisa Turner, Purchasing/Post-Closing Manager**

Name and Title of Officer

Signature 

Name and Title of Officer

Signature

of this corporation\* or any one or more of them, be and each of them is hereby authorized and empowered in the name of and on behalf of this corporation\* and under its corporate seal, from time to time while these resolutions are in effect, to execute and deliver to the Government National Mortgage Association, in the form prescribed by said Association, with respect to the issue(s) by this corporation\* under Section 306(g) of the National Housing Act and the Regulations pertaining thereto, of mortgage-backed securities to be guaranteed by the Association, any documents required to: (a) make applications to Ginnie Mae in the name of and on behalf of this corporation\* for approval to become an issuer and for Ginnie Mae commitments to guarantee such mortgage-backed securities issued by this corporation\*; (b) enter into contracts with Ginnie Mae for the latter's guaranty of mortgage-backed securities issued in accordance with the terms and conditions of commitments to guarantee, issued by the Association to this corporation\*; (c) merge mortgage notes, deeds of trust and bonds now owned or hereafter acquired by this corporation\* into pools or loan packages, against which this corporation\* may issue mortgage-backed securities; (d) enter into any agreements, execute any documents or papers, and furnish any information required or deemed necessary or proper by the Association in connection with any of the foregoing; and (e) abide by all the terms and conditions set forth in the Ginnie Mae Mortgage-Backed Securities Guide.

**Resolved Second,** that the above named officers, be and they are hereby authorized and empowered in their discretion and as occasion may arise to receive and endorse the name of this corporation\* on any checks or drafts representing the proceeds from collections made by servicers of mortgages pertaining to pools or loan packages, and to issue and sign any checks or drafts issued to pay to the security holders their pro rata shares in these proceeds, and to do and perform any and all acts and to execute any and all additional instruments or agreements, from time to time, in the name of and on behalf of this corporation\* under its corporate seal or otherwise, deemed necessary or proper by the Association in connection with the formation of mortgage pools or loan packages, the issuance of mortgage-backed securities, the guaranty of mortgage-backed securities by the Association and the discharge of the duties and obligations of this corporation\* as issuer, until the proceeds of the last maturing mortgage in any pool or loan package is remitted to registered security holders.

**Resolved Third,** that any contracts or agreements heretofore made with said Association on behalf of this corporation\* and all acts of officers or agents of this corporation\* in connection with any contracts to be entered into for the guaranty by the Association of mortgage-backed securities to be issued by this corporation\* are hereby ratified and confirmed.

**Resolved Fourth,** that Ginnie Mae is authorized to rely upon the aforesaid resolution until receipt by it of written notice thirty days in advance of any proposed change therein.

\*replaced with "government agency"

Previous editions are obsolete.

Certification.

I **Hereby Certify** that the foregoing is a true and correct copy of a resolution presented to and adopted by the Board of Directors of  
the S.C. State Housing Finance and Development Authority

at a meeting duly called and held at 300-C Outlet Pointe Boulevard, Columbia, SC 29210

on the 23rd day of June, 2009, at which a quorum was present and voted, and that such resolution is duly recorded in the minute book of this corporation\* that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective offices set after their respective names. I also certify that the signatures set opposite the officers' names are true and genuine specimens of the officers' respective signatures.

In Witness Whereof, I have hereunto signed my name and affixed the seal of this corporation\*.



Valarie M. Williams

Secretary

(Seal)

I, T. Scott Smith

Chairman

Name of officer

Title of officer

of the S.C. State Housing Finance and Development Authority

, located

Name of institution

in South Carolina

hereby certify that

Location of institution

Valarie M. Williams is the duly qualified and acting secretary

Name of secretary

of the S.C. State Housing Finance and Development Authority

Name of institution

and that the signature appearing above is his/her genuine signature.

In Witness Whereof, I have hereunto signed my name

June 23, 2009  
Date

  
Officer Signature

\*replaced with "government agency"



South Carolina

**STATE HOUSING**

Finance and Development Authority

**June 23, 2009**

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**Division: Chairman**

**Subject: Oral Report**



**Division: Executive Director**

**Subject: Oral Report**



**Division: Deputy Director for Administration**

**Subject: Oral Report**



South Carolina  
**STATE HOUSING**  
Finance and Development Authority

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## **Homeownership**

**June 23, 2009**

The following Homeownership Division monthly status reports as of May 31, 2009 are presented for information:

- Monthly and Fiscal YTD Loan Purchase Statistics
- Monthly and Fiscal YTD Portfolio Statistics
- Delinquency Statistics
- Rate Sheet
- Income and House Price Limits

# Monthly Loan Purchase Statistics

May-09

Funding Source	Average Loan Amount	Average Household Income	Beginning Fund Balance (Allocated)	Purchases		New Fund Allocations	Recyled Funds	Ending Balance	Outstanding Reservations	Unreserved Balance
				Volume	Units					
MRB	\$101,756	\$36,822	\$27,696,006	(\$1,830,272)	18	\$0	\$0	\$25,865,734	(\$7,681,061)	<b>\$18,184,673</b>
DPA Repayable	\$5,000	\$45,223	\$4,752,450	(\$55,000)	11	\$0	\$0	\$4,697,450	(\$254,000)	<b>\$4,443,450</b>
HOME DPA	\$5,000	\$24,435	\$2,205,312	(\$35,000)	7	\$0	\$9,800	\$2,180,112	(\$348,000)	<b>\$1,832,112</b>
Home Voucher	\$0	\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>TOTAL</b>			<b>\$34,653,768</b>	<b>(\$1,920,272)</b>	<b>36</b>	<b>\$0</b>	<b>\$9,800</b>	<b>\$32,743,296</b>	<b>(\$8,283,061)</b>	<b>\$24,460,235</b>

UNRESERVED FUNDS	
Series 2008B-Participation Lc	\$6,903,674
Series 2008 - MRB 041	(\$8,642)
Series 2008 - MRB 042	(\$196,822)
Other Funds	\$11,486,464
<b>TOTAL</b>	<b>\$18,184,673</b>

# Fiscal YTD Loan Purchase Statistics

July 1, 2008 Through May 31, 2009

Funding Source	Beginning Fund Balance (Allocated)	Purchases		New Fund Allocations	Recyled Funds	Ending Balance	Outstanding Reservations	Unreserved Balance
		Volume	Units					
MRB	\$59,585,299	(\$77,578,115)	745	\$43,858,550	\$0	\$25,865,734	(\$7,681,061)	\$18,184,673
DPA Repayable	\$2,146,650	(\$1,450,000)	365	\$4,000,000	\$800	\$4,697,450	(\$254,000)	\$4,443,450
HOME DPA	\$3,773,412	(\$1,646,500)	585	\$0	\$53,200	\$2,180,112	(\$348,000)	\$1,832,112
HOME Voucher	\$15,000	(\$15,000)	1	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$65,520,361</b>	<b>(\$80,689,615)</b>	<b>1,696</b>	<b>\$47,858,550</b>	<b>\$54,000</b>	<b>\$32,743,296</b>	<b>(\$8,283,061)</b>	<b>\$24,460,235</b>

