



**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 November 18, 2008 (Chairman Smith)
  - B. Market Update (Bob Detjen)
  - C. Finance and Audit Committee  
Consideration of Resolution Regarding  
Program Fund Designations (Debra Seymour)
  - D. FY2009 HOME Investment Partnerships Program  
Action Plan (Nancy Fairley)
  - E. Powerpoint Presentation on the Rural Housing  
Apartment Projects (Larry Floyd and  
Tracey Easton)
  - F. Presentation on Proposed Legislation Regarding  
Local Housing Trust Fund (Tammie Hoy and  
Tom Faulkner)
  - G. Reports
    - 1. Chairman (Chairman Smith)
    - 2. Executive Director (Valarie Williams)
    - 3. Deputy for Administration (Ed Knight)
    - 4. Human Resources (Cynthia Dannels)
    - 5. Finance (Debra Seymour)
- V. Other Business
- VI. Executive Session
- VII. Next Meeting (February 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

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**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, November 18, 2008 at approximately 10:40 a.m., at the Authority's office, 300-C Outlet Pointe Boulevard, Columbia, South Carolina.

The following Commissioners were in attendance:

Clente Flemming, Vice Chair  
Eddie C. Bines  
Carl Roberts  
Robert Mickle  
John S. Hill  
Felicia D. Morant  
Mary L. Thomas

The following Commissioner was excused: Scott Smith

Staff and Guests attending the meeting included the following:

**STAFF:** Valarie M. Williams, Executive Director  
Ed Knight, Deputy for Administration  
Debra Seymour, Director of Finance  
Roy Tucker, Deputy for Programs  
Tracey Easton, Legal Counsel  
Cynthia Dannels, Human Resources  
Laura Nicholson, LIHTC  
Nancy Fairley, HOME  
Matt Rivers, Housing Trust Fund  
Carl Bowen, Rental Assistance  
Claude Spurlock, Homeownership Production  
Lisa Turner, Homeownership Production  
Clayton Ingram, Marketing & Communications  
Lisa Bussey, Marketing & Communications  
Kim Smith, Marketing & Communications  
J. R. Yates, Legal  
Ann Craddock, Assistant Secretary

**GUESTS:** Bob Detjen, CSG Advisors  
Sam Howell, Howell, Linkous & Nettles  
Lewis Levy, Parker Poe  
Don Mobley, Scott McElveen, L.L.P.  
Joe Wilczewski, Boyd Management  
Shannon Sharpe, Barclays

Vice Chairman Flemming 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**

Vice Chairman Flemming presented the agenda for approval.

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

### **Minutes**

The Vice Chairman asked if there were any additions or corrections to the minutes of October 21, 2008. There being none, he called for a motion to approve the minutes.

**MOTION** Commissioner Mickle moved to approve the minutes of October 21, 2008 as presented. The motion received a second from Commissioner Hill. There being no discussion, all Commissioners voted in the affirmative and the motion carried.

### **Bond Committee**

The Chairman called upon Tracey Easton to present the following Resolutions:

Multifamily Rental Housing Revenue Bonds  
(Various Rural Housing Apartment Projects)

Ms. Easton presented a Final Resolution approving the issuance of not exceeding \$61,505,000 in Multifamily Rental Housing Revenue Bonds for a multiple project financing of rural housing apartment projects. Ms. Easton noted that preliminary approval was given in June 2008 and later amended in October 2008. Budget and Control Board approval was received in November. Ms. Easton stated that underwriting reviews of all projects are complete. She noted one amendment to the Resolution at Section 5, page 5 concerning the interest rate on the bonds. The interest rate should read “not exceeding 5.50%”. Ms. Easton stated that staff recommended

approval of this Resolution to the Bond Committee at their meeting earlier today. Commissioner Bines stated that the Bond Committee concurs with staff's recommendation.

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

Multifamily Rental Housing Revenue Bonds  
(Companion at Franklin Square)

Ms. Easton presented an Amended and Restated Resolution making final provision for the issuance of not exceeding \$10,500,000 aggregate principal amount of Multifamily Rental Housing Revenue Bonds, (Companion at Franklin Square), Series 2008. Ms. Easton stated that this Resolution provides for a return to the original Preliminary Resolution funding amount of not exceeding \$10,500,000. The current total amount is approximately \$9,800,000 for the construction of a 192 unit complex in Spartanburg with a family target population. Ms. Easton stated that staff recommended approval of this Resolution to the Bond Committee at their meeting earlier today. Commissioner Bines stated that the Bond Committee concurs with staff's recommendation.

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

Bond Submission Dates

Ms. Easton presented for Board approval a schedule of dates for the submission of bond applications for calendar year 2009. Ms. Easton stated that these dates are not meant to create deadlines or application cycles but are to be used to ensure Authority staff has sufficient time to review bond applications prior to a preliminary resolution being presented to the Board or Bond Committee. Ms. Easton stated further that staff recommended approval of this schedule to the Bond Committee at their meeting earlier today. Commissioner Bines stated that the Bond Committee concurs with staff's recommendation.

**MOTION** Commissioner Bines moved to approve the 2009 Bond Submission Dates. The motion received a second from Commissioner Mickle. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Mortgage Revenue Bonds, Series 2009 A

Ms. Easton presented a Preliminary Resolution authorizing the issuance of not to exceed \$80,000,000 aggregate principal amount of Mortgage Revenue Bonds, Series 2009 A. Ms.

Easton stated that this Resolution makes preliminary provision for issuance and authorizes staff to submit a petition to the Budget and Control Board requesting approval of the issue. She stated also that the Resolution authorizes the Board to approve the Series or Supplemental Resolution in substantially the same form as used in previous issues when certain information required for the Resolution is known. Ms. Easton stated that staff recommended approval of this Resolution to the Bond Committee at their meeting earlier today. Commissioner Bines stated that the Bond Committee concurs with staff's recommendation.

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

### **Finance and Audit Committee**

Vice Chairman Flemming asked Debra Seymour to present the following items:

#### **Budget Revisions for Fiscal Years 2009 and 2010**

Ms. Seymour stated that staff seeks Board approval to increase the Authority's FY 2009 and 2010 budgets to reflect administration of the federal Neighborhood Stabilization Program. As administering agency for the program, the Authority received a total allocation of \$44,673,692 for the purpose of stabilizing neighborhoods and preserving affordable housing opportunities for the citizens of South Carolina. Staff seeks an increase of approximately \$5,600,000 in the FY 2009 budget for the initial startup of the program and an increase of approximately \$25,400,000 for the FY 2010 budget bringing the total budget for FY 2009 to approximately \$151,400,000 and for FY 2010 to approximately \$183,400,000. Commissioner Morant stated that the Finance and Audit Committee considered this request and recommends approval.

