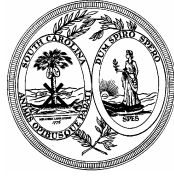




Regular Board Meeting

- 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. Regular Session
 - A. Approval of Minutes of September 15, 2009 (Chairman Smith)
 - B. Accountability Report (Clayton Ingram)
 - C. Foreclosure Mitigation Efforts (Lisa Rivers)
 - D. Reports
 - 1. Chairman (Scott Smith)
 - 2. Executive Director (Valarie Williams)
 - 3. Deputy for Administration (Ed Knight)
 - 4. Deputy for Programs (Larry Arney)
 - 5. Human Resources (Cynthia Dannels)
 - 6. Finance (Debra Seymour)
- V. Other Business
- VI. Executive Session (If Needed)
- VII. Next Meeting (November 17, 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, September 15, 2009 at approximately 10:00 a.m., at 166 Church Street, Charleston, South Carolina.

The following Commissioners were in attendance:

Scott Smith, Chairman
Clente Flemming, Vice Chair
Eddie C. Bines
Carl Roberts
Felicia D. Morant
Mary L. Thomas

The following Commissioners were excused: John Hill and Robert Mickle.

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, General Counsel
Cynthia Dannels, Human Resources
Richard Hutto, Contract Administration
Matt Rivers, Housing Trust Fund
Bonita Shropshire, Executive Assistant

GUESTS:

Bob Detjen, CSG Advisors
Dana Bunting, Goldman Sachs
Ally Abernathy, Haynsworth, Sinkler, Boyd
Rion Foley, McNair Law Firm

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

Chairman Smith 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.

Minutes

The Chairman asked if there were any additions or corrections to the minutes of July 28 and August 11, 2009. There being none, he called for a motion to approve the minutes.

MOTION Commissioner Bines moved to approve the minutes of July 28 and August 11, 2009 as presented. The motion received a second from Commissioner Roberts. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Market Update

Chairman Smith called on Bob Detjen with CSG Advisors and Dana Bunting with Goldman Sachs for a financial housing market update. Mr. Detjen and Ms. Bunting presented information on various bonds and spoke about current and projected conditions of the market.

Bond Committee

Consideration of Resolution Regarding Homeownership Revenue Bonds

The Chairman asked Tracey Easton to present this request. Ms. Easton explained that this resolution would provide approval of the Master indenture and Supplemental Indenture of Trust in substantially final form. Commissioner Bines stated that the Bond Committee had received and reviewed the request, and recommended approval to the full board.

MOTION Commissioner Flemming moved to approve the request. The motion received a second from Commissioner Roberts. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Finance and Audit Committee**Consideration of Resolution Making Provision for the Over-Commitment of Mortgages in the Homeownership Revenue Bond Program**

Chairman Smith called on Tracey Easton to present the Resolution. Ms. Easton stated that during the previous Board meeting approval was granted for the over-commitment of \$10 million within the Homeownership Revenue Bond Program. This Resolution would approve for an over-commitment of \$15 million. The increase is due to the change of the bond closing date as well as the current lending production. The staff further requests that the original Resolution be rescinded and the current resolution be approved.

Commissioner Flemming stated that the Finance and Audit Committee recommends approval to the full Board.

MOTION Commissioner Thomas moved to approve the request. The motion received a second from Commissioner Roberts. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Consideration to Revise FY 2010 and FY 2011 Budgets

The Chairman asked Ms. Debra Seymour to address the Board. Ms. Seymour explained that the proposed revisions in this FY 2010 budget would increase Federal Program Revenues and Program Payment/Allocation Expenses each by \$50 million. The proposed revisions also include realignment of the transfers that are necessary to fund various Authority administrative costs.

Ms. Seymour also explained that the proposed revisions in the FY 2011 Budget would increase Federal Program Revenues and Program Payment/Allocation Expenses each by \$68 million. These increases are as a result of the very recent approval of the Authority's application for the Tax Credit Exchange Program (TCAP).

Commissioner Flemming stated the Finance and Audit Committee had received and discussed both requests and recommend approval of both Budgets to the full Board.

MOTION Commissioner Bines moved to approve the request. The motion received a second from Commissioner Thomas. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

Program Committee**Housing Trust Fund Awards**

Chairman Smith asked Matt Rivers to present the Housing Trust Fund report. Mr. Rivers presented the Trust Fund's budget analysis for the fiscal year. Mr. Rivers stated that the unencumbered cash balance as of July 31, 2009 was \$12 million. Of that amount \$8.8 million is committed to projects previously awarded but not yet funded and \$2.7 million is in project recommendations for this quarter. With these commitments, the remaining unencumbered balance is \$125,025.00.