## Monthly Portfolio Statistics

Month Ending May 2009

Loan Type	New Purchases		Payoffs		Foreclosures		Net Change		Ending Balance	
	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units
First Mortgage	\$1,830,272	18	(\$4,963,995)	(71)	(\$911,599)	(12)	(\$4,045,323)	(65)	\$830,999,571	11,078
Second Mortgage	\$90,000	18	(\$72,514)	(42)	(\$21,950)	(12)	(\$4,464)	(36)	\$14,222,817	7,070
Other	\$0	0					\$0	0	\$0	0
<b>TOTAL</b>	<b>\$1,920,272</b>	<b>36</b>	<b>(\$5,036,509)</b>	<b>(113)</b>	<b>(\$933,549)</b>	<b>(24)</b>	<b>(\$4,049,787)</b>	<b>(101)</b>	<b>\$845,222,389</b>	<b>18,148</b>

## YTD Portfolio Statistics

July 1, 2008 Through May 31, 2009

Loan Type	New Purchases		Payoffs		Foreclosures		Net Change		Ending Balance	
	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units	Principal Balance	Units
First Mortgage	\$77,578,115	745	(\$30,333,111)	(619)	(\$8,421,372)	(108)	\$38,823,631	18	\$825,602,551	11,014
Second Mortgage	\$3,111,500	951	(\$483,274)	(367)	(\$152,698)	(89)	\$2,475,528	495	\$13,434,877	6,986
Other	\$0	0					\$0	0	\$0	0
<b>TOTAL</b>	<b>\$80,689,615</b>	<b>1696</b>	<b>(\$30,816,385)</b>	<b>(986)</b>	<b>(\$8,574,070)</b>	<b>(197)</b>	<b>\$41,299,159</b>	<b>513</b>	<b>\$839,037,428</b>	<b>18,000</b>

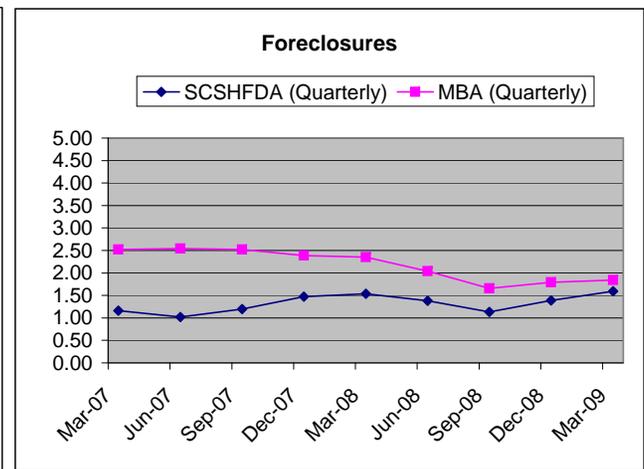
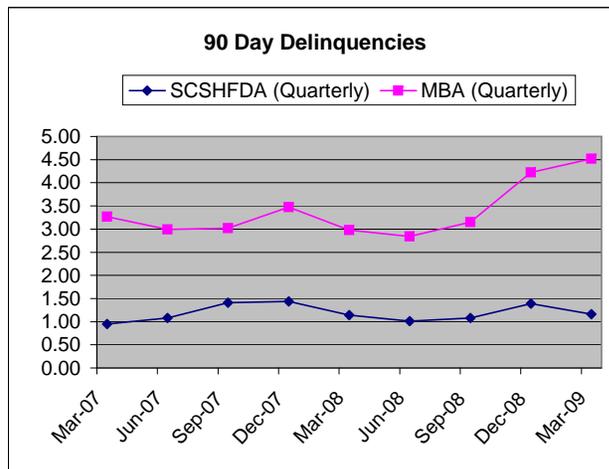
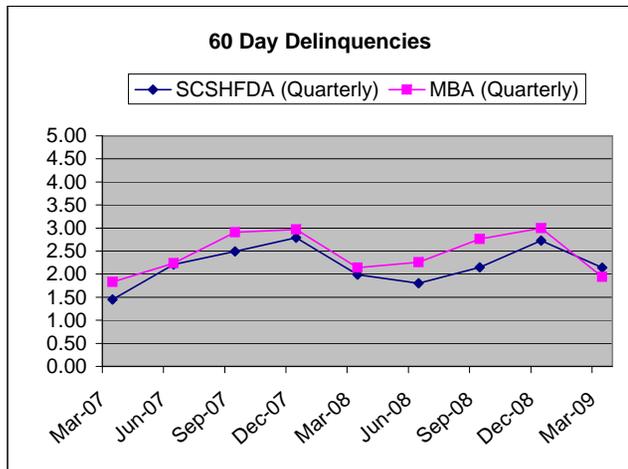
## Portfolio by Servicer

Servicer	First Mortgages Serviced	Outstanding Principle Balance	Second Mortgages Serviced	Outstanding Principle Balance	Total Loans Serviced
State Housing	9,803	\$771,093,577.22	6,986	\$13,434,876.53	16,789
First Citizens	1,211	\$54,508,973.77	0	\$0.00	1,211
<b>Total All Servicers</b>	<b>11,014</b>	<b>\$825,602,550.99</b>	<b>6,986</b>	<b>\$13,434,876.53</b>	<b>18,000</b>

# DELINQUENCY REPORT

	60 Day			90 Day			Foreclosures	
	SCSHFDA (Quarterly)	MBA (Quarterly)		SCSHFDA (Quarterly)	MBA (Quarterly)		SCSHFDA (Quarterly)	MBA (Quarterly)
Sep-06	1.75	2.33	Sep-06	0.81	3.32	Sep-06	1.67	2.54
Dec-06	2.10	2.76	Dec-06	1.03	3.53	Dec-06	1.28	2.53
Mar-07	1.45	1.83	Mar-07	0.95	3.27	Mar-07	1.16	2.52
Jun-07	2.21	2.24	Jun-07	1.08	2.99	Jun-07	1.02	2.54
Sep-07	2.49	2.91	Sep-07	1.41	3.02	Sep-07	1.20	2.52
Dec-07	2.79	2.97	Dec-07	1.44	3.47	Dec-07	1.47	2.39