**MOTION** Commissioner Morant moved to approve the budget revisions for Fiscal Years 2009 and 2010. The motion received a second from Commissioner Thomas. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

#### **Down Payment Assistance Allocation – Program Fund**

Ms. Seymour presented a Resolution requesting the Board authorize an allocation of \$4,000,000 in the Program Fund to fund down payment assistance loans for homebuyers in the 80% to 110% of area median income range. She noted that the prior allocation of \$2,000,000 in February of this year has been expended with only \$700,000 remaining. Ms. Seymour stated that an allocation of \$4,000,000 will ensure that there are sufficient funds to meet the down payment assistance needs for the remainder of the fiscal year. Commissioner Morant stated that the Finance and Audit Committee considered this request and recommends approval.

**MOTION** Commissioner Morant moved to approve the Resolution. The motion received a second from Commissioner Hill. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

#### Loan Loss Reserve – Program Fund

Ms. Seymour presented a Resolution recommending the establishment of a \$3,000,000 loan loss reserve account. She stated that staff makes this recommendation due to the potential for increased losses in light of the drastic declines experienced in the housing and financial markets. Ms. Seymour added that, in the past, the Authority experienced only minimal losses on foreclosed properties and no such reserve was necessary. Commissioner Morant stated that the Finance and Audit Committee considered this request and recommends approval.

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

#### Single Family Refinance Program – Program Fund

Ms. Seymour presented a Resolution requesting an allocation of \$4,000,000 from available funds to establish a refinancing program for single family first mortgage loans. Also provided in the Resolution is authorization for the Authority's executive director to develop the specific program criteria. Commissioner Morant stated that the Finance and Audit Committee considered this request and recommends approval.

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

#### Introduction of Internal Auditors

Ms. Seymour introduced Don Mobley of Scott McElveen, L.L.P. Mr. Mobley spoke about the McElveen group and their role as the Authority's internal auditing team. The contract between the Authority and Scott McElveen L.L.P. is for a period of three years.

### **Program Committee**

#### Housing Trust Fund

Vice Chairman Flemming called upon Matt Rivers for the Housing Trust Fund report. Mr. Rivers presented the Trust Fund's financial report which included a budget analysis, fiscal year to date awards by activity, and the fiscal year cash balance analysis. With approval of the projects listed below, Mr. Rivers noted that the Fund's remaining unencumbered cash balance will be approximately \$182,000.

Mr. Rivers presented 25 project proposals with total funds requested of \$2,861,810.

Owner-Occupied Rehabilitation Block Grants

Project No. 13909	Alphons and Ruth Vink Foundation, Chester, Lancaster and York	\$111,250
Project No. 13509	Beaufort-Jasper Economic Opportunity Commission, Beaufort and Jasper	\$111,250
Project No. 13309	Genesis Homes, Greenville	\$ 66,750
Project No. 14009	HoJac Enterprises, Inc., Orangeburg	\$111,250
Project No. 14209	Kennedy CDC, Fairfield, Kershaw, Chester, Richland, Lee, Sumter and Orangeburg	\$ 89,000
Project No. 13609	Lowcountry Community Services, Inc., Charleston, Berkeley, Dorchester Orangeburg and Colleton	\$111,250
Project No. 14509	Mt. Anna CDC, Inc., Aiken, Edgefield and Barnwell	\$ 44,500
Project No. 14309	Neighborhood Housing Corp. of Greenville, Inc., Greenville	\$ 44,500
Project No. 14609	Riverside CDC, Saluda	\$ 44,500
Project No. 14109	Santee Lynches Affordable Housing CDC, Lee, Clarendon, Kershaw, Sumter, Williamsburg, Darlington, Florence and Richland	\$111,250
Project No. 13809	Santee-Lynches Regional Council of Govts., Clarendon, Kershaw, Lee and Sumter	\$111,250
Project No. 13409	SC Uplift Community Outreach, Richland	\$ 44,500
Project No. 14409	Telamon Corporation, Williamsburg and Florence	\$ 44,500
Project No. 13709	United Methodist Relief Center, Berkeley, Charleston, Dorchester and Chesterfield	\$111,250

Homeownership Acquisition

Project No. 13209	Central South Carolina Habitat for Humanity, Richland	\$ 34,500
Project No. 12709	Community Dev. & Improvement Corp., Aiken Allendale, Edgefield, Saluda, Greenwood, Barnwell, and surrounding areas	\$ 80,500
Project No. 12809	East Cooper Habitat for Humanity, Charleston	\$ 64,500
Project No. 13009	Edisto Habitat for Humanity, Inc., Orangeburg	\$ 40,800
Project No. 13109	Family Home Services of the Lowcountry, Dorchester, Berkley, Charleston	\$ 46,000
Project No. 12909	Spartanburg Housing Authority, Spartanburg	\$ 80,500

Supportive Housing

Project No. 14909	Upstate Homeless Coalition of S.C., Greenville	\$206,175
Project No. 15009	Crisis Ministries, Charleston	\$229,585
Project No. 15109	Home Alliance, Inc., Horry	\$300,000
Project No. 14809	Trinity Housing Corporation, Richland	\$300,000

Joint HTF/HOME Proposals

Project No. 14709	Allen Temple Community Eco. Dev. Corp., Greenville	\$300,000
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**MOTION** Commissioner Mickle moved to approve the project proposals. The motion received a second from Commissioner Hill. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

Housing Action Partnership Program (HAPP)

Vice Chairman Flemming asked Laura Nicholson to present the HAPP report. Ms. Nicholson stated that \$2,000,000 was allocated for the 2008 program and the following applications were received.

<b>Applicant</b>	<b>HAPP Request</b>	<b>Activity Type</b>	<b>Project Area</b>
Charleston Bank Consortium	\$ 500,000	Homeownership	Berkley, Charleston and Dorchester Counties
Midlands Housing Alliance	\$1,000,000	Rental Dev.	City of Columbia, Richland County
City of Newberry	\$ 500,000	Homeownership/ Rental Dev.	City of Newberry
City of Beaufort	\$ 500,000	Rental Dev.	City of Beaufort

Ms. Nicholson stated that staff recommends fully funding the request of Charleston Bank Consortium for \$500,000 and Midlands Housing Alliance for \$1,000,000 and partially funding the request from the City of Newberry for \$250,000 for their homeownership initiative. Staff does not recommend funding the City of Newberry’s request for \$250,000 for rental development or funding the \$500,000 request from the City of Beaufort for rental development. Commissioner Mickle stated that the Program Committee considered these applications at their meeting earlier today and concurs with staff’s recommendations.