Mr. Rivers presented thirty-three project proposals as follows:

Homeownership Acquisition

Project No. 6310	Central S.C. Habitat for Humanity	\$23,000
Project No. 6110	Dorchester Habitat for Humanity	\$23,000
Project No. 6210	Habitat for Humanity of Cherokee County	\$23,000

Owner-Occupied Rehabilitation Block Grants

Project No. 7610	Berean CDC	\$66,750
Project No. 7210	Blackville CDC	\$44,500
Project No. 8510	Camden First CDC	\$44,500
Project No. 7710	Charleston Area CDC	\$66,750
Project No. 8010	Clarendon County CDC	\$44,500
Project No. 7410	Community Assistance Provider	\$66,750
Project No. 6410	East Bluff Community Organization	\$44,500
Project No. 6710	Empowered Personal Care Home Health Alliance	\$44,500
Project No. 7310	Friendship Community Improvement Corp.	\$66,750
Project No. 6610	Have Faith Community Dev. Corp.	\$44,500
Project No. 7110	Helping Hands Int. Outreach Ministry	\$44,500
Project No. 8210	Homes of Hope, Inc.	\$44,500
Project No. 6910	Housing Dev. Corp. of Rock Hill	\$44,500
Project No. 8110	Lowcountry Community Services, Inc.	\$44,500
Project No. 7810	Lynchburg CDC	\$66,750
Project No. 6510	Metanoia CDC	\$66,750
Project No. 7510	OIKOS Community Development, Inc.	\$44,500
Project No. 6810	Rural Initiatives	\$66,750
Project No. 8610	Santee Electric Trust Operation Round Up	\$66,760
Project No. 7010	Santee Lynches Affordable Housing and CDC	\$66,750
Project No. 8410	Soteria CDC	\$66,750
Project No. 8710	Sumter County CDC	\$66,750
Project No. 7910	Telamon Corporation	\$66,750
Project No. 8310	Williamsburg Co. Boys to Men Club, Inc.	\$66,750

Multifamily Rental

Project No. 5010	Allen Temple Community Eco. Dev. Corp.	\$292,500
Project No. 4910	Nehemiah CRC	\$275,000

Project No. 5110	Second Baptist Church CDC	\$270,223
<u>Supportive Housing</u>		
Project No. 8810	Upstate Homeless Coalition of SC/God's Recycling	\$185,318
Project No. 3910	Providence Home	\$173,727
Project No. 8910	Upstate Homeless Coalition of SC/Our Daily Rest	\$ 60,780

Chairman Smith stated that the Program Committee recommended approval of the awards.

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

Reports

Chairman Smith spoke briefly about his recent attendance to the National Conferences of State Housing Boards Conference in Rockland, Maine. The Chairman stated that Commissioners Bines and Morant were also in attendance, along with the Executive Director. He was most impressed with the Authority's standing compared to other states. Chairman Smith stated that he attributed this to the Authority's staff and the job that they have done during these difficult times.

Executive Director

The Chairman called upon Valarie Williams for her report. Ms. Williams also spoke briefly about the national housing conference in Maine, noting that it was extremely informative and very detailed. She reminded the Board of the next opportunity to attend a NCSHA conference would be in San Antonio, Texas, October 3-6, 2009.

Deputy for Administration

Chairman Smith called upon Ed Knight for the administrative update. Mr. Knight gave the Board an update on the Authority's Master Servicer Agreement with U.S. Bank. The agreement is still being finalized and has to have final approval from the State Treasurer's Office within the next 10 days. Mr. Knight also stated that production had been good and could be attributed to the realtors and home builder's promotion of the \$8000 first time homebuyer tax credit.

Deputy for Programs

The Chairman called on Larry Arney to present the Deputy for Programs report. Mr. Arney referred to the Neighborhood Stabilization Program which gives information on the lead organizations and the amount of money that they have each expended to date.

Human Resources

Chairman Smith asked Cynthia Dannels to present the Human Resources report. Ms. Dannels reported that Lisa Benfield joined the Authority in August and the division was preparing for Open Enrollment in October.

Executive Session

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

MOTION Commissioner Thomas moved that the Board enter executive session for the purpose of discussing a legal and personnel matter. The motion received a second from Commissioner Morant. 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.