			60 Day				90 Day				Foreclosures				Bankruptcies		
			SCSHFDA (Monthly)	SCSHFDA (Quarterly)	MBA (Quarterly)		SCSHFDA (Monthly)	SCSHFDA (Quarterly)	MBA (Quarterly)		SCSHFDA (Monthly)	SCSHFDA (Quarterly)	MBA		SCSHFDA (Monthly)	SCSHFDA (Quarterly)	MBA
<b>2008</b>	Jan-08	Q.1 2008	2.85	1.99	2.14	1.40	1.14	2.98	1.53	1.54	2.35	1.50	1.45	N/A			
	Feb-08		1.71			1.12			1.57			1.48					
	Mar-08		1.42			0.90			1.53			1.37					
	Apr-08	Q.2 2008	1.96	1.80	2.26	0.89	1.01	2.84	1.40	1.38	2.04	1.33	1.33	N/A			
	May-08		1.68			1.11			1.29			1.34					
	Jun-08		1.77			1.04			1.45			1.31					
	Jul-08	Q.3 2008	1.88	2.15	2.76	1.09	1.08	3.15	1.14	1.13	1.66	1.34	1.33	N/A			
	Aug-08		2.34			1.09			1.00			1.35					
	Sep-08		2.23			1.05			1.24			1.30					
	Oct-08	Q.4 2008	2.50	2.73	3.00	1.09	1.39	4.22	1.24	1.39	1.79	1.26	1.24	N/A			
	Nov-08		3.02			1.46			1.36			1.23					
	Dec-08		2.68			1.62			1.56			1.22					
<b>2009</b>	Jan-09	Q.1 2009	2.65	2.14	1.94	1.35	1.16	4.52	1.73	1.59	1.84	1.22	1.23	N/A			
	Feb-09		1.91			1.24			1.54			1.26					
	Mar-09		1.87			0.88			1.49			1.22					
	Apr-09	Q.2 2009	2.01	2.29	N/A	1.17	1.27	N/A	1.17	1.21	N/A	1.22	1.22	N/A			
	May-09		2.57			1.36			1.24			1.22					
	Jun-09																





**South Carolina State Housing Finance and Development Authority**

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: (803) 896-9396

FAX: (803) 896-8589

**RATE SHEET**

**Effective Date:**

**10:30 AM**

**June 12, 2009**

<b>CATEGORY I</b> Above 80% of Medium Income See Income Charts for each County	<b>DOWN PAYMENT ASSISTANCE AVAILABLE</b>	<b>Rate</b>
<i><b>First-Time Homebuyer Program</b></i>	\$5,000 Repayable	<b>5.875</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 Repayable	<b>5.875</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 Repayable	<b>5.750</b>

<b>CATEGORY II</b> 50.01% to 80% of Median Income See Income Charts for each County	<b>DOWN PAYMENT ASSISTANCE AVAILABLE</b>	<b>Rate</b>
<i><b>First-Time Homebuyer Program</b></i>	\$5,000 Forgivable	<b>5.875</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>5.875</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>5.750</b>

<b>CATEGORY III</b> 50% and below of Median Income See Income Charts for each County	<b>DOWN PAYMENT ASSISTANCE AVAILABLE</b>	<b>Rate</b>
<i><b>First-Time Homebuyer Program</b></i>	\$5,000 Forgivable	<b>5.750</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>5.750</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>5.750</b>

FOR ADDITIONAL INFORMATION SEE OUR WEBSITE

[www.schousing.com](http://www.schousing.com)

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

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## First Mortgage Program

The South Carolina State Housing Finance and Development Authority's First Mortgage Program assists low-to-moderate income families and individuals by offering a competitive, fixed interest rate mortgage loan. The Authority also offers down payment assistance based on availability. These funds may be used toward closing costs.

### Non-Targeted Counties:

The borrower must be a first-time homebuyer or not have had ownership interest in a principal residence in the three (3) years preceding the date on which the loan is closed in the following areas:\*

Aiken	Anderson	Charleston	Greenwood	Greenville	Lancaster
Lexington	Oconee	Pickens	Richland	Spartanburg	York

*\*This requirement is waived for single parents and disabled borrowers.*

### Targeted Counties:

The borrower must not own a home or have any ownership interest in a home at the time their loan is closed. This applies to the following targeted areas:

Abbeville	Allendale	Bamberg	Barnwell	Beaufort	Berkeley	Calhoun
Cherokee	Chester	Chesterfield	Clarendon	Colleton	Darlington	Dillon
Dorchester	Edgefield	Fairfield	Florence	Georgetown	Hampton	Horry
Jasper	Kershaw	Laurens	Lee	McCormick	Marion	Marlboro
Newberry	Orangeburg	Saluda	Sumter	Union	Williamsburg	
County Census Division #53, Ravenel Division (Charleston County)						

### Qualifications:

- Minimum 3.5% down payment. Maximum Loan to Value is 96.5% of the lesser of the sales price or appraised value
- Costs include: 1% origination fee, prepaid items and usual and customary closing costs
- Loan Term – 15, 20, 25, or 30 years
- Down payment assistance second mortgage loans are available to qualified buyers
- Minimum Credit score requirement is 620  
(Credit score does not guarantee loan approval.)



See website [www.schousing.com](http://www.schousing.com) for current interest rates.

See attached charts for income categories and maximum home prices by county and household size.

## **First Mortgage Requirements:**

Borrowers must meet the qualifications for the first mortgage under the Authority's programs to be eligible for any second mortgage product. There can be no cash out to the borrower at closing.

All funding is based on availability so please **contact a lending partner to apply for loan approval and reserve funds**. Programs and rates are subject to change without notice.

## **Program Requirements:**

Prior to loan approval, all recipients of forgivable down payment assistance must complete a homebuyer training course. Your lending partner will set these up for you.

## **Eligible Properties:**

Eligible properties are stick built single-family dwellings, off-frame modular homes, condominiums, and townhomes.

## **Categories of Borrowing:**

### **Category I**

- For Borrowers above 80% of the median income
- The Authority offers **\$5000** down payment assistance in the form of a second mortgage for qualified borrowers.

### **Repayable Down Payment Assistance:**

Repayment of the \$5000 begins after three years and is repayable over five years at a 4% interest rate. No interest accrues during the first three years.

### **Category II**

- For Borrowers at or below 80% of the median income.
- The Authority offers **\$5,000** down payment assistance for qualified borrowers. The \$5,000 takes the form of a \$5,000 forgivable second mortgage.