**MOTION** Commissioner Mickle moved to approve funding in the total amount of \$1,750,000 through the Housing Action Partnership Program as follows: Charleston Bank Consortium in the amount of \$500,000, Midlands Housing Alliance in the amount of \$1,000,000, City of Newberry in the amount of \$250,000. The motion received a second from Commissioner Hill. There being no further discussion, all Commissioners voted in the affirmative and the motion carried.

### Low Income Housing Tax Credit

Ms. Nicholson presented, as information only, the draft 2009 Qualified Allocation Plan and Tax Credit Manual. She indicated that these documents were posted on the Authority's website on October 27 and that written comments were received through November 17. A public hearing was held on November 17 as well. Ms. Nicholson noted several changes to the plan which include criteria for designating difficult development areas and historic properties, changes encouraging more green building, and a proposal to increase the tax credit cap per project from \$650,000 to \$750,000 which permits larger developments to be built. The final draft is expected to go to the Governor for his signature within the next two weeks. The Board received the report as information.

With regard to the decrease in the equity pricing for 2008 tax credits, Ms. Nicholson stated that the Authority will provide relief for 2008 tax credit developments by way of a 20% across-the-board increase to all 2008 funded developments. It is hoped that the increase will make these projects stronger.

### Reports

#### Executive Director

The Vice Chairman called upon Valarie Williams for her report. Ms. Williams provided copies of an executive summary from the Board's planning session held in September. She indicated that staff has begun following-up on suggested action items.

Ms. Williams reported that the Authority received the National Council of State Housing Agencies (NCSHA) 2008 Annual Award for Program Excellence in the area of rental housing, preservation and rehabilitation for the pooled rural housing apartment projects. The award was presented to staff at NCSHA's annual conference.

#### Deputy for Administration

Vice Chairman Flemming called upon Ed Knight for the administrative update. Mr. Knight presented the Board with a copy of the Neighborhood Stabilization Program (NSP) draft plan. He pointed out that NSP funds may not be used to keep someone from being foreclosed on and that funds are to go to areas of the State with the greatest need with regard to foreclosures and high cost loans. The funds must be obligated within eighteen months. On November 5 the Authority held a public forum with interested parties. On November 7, the draft plan was made available for public comment. The final plan is due to HUD by December 1. Once HUD approval is received and an agreement signed, the 18 month clock starts. The report was received as information.

Mr. Knight presented the statistical reports regarding homeownership production, delinquencies and foreclosures. The report was received as information.

Deputy for Programs

The Vice Chairman asked Roy Tucker to present the program report. Mr. Tucker informed the Board that HOME program staff recently provided training for recipients of the 2008 HOME awards. He thanked Pat Granger and Jennifer Cogan for their hard work in providing the training. The Board received the report as information.

Mr. Tucker introduced Carl Bowen who presented a report on HUD's Section Eight Management Assessment Program (SEMAP). Mr. Bowen stated that SEMAP evaluates voucher programs with regard to compliance, timeliness, unit inspections, occupancy, etc. Mr. Bowen informed the Board that for the seventh consecutive year, the Authority received a "High Performer" designation. The Board received the report as information.

Human Resources

Vice Chairman Flemming asked Cynthia Dannels to present the Human Resources report. Ms. Dannel's reported that the Authority has received authorization and added five FTE's to the agency's roster to be used in conjunction with the federally funded Neighborhood Stabilization Program.

Ms. Dannels stated that two new employees recently joined the Authority and asked Clayton Ingram and Claude Spurlock to introduce them. Mr. Ingram introduced Kim Smith who joined the Authority's Marketing and Communications division in early November. Mr. Spurlock introduced Lisa Turner who recently joined the Mortgage Production division.

Finance

The Vice Chairman asked Debra Seymour to present the finance report. Ms. Seymour presented financial statements through October 31, 2008 as information.

Other Business

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

Respectfully submitted,

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Valarie M. Williams, Secretary

Approved: January 20, 2009

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

Minutes, November 18, 2008

Page 9

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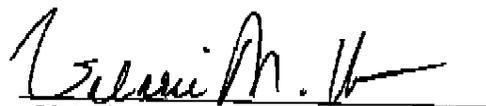
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Respectfully submitted,

  
Valarie M. Williams, Secretary

Approved: January 20, 2009

By:   
T. Scott Smith  
Chairman

**A RESOLUTION**

**MAKING PROVISION FOR THE MODIFICATION OF PREVIOUS RESOLUTIONS OR POLICIES OF THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY'S BOARD OF COMMISSIONERS AND PROVIDING FOR MODIFICATIONS OF FUTURE PROGRAM FUND DESIGNATIONS.**

**WHEREAS**, the South Carolina State Housing Finance and Development Authority has been in operation under various enabling legislations and various names since 1971; and

**WHEREAS**, upon review of special initiatives designation to be paid from the Program Fund, it has become apparent that some now need to be modified.

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

Section 1. The following special initiatives are hereby modified so that the remaining unallocated or unexpended funds under each designation within the Program Fund have their designations removed and such funds are subject only to the provisions of the Program Fund:

- (a) Low Income Tax Credit – Special Needs (Originally adopted 7/18/2006)
- (b) Community Redevelopment and Revitalization Program (Originally adopted 7/18/2006)
- (c) Multifamily Nonprofit Major System Rehabilitation (Originally adopted 7/18/2006)
- (d) Creative Transitional Housing Initiative (Originally adopted 7/18/2006)
- (e) Rural Housing Initiative (Originally adopted 7/18/2006)
- (f) 2006 HAPP Allocation (Originally adopted 7/18/2006)
- (g) 2007 HAPP Allocation (Originally adopted 10/16/2007)
- (h) 2008 HAPP Allocation (Originally adopted 9/16/2008)

Section 2. Future actions of this Board creating programs and special initiatives within the Program Fund shall not act to designate specific funds to only be used for those purposes unless specifically stated.

Section 3. Nothing contained herein is intended to negate any previous actions taken under the above Resolutions or Policies or revoke any authority previously granted and exercised.

Section 4. This resolution shall take effect and be in full force from and upon its adoption by the Authority.