Other Business

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

Respectfully submitted,

Valarie M. Williams, Secretary

Approved: October 20, 2009

By: _____
T. Scott Smith
Chairman

Human Resources

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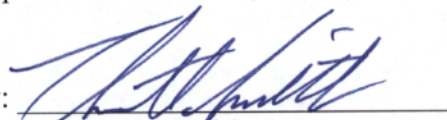
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Respectfully submitted,


Valarie M. Williams, Secretary

Approved: October 20, 2009

By: 
T. Scott Smith
Chairman



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Marketing and Communication Director

Subject: Oral Report

1. Accountability Report



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Mortgage Servicing Director

Subject: Oral Report

1. Foreclosure Mitigation Efforts



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Chairman

Subject: Oral Report



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Executive Director

Subject: Oral Report



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Deputy Director for Administration

Subject: Oral Report



South Carolina

STATE HOUSING

Finance and Development Authority

Homeownership

October 20, 2009

The following Homeownership Division monthly status reports as of September 30, 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

September-09

Funding Source	Average Loan Amount	Average Household Income	Beginning Fund Balance (Allocated)	Purchases		New Fund Allocations	Recycled Funds	Ending Balance	Outstanding Reservations	Unreserved Balance
				Volume	Units					
MRB	\$103,974	\$36,387	\$29,465,041	(\$6,757,185)	65	\$0	\$0	\$22,707,856	(\$22,069,337)	\$638,519
DPA Repayable	\$5,000	\$43,889	\$4,412,450	(\$170,000)	34	\$0	\$0	\$4,242,450	(\$558,620)	\$3,683,830
HOME DPA	\$5,000	\$28,070	\$2,522,079	(\$155,000)	31	\$0	\$2,400	\$2,369,479	(\$800,555)	\$1,568,924
Home Voucher	\$0	\$0	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0
TOTAL			\$36,399,570	(\$7,082,185)	130	\$0	\$2,400	\$29,319,785	(\$23,428,512)	\$5,891,273

UNRESERVED FUNDS	
Series 2008B-MRB 043	(\$986,570)
Series 2008 - MRB 041	\$33,673
Series 2008 - MRB 042	(\$1,122,203)
Revenue Reserve Fund 009	(\$1,065,333)
Other Funds	\$3,778,952
TOTAL	\$638,519

Fiscal YTD Loan Purchase Statistics

July 1, 2009 Through September 30, 2009

Funding Source	Beginning Fund Balance (Allocated)	Purchases		New Fund Allocations	Recycled Funds	Ending Balance	Outstanding Reservations	Unreserved Balance
		Volume	Units					
MRB	\$23,687,289	(\$14,979,433)	148	\$14,000,000	\$0	\$22,707,856	(\$22,069,337)	\$638,519
DPA Repayable	\$4,627,450	(\$385,000)	77	\$0	\$0	\$4,242,450	(\$558,620)	\$3,683,830
HOME DPA	\$2,704,079	(\$350,000)	72	\$0	\$15,400	\$2,369,479	(\$800,555)	\$1,568,924
HOME Voucher	\$0	\$0	0	\$0	\$0	\$0	\$0	\$0
TOTAL	\$31,018,818	(\$15,714,433)	297	\$14,000,000	\$15,400	\$29,319,785	(\$23,428,512)	\$5,891,273

Monthly Portfolio Statistics

Month Ending September 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	\$6,757,185	65	(\$2,756,127)	(49)	(\$1,275,928)	(16)	\$2,725,130	0	\$815,537,440	10,870
Second Mortgage	\$325,000	65	(\$40,939)	(32)	(\$18,894)	(9)	\$265,167	24	\$13,556,584	6,559
Other	\$0	0					\$0	0	\$0	0
TOTAL	\$7,082,185	130	(\$2,797,066)	(81)	(\$1,294,822)	(25)	\$2,990,297	24	\$829,094,024	17,429

YTD Portfolio Statistics

July 1, 2009 Through September 30, 2010

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	\$14,979,433	148	(\$10,829,377)	(173)	(\$3,079,009)	(43)	\$1,071,046		\$815,537,440	10,870
Second Mortgage	\$735,000	149	(\$170,288)	(118)	(\$44,759)	(26)	\$519,953		\$13,556,584	6,559
Other	\$0	0					\$0	0		0
TOTAL	\$15,714,433	297	(\$10,999,665)	(291)	(\$3,123,768)	(69)	\$1,590,999	0	\$829,094,024	17,429