### **Category III**

- For Borrowers at or below 50% of the median income.
- State Housing offers **\$5,000** down payment assistance for qualified borrowers. The \$5,000 takes the form of a forgivable second mortgage.

### **Forgivable Down Payment Assistance - Category II and III**

As long as you live in the home, the assistance is forgiven at the rate of 20% per year over the term of five years. At the end of the fifth year, this assistance is fully forgiven. The loan must be repaid if a borrower fails to remain in the property for a minimum of five years.

# Category I

## Income Levels and Maximum Home Price

<b>SEE WEBSITE FOR RATES    <a href="http://www.schousing.com">www.schousing.com</a></b>			
<b>NON-TARGETED</b>			
<b>2009</b>	<b>1 or 2 Persons</b>	<b>3 or more Persons</b>	<b>Home Price</b>
Aiken	\$55,500	\$63,825	\$225,000
Anderson	\$53,800	\$61,870	\$225,000
Charleston	\$60,300	\$69,345	\$255,000
Greenville	\$57,200	\$65,780	\$225,000
Greenwood	\$53,400	\$61,410	\$225,000
Lancaster	\$50,700	\$58,305	\$225,000
Lexington	\$62,100	\$71,415	\$225,000
Oconee	\$55,100	\$63,365	\$225,000
Pickens	\$57,200	\$65,780	\$225,000
Richland	\$62,100	\$71,415	\$225,000
Spartanburg	\$55,100	\$63,365	\$225,000
York	\$66,500	\$76,475	\$231,000
<b>TARGETED</b>			
<b>2009</b>	<b>1 or 2 Persons</b>	<b>3 or More Persons</b>	<b>Home Price</b>
Barnwell	\$66,000	\$77,000	\$225,000
Beaufort	\$79,080	\$92,260	\$285,000
Berkeley	\$72,360	\$84,420	\$255,000
Calhoun	\$66,000	\$77,000	\$225,000
Cherokee	\$66,000	\$77,000	\$225,000
Dorchester	\$72,360	\$84,420	\$255,000
Edgefield	\$66,000	\$77,000	\$225,000
Fairfield	\$66,000	\$77,000	\$225,000
Florence	\$66,000	\$77,000	\$225,000
Georgetown	\$66,000	\$77,000	\$225,000
Horry	\$66,000	\$77,000	\$225,000
Jasper	\$66,000	\$77,000	\$285,000
Kershaw	\$67,080	\$78,260	\$225,000
Laurens	\$66,000	\$77,000	\$225,000
Newberry	\$66,000	\$77,000	\$225,000
Saluda	\$66,000	\$77,000	\$225,000
All Others	\$66,000	\$77,000	\$225,000

# Category II

## Income Levels and Maximum Home Price

US Department of HUD - State: South Carolina - Revised April 2009

<b>NON-TARGETED</b>								
Effective April 2009	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	Home Price
Aiken	\$31,100	\$35,550	\$39,950	\$44,400	\$47,950	\$51,500	\$55,050	\$202,500
Anderson	\$30,750	\$35,150	\$39,550	\$43,900	\$47,450	\$50,950	\$54,450	\$202,500
Charleston	\$33,800	\$38,600	\$43,450	\$48,250	\$52,100	\$55,950	\$59,850	\$229,000
Greenville	\$32,050	\$36,600	\$41,200	\$45,750	\$49,400	\$53,050	\$56,750	\$202,500
Greenwood	\$29,900	\$34,150	\$38,450	\$42,700	\$46,100	\$49,550	\$52,950	\$202,500
Lancaster	\$28,400	\$32,450	\$36,500	\$40,550	\$43,800	\$47,050	\$50,300	\$202,500
Lexington	\$34,800	\$39,750	\$44,750	\$49,700	\$53,700	\$57,650	\$61,650	\$202,500
Oconee	\$30,850	\$35,300	\$39,700	\$44,100	\$47,650	\$51,150	\$54,700	\$202,500
Pickens	\$32,050	\$36,600	\$41,200	\$45,750	\$49,400	\$53,050	\$56,750	\$202,500
Richland	\$34,800	\$39,750	\$44,750	\$49,700	\$53,700	\$57,650	\$61,650	\$202,500
Spartanburg	\$30,850	\$35,300	\$39,700	\$44,100	\$47,650	\$51,150	\$54,700	\$202,500
York	\$37,250	\$42,550	\$47,900	\$53,200	\$57,450	\$61,700	\$65,950	\$208,000
<b>TARGETED</b>								
Effective April 2009	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	Home Price
Abbeville	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Allendale	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Bamberg	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Barnwell	\$32,750	\$37,450	\$42,100	\$46,800	\$50,550	\$54,300	\$58,050	\$202,500
Beaufort	\$36,900	\$42,150	\$47,450	\$52,700	\$56,900	\$61,150	\$65,350	\$255,000
Berkeley	\$33,800	\$38,600	\$43,450	\$48,250	\$52,100	\$55,950	\$59,850	\$229,000
Calhoun	\$34,800	\$39,750	\$44,750	\$49,700	\$53,700	\$57,650	\$61,650	\$202,500
Cherokee	\$30,750	\$35,150	\$39,550	\$43,900	\$47,450	\$50,950	\$54,450	\$202,500
Chester	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Chesterfield	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Clarendon	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Colleton	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Darlington	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Dillon	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Dorchester	\$33,800	\$38,600	\$43,450	\$48,250	\$52,100	\$55,950	\$59,850	\$229,000
Edgefield	\$31,100	\$35,550	\$39,950	\$44,400	\$47,950	\$51,500	\$55,050	\$202,500
Fairfield	\$34,800	\$39,750	\$44,750	\$49,700	\$53,700	\$57,650	\$61,650	\$202,500
Florence	\$28,100	\$32,100	\$36,150	\$40,150	\$43,350	\$46,550	\$49,800	\$202,500
Georgetown	\$29,700	\$33,900	\$38,150	\$42,400	\$45,800	\$49,200	\$52,600	\$202,500
Hampton	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Horry	\$29,350	\$33,500	\$37,700	\$41,900	\$45,250	\$48,600	\$51,950	\$202,500
Jasper	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$255,000
Kershaw	\$31,300	\$35,750	\$40,250	\$44,700	\$48,300	\$51,850	\$55,450	\$202,500
Laurens	\$27,850	\$31,800	\$35,800	\$39,750	\$42,950	\$46,100	\$49,300	\$202,500
Lee	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
McCormick	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Marion	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Marlboro	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Newberry	\$28,300	\$32,300	\$36,350	\$40,400	\$43,650	\$46,850	\$50,100	\$202,500
Orangeburg	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Saluda	\$34,800	\$39,750	\$44,750	\$49,700	\$53,700	\$57,650	\$61,650	\$202,500
Sumter	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Union	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500
Williamsburg	\$27,100	\$30,950	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$202,500