**STATE OF SOUTH CAROLINA  
COUNTY OF LEXINGTON**

I, the undersigned secretary of the South Carolina State Housing Finance and Development Authority (the "Authority") do hereby certify that I am the duly qualified and acting Secretary to the Authority and as such further certify that attached hereto is a true and correct copy of the Resolution adopted by the Board of Commissioners of the Authority at a meeting duly called and held on the 20th day of January, 2009, at which meeting a quorum was present and acting throughout, and that said Resolution has not been modified, amended or repealed and is in full force and effect on the date hereof.

I further certify that due notice of the above-referenced meeting of the Board was given to all members prior to the meeting and that, in compliance with the Freedom of Information Act, public notice of and the agenda index for this meeting was posted at the times and places required by law.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the Authority this 20th day of January, 2009.

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

**By:**

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Valarie M. Williams  
Secretary

Policy No. PR09-25

**STATE OF SOUTH CAROLINA  
COUNTY OF LEXINGTON**

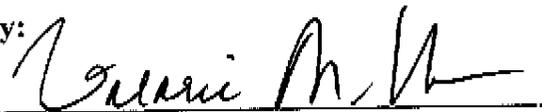
I, the undersigned secretary of the South Carolina State Housing Finance and Development Authority (the "Authority") do hereby certify that I am the duly qualified and acting Secretary to the Authority and as such further certify that attached hereto is a true and correct copy of the Resolution adopted by the Board of Commissioners of the Authority at a meeting duly called and held on the 20th day of January, 2009, at which meeting a quorum was present and acting throughout, and that said Resolution has not been modified, amended or repealed and is in full force and effect on the date hereof.

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

By:



Valarie M. Williams  
Secretary

# **State of South Carolina HOME Investment Partnerships Program Action Plan for Fiscal Year 2009**

**Submitted To:**

**U. S. Department of Housing and Urban Development  
Community Planning and Development Division  
1835 Assembly Street  
Columbia, South Carolina 29210**

**Prepared By:**

**The South Carolina State Housing Finance and Development Authority  
300-C Outlet Pointe Blvd., Columbia, South Carolina 29210  
Telephone (803) 896-9001 Fax (803) 896-8583 TDD (803) 896-8831**



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## TABLE OF CONTENTS

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	<u>Page</u>
Executive Summary .....	1
State HOME Program Design .....	2
Distribution of HOME Funds.....	11
Community Housing Development Organizations.....	13
Matching Contribution .....	14
Affirmative Marketing.....	15
Outreach to Minority and Women Businesses .....	15
Program Income Narrative "A".....	17
 <b>Appendices</b>	
A. Affirmative Marketing Procedures.....	18
B. State PJ Certifications .....	19



The HOME Investment Partnerships Program (HOME) was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990. The Authority's HOME Program is designed to promote partnerships among the U.S. Department of Housing and Urban Development (HUD) and other federal entities, state and local governments, and those in the non-profit and for-profit sectors who build, own, manage, finance, and support low income housing initiatives. HOME provides the flexibility needed to fund a wide range of low income housing initiatives through creative and unique housing partnerships. The South Carolina State Housing Finance and Development Authority (the Authority) is the designated administrator and designer of the state's HOME program. The Authority has specifically designed the HOME program to meet the needs of low to moderate income South Carolinians consistent with the HOME regulations.

This Action Plan sets forth the framework by which the state's affordable housing needs will be addressed with 2009 HOME funds.

As the Participating Jurisdiction (PJ) for the state, the Authority will continue to ensure that HOME funds are distributed in a manner that is reasonably equitable to all regions of the state. Our mission is to create quality affordable housing opportunities for the citizens of South Carolina. More specifically, our goal is to promote new partnerships with various municipalities, banking institutions, nonprofit and for-profit organizations, and Public Housing Authorities (PHAs) with the purpose of increasing awareness of the HOME program while increasing housing quality and capacity statewide. The 2009 Action Plan reflects the priorities of the State as set forth in the State's Consolidated Plan.

The State of South Carolina will have thirteen (13) other local PJs during the 2008 fiscal funding cycle which receive direct funding from HUD for their areas of service. These PJs include: Charleston County, Spartanburg County, Greenville County, Richland County, Waccamaw Consortium (*Horry, Georgetown, Williamsburg*), Sumter County Regional HOME Consortium (*Sumter, Lee, Clarendon, Kershaw*), Beaufort-Jasper Consortium (*Beaufort, Jasper, Hampton, Colleton*), Anderson City and County Consortium, City of Charleston, City of Columbia, City of Spartanburg, Lexington County, and the City of Greenville.

The State of South Carolina will administer funds of \$18,198,846, consisting of the projected 2009 HUD allocation of \$9,000,000, the 2009 HUD allocation of American Dream Down Payment Initiative (ADDI) of \$68,000, the anticipated 2009 HOME program income of \$4,000,000, and the 2008 HUD allocation carry forward of \$5,130,846.

HUD has legislated that of the total 2009 HUD allocation of \$9,000,000 several set-asides are allowed. They are as follows: a fifteen percent (15%) set-aside of \$1,350,000, for Community Housing Development Organizations (CHDO) to develop, sponsor or own rental and homeownership activities and provide CHDO pre-development loans, a ten percent (10%) set-aside of \$900,000 for administration and a five percent (5%) set-aside of \$450,000 for CHDO operating funds.

Nine million dollars (\$9,000,000) will be made available in conjunction with the Low Income Housing Tax Credit (LIHTC) program. ADDI funds of \$68,000 and anticipated HOME program income of \$4,000,000 will be used in conjunction with the Authority's existing down payment and closing cost program provided through its Single Family Division - Mortgage Revenue Bond (MRB) program. If deemed necessary, the Authority may fund other HOME eligible activities with program income.

Seven Hundred Sixty Thousand (\$760,000) will be provided for Tenant Based Rental Assistance (TBRA) activities with the balance of the HOME allocation of \$3,020,846 (includes the CHDO set aside amount of \$1,350,000) distributed statewide through competitive rental and homeownership activities.



The Authority, serving as the State PJ, will encourage the effective use of funds through four (4) HOME eligible program activities. Those activities are Rental, Homeownership, Tenant Based Rental Assistance, and Community Housing Development Organization (CHDO) Pre-Development loans. As with previous funding cycles, the Authority will allow recipients to select eligible activities based on their respective housing needs and will ensure that those activities are consistent with the priorities contained in the State's Consolidated Plan.