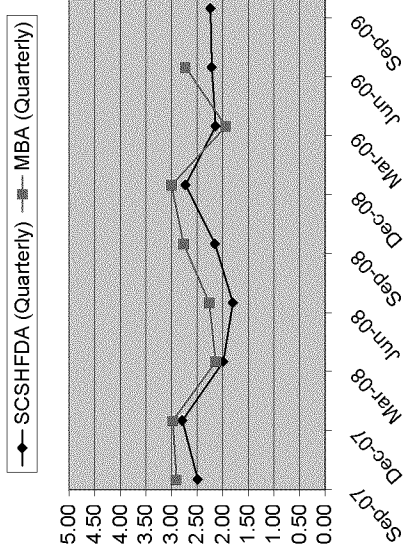
Portfolio by Servicer

Servicer	First Mortgages Serviced	Outstanding Principle Balance	Second Mortgages Serviced	Outstanding Principle Balance	Total Principle Balance of Loans Serviced
State Housing	9,717	\$763,069,269.62	6,559	\$13,556,583.58	776,625,853
First Citizens	1,153	\$52,468,170.60	0	\$0.00	52,468,171
Total All Servicers	10,870	\$815,537,440.22	6,559	\$13,556,583.58	\$829,094,024

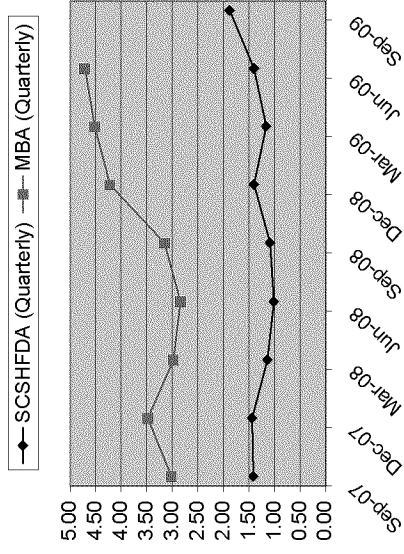
DELINQUENCY REPORT

				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
2008	Jul-08	Q. 3 2008		1.88				1.09				1.14			1.34		
	Aug-08			2.34	2.15	2.76		1.09	1.08	3.15		1.00	1.13	1.66	1.35	1.33	N/A
	Sep-08			2.23				1.05				1.24			1.30		
	Oct-08			2.50				1.09				1.24			1.26		
2009	Nov-08	Q. 4 2008		3.02	2.73	3.00		1.46	1.39	4.22		1.36	1.39	1.79	1.23	1.24	N/A
	Dec-08	Q. 4 2008		2.68				1.62				1.56			1.22		
	Jan-09	Q. 1 2009		2.65				1.35				1.73			1.22		
	Feb-09	Q. 1 2009		1.91	2.14	1.94		1.24	1.16	4.52		1.54	1.59	1.84	1.26	1.23	N/A
2009	Mar-09	Q. 1 2009		1.87				0.88				1.49			1.22		
	Apr-09	Q. 2 2009		2.01				1.17				1.17			1.22		
	May-09	Q. 2 2009		2.57	2.21	2.73		1.36	1.39	4.71		1.24	1.29	2.26	1.22	1.23	N/A
	Jun-09	Q. 2 2009		2.04				1.63				1.45			1.25		
2009	Jul-09	Q. 3 2008		2.06				1.66				1.52			1.25		
	Aug-09	Q. 3 2008		2.66	2.24	N/A		1.82	1.88	N/A		1.69	1.63	N/A	1.22	1.20	N/A
	Sep-09	Q. 3 2008		2.01				2.15				1.69			1.12		

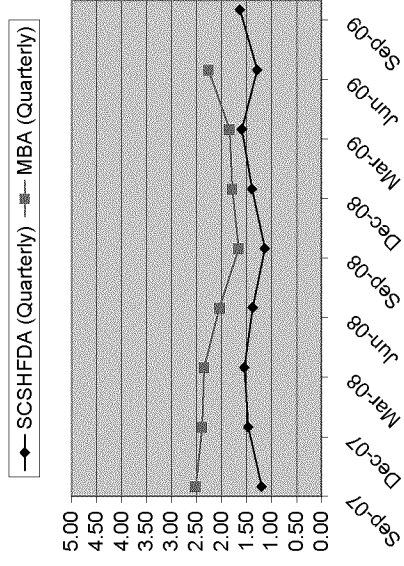
60 Day Delinquencies



90 Day Delinquencies



Foreclosures





South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Deputy Director for Programs

Subject: Oral Report

1. Neighborhood Stabilization Program (NSP)
2. Tax Credit Assistance Program (TCAP)
3. Low Income Housing Tax Credit Program (LIHTC)