# Category III

## Income Levels and Maximum Home Price

US Department of HUD - State: South Carolina - Revised April 2009

<b>NON-TARGETED</b>								
Effective April 2009	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	Home Price
Aiken	\$19,450	\$22,200	\$25,000	\$27,750	\$29,950	\$32,200	\$34,400	\$202,500
Anderson	\$19,200	\$21,950	\$24,700	\$27,450	\$29,650	\$31,850	\$34,050	\$202,500
Charleston	\$21,100	\$24,100	\$27,150	\$30,150	\$32,550	\$34,950	\$37,400	\$229,000
Greenville	\$20,000	\$22,900	\$25,750	\$28,600	\$30,900	\$33,200	\$35,450	\$202,500
Greenwood	\$18,700	\$21,350	\$24,050	\$26,700	\$28,850	\$30,950	\$33,100	\$202,500
Lancaster	\$17,750	\$20,300	\$22,800	\$25,350	\$27,400	\$29,400	\$31,450	\$202,500
Lexington	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,000	\$38,500	\$202,500
Oconee	\$19,300	\$22,050	\$24,800	\$27,550	\$29,750	\$31,950	\$34,150	\$202,500
Pickens	\$20,000	\$22,900	\$25,750	\$28,600	\$30,900	\$33,200	\$35,450	\$202,500
Richland	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,000	\$38,500	\$202,500
Spartanburg	\$19,300	\$22,050	\$24,800	\$27,550	\$29,750	\$31,950	\$34,150	\$202,500
York	\$23,300	\$26,600	\$29,950	\$33,250	\$35,900	\$38,550	\$41,250	\$208,000
<b>TARGETED</b>								
Effective April 2009	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	Home Price
Abbeville	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Allendale	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Bamberg	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Barnwell	\$20,500	\$23,400	\$26,350	\$29,250	\$31,600	\$33,950	\$36,250	\$202,500
Beaufort	\$23,050	\$26,350	\$29,650	\$32,950	\$35,600	\$38,200	\$40,850	\$255,000
Berkeley	\$21,100	\$24,100	\$27,150	\$30,150	\$32,550	\$34,950	\$37,400	\$229,000
Calhoun	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,000	\$38,500	\$202,500
Cherokee	\$19,200	\$21,950	\$24,700	\$27,450	\$29,650	\$31,850	\$34,050	\$202,500
Chester	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Chesterfield	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Clarendon	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Colleton	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Darlington	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Dillon	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Dorchester	\$21,100	\$24,100	\$27,150	\$30,150	\$32,550	\$34,950	\$37,400	\$229,000
Edgefield	\$19,450	\$22,200	\$25,000	\$27,750	\$29,950	\$32,200	\$34,400	\$202,500
Fairfield	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,000	\$38,500	\$202,500
Florence	\$17,550	\$20,100	\$22,600	\$25,100	\$27,100	\$29,100	\$31,100	\$202,500
Georgetown	\$18,550	\$21,200	\$23,850	\$26,500	\$28,600	\$30,750	\$32,850	\$202,500
Hampton	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Horry	\$18,350	\$20,950	\$23,600	\$26,200	\$28,300	\$30,400	\$32,500	\$202,500
Jasper	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$255,000
Kershaw	\$19,550	\$22,350	\$25,150	\$27,950	\$30,200	\$32,400	\$34,650	\$202,500
Laurens	\$17,400	\$19,900	\$22,350	\$24,850	\$26,850	\$28,850	\$30,800	\$202,500
Lee	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
McCormick	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Marion	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Marlboro	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Newberry	\$17,700	\$20,200	\$22,750	\$25,250	\$27,250	\$29,300	\$31,300	\$202,500
Orangeburg	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Saluda	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,000	\$38,500	\$202,500
Sumter	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Union	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500
Williamsburg	\$16,950	\$19,350	\$21,800	\$24,200	\$26,150	\$28,050	\$30,000	\$202,500



**Division: Deputy Director for Programs**

**Subject: Oral Report**



Division: **Human Resources**

<b>Total Authorized Permanent Positions</b>	<b>127</b>
Filled Permanent Positions	123
Vacancies	4
Temporaries	12

**Job Postings**

<b>Department/Title</b>	<b>Position Name</b>	<b>Vacancy Posting Dates</b>
Executive Office	Administrative Coordinator I	6/4/09 – 6/10/09

**Retirements:**

Kathy Allen, Housing Choice Voucher Program  
Ann Craddock, Executive Office

**Announcements:**

- Employee Picnic June 26, 2009 at Saluda Shoals
- SC Society of Certified Public Managers Multi-Agency Food Drive

**Legislative Update: 80A.7 (BCB: Compensation – Agency Head Salary)**

**South Carolina State Housing Finance and Development Authority**  
**Balance Sheet--Proprietary Funds**

	<b>General Operating Fund</b>	<b>Single Family Finance Programs</b>	<b>Program Fund</b>	<b>As of May 31</b>	
				<b>2009</b>	<b>2008</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 9,992,800	\$ 174,530,043	\$ 14,653,507	\$ 199,176,350	\$ 246,356,399
Accounts receivable	9,923,802	970,039	-	10,893,841	9,526,568
Investments, at market	-	1,731,635	-	1,731,635	1,617,667
Loans receivable, net of unamortized discounts	71,155,107	810,454,395	8,962,675	890,572,177	856,430,784
Interest receivable:					
Loans	155,154	5,480,571	25,064	5,660,789	4,960,669
Deposits and investments	-	2,022,237	122	2,022,359	3,268,264
Prepayments	226,917	310,789	-	537,706	225,773
Unamortized bond issuance cost	-	6,234,177	-	6,234,177	6,107,752
Furniture and equipment, net of depreciation	560,439	-	-	560,439	656,706
<b>Total Assets</b>	<b>92,014,219</b>	<b>1,001,733,886</b>	<b>23,641,368</b>	<b>1,117,389,473</b>	<b>1,129,150,582</b>
<b>Liabilities and Retained Earnings</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	2,463,501	216,561	633	2,680,695	2,682,663
Bonds payable, net of unamortized discounts	-	764,781,222	-	764,781,222	741,875,368
Notes Payable	-	22,000,000	-	22,000,000	65,315,000
Interest payable on bonds and notes	-	16,840,002	-	16,840,002	16,886,493
Mortgage escrows	4,722,557	-	4,074	4,726,631	5,128,165
Other	36,306	33,299	11,300	80,905	127,853
<b>Total Liabilities</b>	<b>7,222,364</b>	<b>803,871,084</b>	<b>16,007</b>	<b>811,109,455</b>	<b>832,015,542</b>
<b>Retained Earnings</b>					
Reserved for debt service	-	22,427,502	-	22,427,502	21,167,743
Reserved for bond reserves	-	15,876,387	-	15,876,387	14,728,577
Designated for special programs	-	159,558,913	23,625,361	183,184,274	178,383,733
Undesignated	84,791,855	-	-	84,791,855	82,854,987
<b>Total Retained Earnings</b>	<b>84,791,855</b>	<b>197,862,802</b>	<b>23,625,361</b>	<b>306,280,018</b>	<b>297,135,040</b>
<b>Total Liabilities and Retained Earnings</b>	<b>\$ 92,014,219</b>	<b>\$ 1,001,733,886</b>	<b>\$ 23,641,368</b>	<b>\$ 1,117,389,473</b>	<b>\$ 1,129,150,582</b>