HOME's rental activity will impact living conditions of citizens that cannot participate in homeownership opportunities, who nonetheless deserve affordable housing opportunities. Rental options are designed to create a leveraging vehicle to compliment other rental housing programs, such as Housing Trust Fund, CDBG, LIHTC, Federal Home Loan Bank etc., in an effort to ensure project feasibility. Forms of financial assistance may include: a) loans - interest bearing and deferred payable; b) grants (for eligible recipients); and other forms approved by HUD.

The homeownership activity will afford borrowers the opportunity for homeownership that may not readily exist through conventional means. It will also provide local governments, non-profits and CHDOs the opportunity to design programs that offer options such as down payment and closing cost assistance in the form of soft second mortgage loans to qualified purchasers. Homeownership assistance is eligible for both new construction and rehabilitation, and can be used in conjunction with the acquisition of land or units whose eventual end use will provide homeownership opportunities. Forms of financial assistance will include a) loans - interest bearing, non-interest bearing, and deferred forgivable; b) grants; and c) other forms approved by HUD.

Tenant based rental assistance (TBRA) will enable individual households to rent market-rate units, thereby making housing more affordable for a wider range of low-income families. The TBRA activity offers households the opportunity to choose their neighborhood as well as the type of housing (such as a single-family home, large apartment building, duplex, etc.). If a household desires a change of location, the household may take the assistance and move to another rental unit. Forms of financial assistance may include: a) monthly housing assistance payments – a percentage rent provided for tenants; b) security deposits; and c) utility deposits.

The Authority will continue to offer predevelopment loans to interested CHDOs for project specific developments. CHDOs awarded these funds will prepare projects to be considered in the 2010 HOME application cycle.

The HOME program design includes the HOME application workshop. Hundreds of affordable housing advocates are contacted and encouraged to attend. At this workshop, application requirements for each activity outlined above are reviewed step-by-step. The ultimate goal is to familiarize potential applicants with the applications, requirements, and HOME regulations, as well as provide an opportunity for questions to be asked and answered. Attendance to the HOME application workshop is important because an incomplete application package can lead to disqualification.

#### **A) General Rules**

As required, the Authority evaluates each application to determine which projects will be recommended to receive HOME funds. Applicants must complete the following basic steps and general rules:

1. Applications for Rental and Homeownership require a nonrefundable \$25 processing fee that must be submitted along with the application. Applications will be accepted beginning **Thursday, February 26, 2009, through Tuesday, March 31, 2009**. All applications must be received not later than 5:00 pm, Eastern Standard Time, on **March 31, 2009**. Applications received after the deadline will not be **considered and will be returned to the applicant.**

Applications for Tenant Based Rental Assistance and CHDO pre-development loans are accepted on a continuing basis and do not require a fee. These activities are noncompetitive which allows applications to be reviewed, approved, and funded as long as HOME funds remain available.

The Tax Credit application is designed to reinforce the competitive application requirements set forth by the Low Income Housing Tax Credit program.

2. A complete application must be submitted to the Authority. The application package contains a checklist outlining items necessary to complete the application. The application is deemed complete if all pages are submitted on original forms with required documentation. A review is conducted for threshold requirements as well as any missing documents. If an application remains incomplete after notification of the missing document(s) and expiration of the time allowed for submission of the missing document(s), the application is rejected, and no further consideration will be given. All rental applications must meet the Authority's underwriting process to ensure financial feasibility. It is critical that those proposing rental projects understand the underwriting criteria.
3. The application review process includes rating and ranking those applications that remain based on the applicant's experience, capacity and program design.

Following is a specific outline of how the Authority will encourage implementation the HOME eligible program activities:

## **B) Rental**

### Eligible Rental Applicants

Units of Local Government (cities, counties, and towns), Public Housing Authorities, Community Housing Development Organizations (CHDOs), Nonprofit entities and For-profit entities.

### Terms and Limits of Financial Assistance

The rental activity is available for both new construction and rehabilitation of rental units. The flexibility of this activity will allow for the use and conversion of structures not originally built as residential housing. Rental projects may assist in the preservation of affordable rental housing; however, displacement will be discouraged. The rental activity is enhanced by the ability to combine other subsidy sources such as the Low Income Housing Tax Credit, the Community Development Block Grant Program, Rural Development and the Federal Home Loan Bank, thus, nurturing partnerships between the public and private sectors. Neighborhood revitalization and combined geographical housing initiatives can also benefit from this activity.

The maximum HOME rental award amount is **\$700,000** per application.

For-profit applicants are only eligible to receive a one percent (1%) below market rate loan. The terms and amortization period will not exceed 30 years. Additionally, all units must be designated as HOME assisted units.

Units of Local Government, Public Housing Authorities, CHDOs and nonprofit entities may request up to \$400,000 as a grant. In addition, these applicants may blend a one percent (1%) loan with the grant but may not exceed the HOME cap of \$700,000. As above, all of the units must be designated as HOME assisted units.

## **C) Homeownership**

### Eligible Homeownership Applicants

Eligible applicants include Units of Local Government (cities, counties, and towns), Public Housing Authorities, Community Housing Development Organizations (CHDOs), and Nonprofit entities.

#### Terms and Limits of Financial Assistance

HOME funds are available for down payment, closing costs, acquisition and/or rehabilitation (of existing properties), and new construction.

The following subsidy amount cannot be exceeded in any one HOME assisted unit:

- Maximum HOME Subsidy per unit: \$20,000
- Project delivery costs may not exceed \$1,500 per unit (this is not counted toward the maximum per unit amount).
- Any combination of HOME and other Authority funds for homeownership may not exceed the \$20,000 per unit subsidy limit.
- Construction financing (rehabilitation or new construction) at 0% interest is available for all eligible applicants. The Authority requires that any remaining HOME construction financing funds received at closing be used within a (3) three month period from the date of closing to construct the next unit.

Homebuyer/Homeownership Assistance will address established needs and priorities as reflected in the State's Consolidated Plan with funds received from the American Dream Down Payment Initiative (ADDI). The financial assistance for Homeownership is restricted based on the per unit subsidy maximum and a program maximum of **\$300,000**. HOME funds requested must equal the amount of subsidy per unit requested when applying for total grant amounts (i.e. if requesting \$300,000 for a maximum HOME subsidy per unit the applicant would be providing (15) fifteen HOME assisted units).