NEIGHBORHOOD STABILIZATION PROGRAM

as of October 12, 2009

Organization	Project Award	% Obligated	Amount	Amount
	Amount	for Projects	Obligated	Expended
Catawba -York	\$3,200,000	18%	589,361	24,015
Catawba -Lancaster	\$1,083,000	33%	352,496	91,020
Community Assistance Provider	\$1,500,000	75%	1,123,869	940,916
Santee Lynces Affordable Housing	\$1,293,612	26%	331,140	362,723
City of Columbia	\$3,900,000	26	1,020,625	126,185
TN Associates	\$1,038,350	38	404,335	0
City of Anderson	\$2,173,087	20	444,400	227,939
City of Greenville	\$5,000,000	6	301,650	66,536
Pickens Co Habitat for Humanity	\$225,000	49	110,045	20,633
Companion Associates	\$700,000	67	472,000	498,408
City of Spartanburg	\$2,000,000	27	542,589	0
SC Association of CDCs	\$1,000,000	22	219,100	162,620
Beaufort Housing Authority	\$2,943,000	21	621,817	94,047
Lowcountry Housing Trust	\$7,409,679	37	2,733,000	2,531,099
Myrtle Beach Housing Authority	\$2,500,000	18	442,942	399,498
Sumter Housing Authority	\$1,700,000	31	529,978	610,018
City of Florence	\$1,000,000	35	345,830	235,519
Comm Develop & Improv Corp	\$1,000,000	32	322,000	322,000
	\$39,665,728		10,907,176	6,713,176

Overall Percent Obligated: 27.49

Overall Percent Expended: 16.92

Amounts refer to program funds only and do not include administrative funds.

Based on NSP guidelines, 20% of funds were to be obligated by September 15, 2009.

60% of funds are to be obligated by December, 15, 2009, and 100% by March 15, 2010.

All NSP funds must be expended by May 15, 2011.

TAX CREDIT ASSISTANCE PROGRAM (HUD)
as of October 12, 2009

Development	County	Target	Units	TCAP Award	TC Award
Preserve at Collins Park	Berkeley	Older	40	\$ 1,416,951	485,426
Bay Pointe	Horry	Family	50	\$ 757,231	670,506
Collins Park	Berkeley	Family	50	\$ 1,180,575	603,732
Bennettsville Green	Marlboro	Family	40	\$ 1,142,285	442,488
Clinton Green	Laurens	Family	40	\$ 1,365,130	400,464
Cameron Cove	Aiken	Family	48	\$ 6,728,141	20,000
Olde South Terrace	Aiken	Family	48	\$ 6,898,478	20,000
				\$ 19,488,791	

Total of \$25,384,973 leaving \$5,896,182 to be awarded.

LIHTC EXCHANGE AWARDS (IRS)
as of October 12, 2009

Development	County	Target	Units	Exch. Award
Cypress Place	Richland	Family	44	\$ 2,178,546
Springhollow	Sumter	Family	32	\$ 3,837,769
Hampton Crest	Anderson	Family	64	\$ 6,015,288
Crowfield Greene	Berkeley	Older	42	\$ 4,452,529
Jenny Greene	Jasper	Family	50	\$ 6,630,000
Villas at Horizon Village	Charleston	Older	71	\$ 6,051,686
Pebble Creek	Lexington	Older	48	\$ 4,728,906
Brookside Gardens	Greenville	Older	55	\$ 5,262,950
Hampton Greene	Anderson	Family	72	\$ 6,048,006
Hartsville Garden	Darlington	Family	72	\$ 5,688,880
Prestwick at Augusta St	Greenville	Family	48	\$ 5,143,756
				\$ 56,038,316

Total of \$118,019,355 leaving \$61,981,039 to be awarded.



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: Finance

Subject: Financial Statements



South Carolina

STATE HOUSING

Finance and Development Authority

October 20, 2009

Division: **Human Resources**

Total Authorized Permanent Positions	127
Filled Permanent Positions	121
Vacancies	6
Temporaries	13

New Hires, Promotions & Transfers

Department	Employee Name	Job Title	Effective Date
HOME	Lisa Benfield	Program Coordinator I	9/2/09
Finance	Richard Hutto	Acct/Fiscal Mgr II	9/17/09
Internal Audits	Debra Seymour	Audit Manager II	11/2/09
Internal Audits	Doug Perry	Audit Manager I	11/2/09

Job Postings

Department/Title	Job Title	Vacancy Posting Dates
Compliance Monitoring	Program Coordinator I	9/30/09 – 10/8/09
Contract Administration	Program Manager I	9/4/09 – 9/10/09

Retirements:

Harry Richardson, Compliance Monitoring, October 30, 2009