**South Carolina State Housing Finance and Development Authority**  
**Statement of Revenues, Expenses and Changes In Retained Earnings--Proprietary Funds**

	<b>General Operating Fund</b>	<b>Single Family Finance Programs</b>	<b>Program Fund</b>	<b>Period Ending May 31</b>	
				<b>2009</b>	<b>2008</b>
<b>Operating Revenues</b>					
Interest on loans	\$ 1,598,162	\$ 42,941,378	\$ 127,259	\$ 44,666,799	\$ 40,629,656
Interest on deposits and investments	21,842	5,380,375	106,859	5,509,076	9,994,395
Administrative fees	11,174,570	-	-	11,174,570	9,649,590
Other	113,019	350,667	1,600	465,286	694,955
<b>Total Operating Revenues</b>	<u>12,907,593</u>	<u>48,672,420</u>	<u>235,718</u>	<u>61,815,731</u>	<u>60,968,596</u>
<b>Operating Expenses</b>					
Interest expense for bonds and notes	-	37,525,604	-	37,525,604	36,756,844
Program expenses	710,799	2,375,854	26,187	3,112,840	2,994,809
General and administrative expenses	9,187,333	-	-	9,187,333	8,372,733
Bond issuance cost amortization	-	729,527	-	729,527	650,429
Depreciation	123,808	-	-	123,808	114,008
Other	-	512,691	-	512,691	636,363
<b>Total Operating Expenses</b>	<u>10,021,940</u>	<u>41,143,676</u>	<u>26,187</u>	<u>51,191,803</u>	<u>49,525,186</u>
<b>Operating Income (Loss)</b>	<u>2,885,653</u>	<u>7,528,744</u>	<u>209,531</u>	<u>10,623,928</u>	<u>11,443,410</u>
<b>Nonoperating Revenues (Expenses)</b>					
Federal grant and contract revenue	111,316,367	-	-	111,316,367	111,046,390
HUD housing assistance payments and grant awards disbursed	(111,399,512)	-	-	(111,399,512)	(103,421,225)
Other grant awards disbursed	-	-	(4,551,302)	(4,551,302)	(6,361,700)
<b>Total Nonoperating Revenue (Expenses) - Net</b>	<u>(83,145)</u>	<u>-</u>	<u>(4,551,302)</u>	<u>(4,634,447)</u>	<u>1,263,465</u>
<b>Income (Loss) Before Operating Transfers</b>	2,802,508	7,528,744	(4,341,771)	5,989,481	12,706,875
<b>Transfers</b>					
Transfers among SHA funds	(3,387,551)	(362,449)	3,750,000	-	-
Transfers - Housing Trust Fund	400,000	-	-	400,000	-
Transfers - State General Fund	-	-	-	-	-
<b>Income (Loss) Before Extraordinary Item</b>	<u>(185,043)</u>	<u>7,166,295</u>	<u>(591,771)</u>	<u>6,389,481</u>	<u>12,706,875</u>
<b>Extraordinary Items</b>					
Extraordinary loss on early extinguishment of debt	-	-	-	-	-
<b>Net Income (Loss)</b>	<u>(185,043)</u>	<u>7,166,295</u>	<u>(591,771)</u>	<u>6,389,481</u>	<u>12,706,875</u>
<b>Retained Earnings</b>					
At beginning of fiscal year - Restated	84,976,898	190,696,507	24,217,132	299,890,537	284,428,165
<b>Retained Earnings at End of Period</b>	<u>\$ 84,791,855</u>	<u>\$ 197,862,802</u>	<u>\$ 23,625,361</u>	<u>\$ 306,280,018</u>	<u>\$ 297,135,040</u>

**South Carolina State Housing Finance and Development Authority  
Housing Trust Fund  
Statement of Assets, Liabilities and Fund Balance--Governmental Fund**

	<b>As of May 31</b>	
	<b>2009</b>	<b>2008</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 13,668,200	\$ 23,596,259
Accounts receivable	421,590	869,618
Loans receivable, net of unamortized discounts	12,226,709	10,533,394
Interest receivable:		
Loans	31,955	20,352
Deposits and investments	115	1,532
<b>Total Assets</b>	<b>26,348,569</b>	<b>35,021,155</b>
 <b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Mortgage escrows	-	141
<b>Total Liabilities</b>	-	141
 <b>Fund Balance</b>		
Unpaid Grants/Awards	12,121,126	21,987,788
Reserved for Housing Trust Programs	14,227,443	13,033,226
<b>Total Fund Balance</b>	<b>26,348,569</b>	<b>35,021,014</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 26,348,569</b>	<b>\$ 35,021,155</b>

**South Carolina State Housing Finance and Development Authority**  
**Housing Trust Fund**  
**Statement of Revenues, Expenses and Changes In Fund Balance--Governmental Fund**

	<b>Period Ending May 31</b>	
	<b>2009</b>	<b>2008</b>
<b>Operating Revenues</b>		
Interest on loans	\$ 199,947	\$ 203,190
Interest on deposits and investments	150,334	997,904
Documentary stamp fees	5,518,808	8,946,957
<b>Total Operating Revenues</b>	<u>5,869,089</u>	<u>10,148,051</u>
<b>Expenditures</b>		
Grant disbursements for Housing Trust Programs	14,237,322	18,217,013
<b>Total Expenditures</b>	<u>14,237,322</u>	<u>18,217,013</u>
<b>Revenues Over (Under) Expenditures</b>	(8,368,233)	(8,068,962)
<b>Transfers</b>		
Transfers To Other Funds	(400,000)	-
Transfers From State General Operating Fund	-	-
<b>Fund Balance</b>		
At beginning of fiscal year	35,116,802	43,089,976
<b>Fund Balance at End of Period</b>	<u>\$ 26,348,569</u>	<u>\$ 35,021,014</u>