#### **D) Application Evaluation Process**

In addition to the three basic steps described earlier, applicants applying for rental or homeownership applications will be evaluated based on the process outlined below:

1. Applications not meeting threshold criteria **or** compliance with federal/state laws, **or** HOME program requirements will be rejected and returned to the applicant.
2. Authority staff will review applications for completeness. Applicants will be notified of any deficiencies in their applications and will be given the opportunity to correct any correctable items. A list of missing and/or incomplete documents will be provided to the applicant. The applicant will have ten (10) business days from the date of notification to provide the missing and/or incomplete documents to the Authority. Failure to return information within ten (10) business days will **automatically** disqualify the application from further review. Applications with **eight (8)** or more missing items and/or incomplete items will be disqualified and returned to the applicant.
3. All applications will be reviewed for financial feasibility. In addition, rental applications will undergo an underwriting evaluation.
4. Successful applications, which are deemed to be financially feasible, require subsidy and are consistent with HOME policies, will be recommended to the Executive Director until available funding is depleted. Any unused funds will automatically be applied to other activities until exhausted. **The Authority staff will exercise sole discretion when deciding whether to accept or reject proposals.**
5. It is anticipated that reservations for HOME awards will be issued not later than ninety (90) days after the application deadline.

**E) Minimum Threshold Requirements**

Applicants seeking HOME funds for **Rental and/or Homeownership** activities must meet the following minimum requirements. Applications that do not meet the minimum requirements will be eliminated from further review.

1. If an applicant proposes a project in a local Participating Jurisdiction (PJ) and is requesting State HOME funds, the applicant must have a commitment of local PJ **HOME or other federal and/or private funds** in the form of a one-for-one match of State HOME dollars being requested. **No Authority administered program funds may be used to meet this match.** The PJs are:

City of Charleston	Charleston County	City of Greenville
Greenville County	Anderson City/County Consortium	Spartanburg County
City of Columbia	Richland County	City of Spartanburg
Waccamaw Consortium (Horry, Georgetown, Williamsburg)	Beaufort-Jasper Consortium (Beaufort, Jasper, Hampton, Colleton)	Sumter County Regional HOME Consortium (Sumter, Lee, Clarendon, Kershaw)
Lexington County		

**Projects located in PJ areas must submit a match certification and commitment letter(s) at time of application.**

2. PJs may not apply for State HOME funds;
3. Outstanding Noncompliance Issues:  
Any application submitted with participating developers, general partners, or managing members that have uncorrected non-compliance violations with the Authority, are unacceptable, or not in good standing with other Authority administered programs, and/or debarred from participation in other federal programs (i.e. HUD, RHS, CDBG, HOPWA, ESG etc.) will be ineligible to participate in the State's HOME program at the **Authority's sole discretion**. The Authority's determination of non-compliance is not subject to interpretation (appeal) or final resolution of the non-compliance violation;
4. The project meets all federal and state requirements;
5. Applicants who currently have HOME CHDO **program proceeds** exceeding \$150,000 are not eligible to apply for additional funds until those funds have been expended.
6. Applicants who currently have unexpended HOME **program income** are not eligible to apply; and;
7. Participants with HOME awards must meet the required percentage of completion not later than **March 13, 2009**, in order to participate in the 2009 HOME cycle:
  - 2006 HOME awards and earlier HOME awards must be officially closed out; and
  - 2007 HOME awards must have a minimum of 50% of the total project completed; and
  - 2008 HOME awards must have a minimum of 10% of the total project completed.

HOME awards are considered officially closed out when all construction is completed, certificate of occupancy is issued, and all payments and project completion reports have been processed and approved by the Authority.

The Authority considers HOME awards compliant with the “percentage of total project completed” when the project’s construction has met the percentage requirement. To meet this requirement the Authority will consider an Architects signed certification of percentage complete, or a recent inspection (**30 days** prior to the March 13th deadline) performed by an Authority inspector.

### **Additional Threshold Requirements for Rental**

1. Related entities, principals, and/or individuals shall not be allocated HOME funds in excess of three (3) awards in the state’s 2009 HOME fund allocation cycle. (See definitions below)

The intent of the ceiling is to promote fair and objective administration of the HOME program by ensuring that no single entity receives an excessive share of the available program funds in any one application cycle. A significant factor in the Authority’s evaluation will be whether, based on the facts and circumstances, the primary purpose of the party’s involvement in a project appears to be avoidance of the maximum.

- **Individual persons** – any individual considered related to each other (i.e.) if they have any of the following direct relationships: parent, child, spouse, son-in law, daughter-in law, father-in-law, included any such direct relationship created by marriage, remarriage, adoption, or any other legally recognized status, or (ii.) if one individual is an employer, by common law or otherwise, of the other.
- **Principal** – any Applicant, owner, developer, guarantor, financial guarantor, or any other person, corporation, partnership, joint venture, or other entity, including any affiliate thereof, or any other person, firm, corporation, or entity of any kind whatsoever that either directly or indirectly receives a portion of the development fee (whether or not deferred) for development services and/or receives any compensation with respect to such development.
- **Related Parties** - Notwithstanding anything to the contrary contained herein, the Authority will not award HOME funds to more than three (3) Principal(s) directly or indirectly. Applicants will be deemed to be related if any Principal of an applicant is also a Principal to any other Applicant.

Regardless of the percentage of participation a Principal has in a development, one hundred percent (100%) of the development’s HOME reservation will count toward the limitation per Principal.

2. The Authority will not accept applications proposing a development to be subdivided into two (2) or more developments or multiple phases of the same development during the same funding cycle.
3. Applicants who require HOME funds in combination with a Low-Income Housing Tax Credit (LIHTC) project **may not** apply in this funding round. HOME funds may **only** be obtained in the special LIHTC/HOME combined round.
4. Applicants may request Housing Trust funds in combination with the HOME program during the HOME cycle. (See Section 1 of the application);

- For projects involving relocation, applicants must provide a current rent roll, completed "Tenant Profile Forms" for each existing tenant **AND** acceptable documentation indicating that "General Information Notices" have been sent to 100% of the existing tenants. These must be included in the application.

**Additional Threshold Requirements for Homeownership**

- Applicants may not submit more than one application during the funding cycle.
- Applicants must use either a Participating Lender through the Authority's Mortgage Revenue Bond Program or Rural Housing Services to provide permanent financing for each homebuyer. This requirement will not apply to any Habitat for Humanity affiliate.

**F) Rating and Ranking –Applicant Experience, Capacity and Program Design**

This section addresses the experience of the applicant to develop and implement affordable housing programs. Preference will be determined based on the development team's experience and success in developing housing similar to that proposed. **Evidence must be provided** which demonstrates the applicant's proposed program administrator and/or developer, financial administrator, intake/housing counseling specialist, and construction inspector have the expertise to carry out the proposed activity. Different individuals must be presented for each position. The only exception is that of the program administrator and the developer.