**South Carolina State Housing Finance and Development Authority**  
**Total Agency**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Interest on Loans	7,200,000	7,200,000	6,600,000	1,851,031	(4,748,969)
Administrative Fees	8,438,285	8,438,285	7,735,095	8,081,375	346,280
Housing Assistance Revenue	121,500,000	131,104,710	119,245,198	111,365,920	(7,879,278)
<b>Total Revenue Sources</b>	<u>137,138,285</u>	<u>146,742,995</u>	<u>133,580,293</u>	<u>121,298,326</u>	<u>(12,281,967)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	6,037,000	6,026,620	5,520,788	5,233,308	287,480
Payroll--Temporary Employees	303,500	443,488	406,531	263,318	143,213
Payroll--Per Diem	4,500	4,500	4,125	2,590	1,535
Employee Benefits	1,962,025	1,996,019	1,828,526	1,640,875	187,651
Contractual Services	1,634,800	1,753,814	1,603,636	1,028,726	574,910
Supplies	431,800	313,628	287,180	258,092	29,088
Rent & Other Fixed Fees	490,060	451,931	413,897	398,060	15,837
Travel	407,300	346,466	317,188	246,304	70,884
Equipment	558,000	378,469	367,657	115,990	251,667
Depreciation	-	-	-	123,808	(123,808)
Allocations	21,500,000	25,176,962	22,552,418	9,890,504	① 12,661,914
Housing Assistance Payments	106,500,000	111,835,832	102,516,179	101,509,093	1,007,086
Program Payments	6,000,000	6,705,966	6,147,136	4,644,408	② 1,502,728
<b>Total Expenses</b>	<u>145,828,985</u>	<u>155,433,695</u>	<u>141,965,261</u>	<u>125,355,076</u>	<u>16,610,185</u>
<b>Transfers from (to) Other Departments:</b>					
Transfer from Single Family-Operations	6,468,300	6,418,300	5,883,442	449,997	(5,433,445)
Transfer from Single Family-Special Initiatives	3,000,000	3,050,000	2,795,833	-	(2,795,833)
Transfer from Housing Trust Fund	400,000	400,000	366,667	400,000	33,333
Transfer from Programs-Special Initiatives	2,300,000	2,300,000	2,108,333	3,750,000	1,641,667
Transfer from Programs-Operations	126,000	126,000	115,500	3,465,278	3,349,778
Transfer to Program Fund-Special Initiatives	(2,300,000)	(2,300,000)	(2,108,333)	(3,749,999)	(1,641,666)
Transfer to Exec, Supp Serv, Finance-Operations	(126,000)	(126,000)	(115,500)	(3,465,281)	(3,349,781)
<b>Total Transfers</b>	<u>9,868,300</u>	<u>9,868,300</u>	<u>9,045,942</u>	<u>849,995</u>	<u>(8,195,947)</u>
<b>Gain (Loss)</b>	1,177,600	1,177,600	660,974	(3,206,755)	(3,867,729)

**Note:** During the current fiscal year the Authority has purchased mortgages totaling:

① \$6,589,883 (\$1,248,548 using Earned Income funds and \$5,341,335 using HOME funds).

② \$1,450,000 using Program funds.

Although budgeted as expenses in the corresponding categories above, these mortgages have been appropriately reclassified to loans receivable in the balance sheet of the Authority.

**South Carolina State Housing Finance and Development Authority**  
**1-Development & Rental Assistance**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Interest on Loans	5,000,000	5,000,000	4,583,333	1,238,962	(3,344,371)
Administrative Fees	8,030,600	8,030,600	7,361,384	7,958,593	597,209
Housing Assistance Revenue	121,500,000	131,104,710	119,245,198	111,364,320	(7,880,878)
<b>Total Revenue Sources</b>	<u>134,530,600</u>	<u>144,135,310</u>	<u>131,189,915</u>	<u>120,561,875</u>	<u>(10,628,040)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	2,966,000	2,911,634	2,665,384	2,551,873	113,511
Payroll--Temporary Employees	144,000	144,000	132,000	75,142	56,858
Employee Benefits	963,950	936,359	857,172	784,584	72,588
Contractual Services	350,000	459,143	416,854	171,126	245,728
Supplies	119,000	95,658	87,374	74,940	12,434
Rent & Other Fixed Fees	207,760	199,422	182,430	166,907	15,523
Travel	245,000	233,846	213,954	179,123	34,831
Equipment	61,000	302,469	297,991	77,109	220,882
Allocations	20,000,000	23,123,442	20,670,025	9,241,836	① 11,428,189
Housing Assistance Payments	106,500,000	111,835,832	102,516,179	101,509,093	1,007,086
<b>Total Expenses</b>	<u>131,556,710</u>	<u>140,241,805</u>	<u>128,039,363</u>	<u>114,831,733</u>	<u>13,207,630</u>
<b>Transfers from (to) Other Departments:</b>					
Transfer from Single Family-Operations	225,000	225,000	206,250	30,271	(175,979)
Transfer from Housing Trust Fund	400,000	400,000	366,667	400,000	33,333
Transfer to Program Fund-Special Initiatives	(2,300,000)	(2,300,000)	(2,108,333)	(3,749,999)	(1,641,666)
Transfer from Programs-Operations	-	-	-	-	-
Transfer to Exec, Supp Serv, Finance-Operations	(126,000)	(126,000)	(115,500)	(3,465,281)	(3,349,781)
<b>Total Transfers</b>	<u>(1,801,000)</u>	<u>(1,801,000)</u>	<u>(1,650,916)</u>	<u>(6,785,009)</u>	<u>(5,134,093)</u>
<b>Gain (Loss)</b>	1,172,890	2,092,505	1,499,636	(1,054,867)	(2,554,503)

① The Authority has purchased mortgages totaling \$5,341,335 using HOME funds during this fiscal year. Although budgeted as expenses under Allocations, these mortgages have been appropriately reclassified to assets and appear as loans receivable in the balance sheet of the Authority.

**South Carolina State Housing Finance and Development Authority**  
**2-Homeownership**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Interest on Loans	1,500,000	1,500,000	1,375,000	377,951	(997,049)
<b>Total Revenue Sources</b>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,375,000</u>	<u>377,951</u>	<u>(997,049)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	1,035,000	1,108,986	1,016,571	997,537	19,034
Payroll--Temporary Employees	90,000	225,000	206,250	153,609	52,641
Employee Benefits	336,375	402,308	368,782	353,847	14,935
Contractual Services	404,000	352,901	323,493	147,333	176,160
Supplies	107,000	44,424	40,722	41,318	(596)
Rent & Other Fixed Fees	77,000	72,398	66,365	68,861	(2,496)
Travel	35,000	17,707	16,231	15,198	1,033
Equipment	359,500	36,603	33,553	4,952	28,601
Allocations	1,500,000	2,053,520	1,882,393	648,668	① 1,233,725
<b>Total Expenses</b>	<u>3,943,875</u>	<u>4,313,847</u>	<u>3,954,360</u>	<u>2,431,323</u>	<u>1,523,037</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	2,445,000	2,395,000	2,195,417	173,007	(2,022,410)
Transfer to Program Fund-Special Initiatives	-	-	-	-	-
Transfer from Programs-Operations	-	-	-	1,428,354	1,428,354
<b>Total Transfers</b>	<u>2,445,000</u>	<u>2,395,000</u>	<u>2,195,417</u>	<u>1,601,361</u>	<u>(594,056)</u>
<b>Gain (Loss)</b>	1,125	(418,847)	(383,943)	(452,011)	(68,068)

① The Authority has purchased mortgages totaling \$1,248,548 using Earned Income funds during this fiscal year. Although budgeted as expenses under Allocations, these mortgages have been appropriately reclassified to assets and appear as loans receivable in the balance sheet of the Authority.

**South Carolina State Housing Finance and Development Authority**  
**3-Executive**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Interest on Loans	700,000	700,000	641,667	234,118	(407,549)
Administrative Fees	372,685	372,685	341,628	91,162	(250,466)
Housing Assistance Revenue	-	-	-	1,600	1,600
<b>Total Revenue Sources</b>	<u>1,072,685</u>	<u>1,072,685</u>	<u>983,295</u>	<u>326,880</u>	<u>(656,415)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	723,000	626,000	573,833	502,276	71,557
Payroll--Temporary Employees	32,500	32,500	29,792	3,355	26,437
Payroll--Per Diem	4,500	4,500	4,125	2,590	1,535
Employee Benefits	234,975	193,069	176,980	143,901	33,079
Contractual Services	316,000	521,060	477,638	392,255	85,383
Supplies	105,500	130,743	119,848	103,317	16,531
Rent & Other Fixed Fees	110,000	90,652	83,098	77,743	5,355
Travel	76,000	76,000	69,667	37,462	32,205
Equipment	4,500	19,233	17,630	18,130	(500)
Depreciation	-	-	-	123,808	(123,808)
Program Payments	6,000,000	6,705,966	6,147,136	4,644,408	① 1,502,728
<b>Total Expenses</b>	<u>7,606,975</u>	<u>8,399,723</u>	<u>7,699,747</u>	<u>6,049,245</u>	<u>1,650,502</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	1,200,300	1,200,300	1,100,275	80,541	(1,019,734)
Transfer from Single Family-Special Initiatives	3,000,000	3,050,000	2,795,833	-	(2,795,833)
Transfer from Programs-Special Initiatives	2,300,000	2,300,000	2,108,333	3,750,000	1,641,667
Transfer from Programs-Operations	36,000	36,000	33,000	664,947	631,947
<b>Total Transfers</b>	<u>6,536,300</u>	<u>6,586,300</u>	<u>6,037,441</u>	<u>4,495,488</u>	<u>(1,541,953)</u>
<b>Gain (Loss)</b>	2,010	(740,738)	(679,011)	(1,226,877)	(547,866)

① The Authority has purchased mortgages totaling \$1,450,000 using Program funds during this fiscal year. Although budgeted as expenses under Allocations, these mortgages have been appropriately reclassified to assets and appear as loans receivable in the balance sheet of the Authority.

**South Carolina State Housing Finance and Development Authority**  
**4-Support Services**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Administrative Fees	35,000	35,000	32,083	31,620	(463)
<b>Total Revenue Sources</b>	<u>35,000</u>	<u>35,000</u>	<u>32,083</u>	<u>31,620</u>	<u>(463)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	794,000	789,000	723,250	643,211	80,039
Payroll--Temporary Employees	10,000	10,000	9,167	1,526	7,641
Employee Benefits	258,050	272,276	249,586	196,133	53,453
Contractual Services	328,800	224,710	205,984	127,476	78,508
Supplies	81,300	33,844	31,024	30,415	609
Rent & Other Fixed Fees	61,500	59,935	54,940	55,865	(925)
Travel	37,300	6,930	6,352	5,071	1,281
Equipment	113,000	20,164	18,483	15,799	2,684
<b>Total Expenses</b>	<u>1,683,950</u>	<u>1,416,859</u>	<u>1,298,786</u>	<u>1,075,496</u>	<u>223,290</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	1,610,000	1,610,000	1,475,833	105,577	(1,370,256)
Transfer from Programs-Operations	40,000	40,000	36,667	871,651	834,984
<b>Total Transfers</b>	<u>1,650,000</u>	<u>1,650,000</u>	<u>1,512,500</u>	<u>977,228</u>	<u>(535,272)</u>
<b>Gain (Loss)</b>	1,050	268,141	245,797	(66,648)	(312,445)

**South Carolina State Housing Finance and Development Authority**  
**5-Finance**  
**Budget vs Actual**  
**May 31, 2009**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Year-to-Date Budget</u>	<u>Year-to-Date Actual</u>	<u>Variance</u>
<b>Revenue Sources:</b>					
Administrative Fees	-	-	-	-	-
<b>Total Revenue Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	519,000	591,000	541,750	538,411	3,339
Payroll--Temporary Employees	27,000	31,988	29,322	29,686	(364)
Employee Benefits	168,675	192,007	176,006	162,410	13,596
Contractual Services	236,000	196,000	179,667	190,536	(10,869)
Supplies	19,000	8,959	8,212	8,102	110
Rent & Other Fixed Fees	33,800	29,524	27,064	28,684	(1,620)
Travel	14,000	11,983	10,984	9,450	1,534
Equipment	20,000	-	-	-	-
<b>Total Expenses</b>	<u>1,037,475</u>	<u>1,061,461</u>	<u>973,005</u>	<u>967,279</u>	<u>5,726</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	988,000	988,000	905,667	60,601	(845,066)
Transfer from Programs-Operations	50,000	50,000	45,833	500,326	454,493
<b>Total Transfers</b>	<u>1,038,000</u>	<u>1,038,000</u>	<u>951,500</u>	<u>560,927</u>	<u>(390,573)</u>
<b>Gain (Loss)</b>	525	(23,461)	(21,505)	(406,352)	(384,847)