- Program Administrator** -- The applicant must have an experienced program administrator to coordinate the development and implementation of the program.

Program administrator has five (5) or more years of program administration experience or the administrator has completed five (5) or more housing projects. The administrator must provide evidence of this experience in coordinating and administering affordable housing programs of a similar size, scope, and type as the proposed project.	10
Program administrator has up to four (4) years of program administration experience or the administrator has completed three (3) or more housing projects. The administrator must provide evidence of this experience in coordinating and administering affordable housing programs of a similar size, scope, and type as the proposed project.	5

- Developer** -- The applicant should have an experienced developer to coordinate the development of the project.

Developer has five (5) or more years of experience or has completed five (5) or more housing projects. The developer must provide evidence of this experience developing housing of a similar size, scope, and type as the proposed project.	10
Developer has up to four (4) years of experience or has completed three (3) or more housing projects. The developer must provide evidence of this experience developing housing of a similar size, scope, and type as the proposed project.	5

3. **Financial Administrator** -- The organization has an experienced financial administrator that can oversee all aspects of the financial management of the proposed project.

Financial administrator has five (5) or more years of experience in tracking revenue and expenditures as well as maintaining records with regard to federally funded programs of similar size, scope and type as the proposed project.	10
Financial administrator has up to four (4) or more years of experience in tracking revenue and expenditures as well as maintaining records with regard to federally funded programs of similar size, scope and type as the proposed project.	5

4. **Intake Specialist** -- The applicant has an experienced intake specialist who oversees all aspects of the screening, training and processing of potential tenants.

Intake specialist has five (5) or more years experience in reviewing applications, verifying information, and conducting eligibility screenings.	10
Intake specialist has up to four (4) years experience in reviewing applications, verifying information, and conducting eligibility screenings.	5

5. **Property/Construction Inspector** -- The applicant should have an inspector perform the required inspections of the properties.

Property construction Inspector has five (5) or more years of experience in performing housing inspections of both new construction and existing units.	10
Property construction Inspector has up to four (4) years of experience in performing housing inspections of both new construction and existing units.	5

6. **Performance** -- This section addresses the applicant's previous performance in the areas of program schedule, implementation, reporting, and program results, with the State's HOME Program for the past three years.

Completed HOME projects within the award period.	15
Program results align with projected results outlined in the original application. (Program parameters include income levels served, subsidy, and number of units completed, etc.)	5
First time applicant demonstrates the ability to implement the project. <b>(Certification will be provided)</b>	
<ul style="list-style-type: none"> <li>Applicant demonstrates its ability to manage a similar grant program or other public funds.</li> </ul>	5
<ul style="list-style-type: none"> <li>Applicant can demonstrate a working relationship with a management team/consultant/firm which has successfully managed a similar grant program or other public funds.</li> </ul>	5
CHDOs which have received a CHDO Pre-development loan for a project that has been deemed to be feasible. In order to receive points, this project must be the same as the project that was awarded a CHDO Pre-development loan.	5

7. **Program Design** -- This section addresses the applicant's program design.

<b>A. Degree of readiness:</b>	
<b>Site Control:</b> Applicant provides a deed.	5
<b>Existence of Waiting List: (A Certification will be provided)</b>	
<ul style="list-style-type: none"> <li>• <b>Rental</b> applicants provide a listing of potential tenants based on their marketing outreach efforts. Outreach efforts must be documented also.</li> <li>• <b>Homeownership</b> applicants must provide evidence of pre-qualified homebuyers. Pre-qualified homebuyers are defined as households that have a received homebuyer counseling certification; have been income qualified; <u>and</u> have received preliminary approval from a lending institution for the primary mortgage.</li> </ul>	10
<b>Plans/Specifications/Work Write-Ups:</b> Applicant provides final plans and specifications or final work write-up for review and approval.	10
Applicants demonstrate that the locality has approved Plans and Specifications.	5
Utilities are available at the time of application <b>ON</b> the site to include water, sewer, electrical.	5
<b>Commitment of Other Funding Sources:</b> Applicant has a written commitment from the source(s) at the time of application. The commitments are permanent contributions to the project. Be advised that applicants that are required to provide match will automatically receive these points. Funds from other Authority administered programs cannot be used as match.	10
<b>*Energy Savings Design:</b>	
Water Flow Saving Devices	5
Ceiling Fans – Living Room & Bedroom	5
Permeable Paving	5
Programmable Thermostats	5
Hot Water Pipe Insulation	5
Minimize Glass on East/West Exposure	5
Window Overhang	5
Appliances such as refrigerators, dishwashers, and hot water heaters all meet Energy Star Standards.	5
Energy Star rated windows.	5

Energy Star rated HVAC systems (14 SEER or greater).	5
Energy Star rated lighting in all common area corridors, stairwells and community room.	5
Install overhead Energy Star light fixtures connected to a wall switch in the living room and all bedrooms.	5
<b>*Green Building Design:</b>	5
Recycled Insulation	5
Recycled Sheet Rock	5
Water Efficient Landscaping	5
Dimmable Lights (In Common Area)	5
Motion Sensor Light Switches	5
Recycled Material Carpet/Flooring	5
<b>C. Financial Structure</b>	
Applicant proposes a project not entirely funded with HOME dollars that's financial structure consists of additional sources of funds leveraged from non-Authority administered programs. Calculation: Total HOME and other Authority funds/Total Development Costs = Total Percentage.	
25% or less of the Total Development Costs will be funded with Authority dollars.	25
50% or less of the Total Development Costs will be funded with Authority dollars.	15
75% or less of the Total Development Costs will be funded with Authority dollars.	10
100% of the Total Development Costs will be funded with Authority dollars.	0

**RENTAL ONLY**

Applicant's financial design proposes repayment of one hundred percent (100%) of the HOME award to the Authority.	10
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**HOMEOWNERSHIP ONLY**

HOME funds provided per unit are \$10,000 or less.	10
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The Authority operates a predominantly decentralized system for the administration of the HOME program. Units of local government, nonprofits, for-profits, and PHAs are eligible recipients of the various awards. The Authority will assume the monitoring responsibility for all HOME activities funded with the State allocation. The Authority will administer the HOME program in a manner which will try to address the needs of very low and low-income persons, special needs groups, rural areas, as well as those areas with limited housing as may be referenced in the Consolidated Plan.

This flexible plan will attempt to combine various allocation structures available to the Authority to address needs on local and regional levels. This plan will not only compliment urban areas that traditionally possess the management capacity to administer the program, but also will ensure that rural areas lacking sufficient management capacity will be able to participate in the HOME program.

Distribution of 2009 HOME funds will be consistent with the priorities identified in the State's Consolidated Plan. The State's five-year housing goals are as follows:

1. Enhance suitable living environments through new accessibility, affordability and sustainability.
2. Create decent housing with new availability, affordability and sustainability.
3. Provide economic opportunity through improved accessibility, affordability and sustainability.

It is anticipated that the Authority will have **\$18,198,846** to allocate in 2009, based on the HUD allocation of **\$9,000,000**, the American Dream Down-payment Initiative (ADDI) of **\$68,000** and the anticipated Program Income of **\$4,000,000**, and the 2008 HUD allocation carry forward of **\$5,130,846**. The Authority shall distribute its 2009 HOME program funds to eligible entities through one or more funding cycles and utilize the following set-asides: Administration, CHDO Reserve, CHDO operating expenses, LIHTC program, ADDI, rental, and homeownership activities.

The Authority will set aside the allowable ten (10) percent (**\$900,000**) for the administration of the program. Administrative funds will be used for the planning, administration, allocation of indirect cost and monitoring of the program. Funds will also be used to conduct workshops to assist interested parties in applying for and implementing HOME funded projects.

The CHDO set-aside allocation will be fifteen (15) percent (**\$1,350,000**) of the Authority's total HOME allocation. CHDOs wanting to receive funds must comply with the established procedures contained in the application for funding.

The Authority will set aside five (5) percent (**\$450,000**) for CHDO operating expenses. The use of these funds will greatly enhance the ability of CHDOs to attract and retain quality personnel thereby, ensuring the quality of rental and homeownership units produced.

In an effort to maximize the state's available resources for rental housing, the Authority has set-aside (**\$9,000,000**) to be used in conjunction with the Low Income Housing Tax Credit to finance rental projects. This joint effort has attracted a great deal of interest over the past years.

The statewide ADDI set aside will include the approximate **\$68,000** from the 2009 allocation and anticipated HOME program income of **\$4,000,000**. This set-aside will be used in conjunction the Authority's Single Family/Mortgage Revenue Bond Program to provide potential beneficiaries assistance with down payment and closing costs.

The statewide Homeownership allocation will be approximately **\$1,510,423**. This set-aside is designed to address homeownership through down payment and/or closing cost assistance, acquisition, new construction or rehabilitation on a much broader scale statewide.

The statewide Rental allocation will be approximately **\$1,510,423**. This set-aside is designed to address smaller rental housing projects, either new construction or rehabilitation, which do not require Low Income Housing Tax Credits.

The amount allocated for Tenant-Based Rental Assistance will be approximately **\$760,000**. This set-aside is designed to provide rental subsidies to lower income households to enable them to rent market-rate units of their choice that are safe and decent.

## DISTRIBUTION OF FUNDS

State PJ Allocation, ADDI & Program Income	Set Aside Amount	Allocated Funds \$9,000,000 + 68,000	Program Income Funds	Carry Forward
Distribution of Activities			\$ 4,000,000	\$5,130,846
<b>State PJ Balance</b> /Less the following set asides		\$9,068,000.00		
Administrative 10%	\$900,000	(\$900,000.00)		
CHDO Operating 5%	\$450,000	(\$450,000.00)		
HOME/LIHTC Combined Cycle	\$9,000,000	(\$5,000,000.00)		(\$4,000,000)
ADDI – MRB Down Payment Program	\$4,068,000	(\$68,000.00)	(\$4,000,000)	
Statewide Homeownership Competition	\$1,510,423	(\$945,000.00)		(\$565,423)
Statewide Rental Competition	\$1,510,423	(\$945,000.00)		(\$565,423)
Tenant Based Rental Assistance	\$760,000	(\$760,000.00)		
<b>State PJ Balance</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



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## COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDOs)

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The Authority will ensure that at least 15% (\$1,350,000) of the State's HOME funds will be reserved for exclusive use by eligible CHDOs and that CHDOs participating in eligible HOME program activities meet the requirements of 24 CFR Part 92.

The Authority will evaluate all applications required to qualify CHDOs based on the requirements contained therein. Acceptance of technical assistance and training may be a requirement to improve capacity and management capabilities. In accordance with HOME regulations, only those organizations designated as CHDOs or potential CHDOs will be eligible for technical assistance provided by HUD.

The Authority will ensure that CHDO set-aside funds are only awarded to CHDOs that serve as owners, sponsors or developers in the following program activities:

- a) Rental Developments; and
- b) Homeownership Activities

The Authority estimates the level of funding for eligible CHDO activities will be as follows:

- a) Rental Developments (40%); and
- b) Homeownership Activities (60%)

The following scenario details the CHDO designation, evaluation and funding process:

- a) Identification and evaluation of nonprofit organizations
- b) CHDO Designation
- c) Evaluation of specific program activity and projects involving CHDOs
- d) Technical assistance and training through agency workshops, agency one-on-one training and HUD intermediaries, if necessary
- e) CHDO application for funding
- f) Selection and awarding of operating expenses
- g) Execution of written agreements with CHDOs
- h) Monitoring of CHDO activities by the Authority



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## MATCHING CONTRIBUTION

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Due to poor economic conditions statewide, many of the Authority's potential recipients (especially rural localities) could not participate in the HOME program if they were required to provide a matching contribution as a condition of receiving an award. The Authority recognizes this problem, and as a result, will provide matching contributions for all 2009 HOME funds in accordance with the required amounts, recognition, and forms found at 24 CFR 92.218 - 92.221.

The SC Housing Trust Fund will serve as the matching contribution for the State. The SC Housing Trust Fund receives approximately ten to twelve million dollars annually from a dedicated funding source created by increasing the documentary stamp tax on the sale of real estate (twenty cents per \$500.00 of real estate sold). The Authority will carry over any excess match into the next fiscal year. The SC Housing Trust Fund finances affordable rental, owner-occupied, group homes, and homeownership opportunities for South Carolinians with low and very low incomes. The affordability periods, housing standards and income requirements are comparable to the HOME regulations.

Total State PJ Allocation	\$9,000,000
*Less Administrative Costs (10%)	\$900,000
*Less CHDO Operating Expenses (5%)	\$450,000
Total State PJ Balance	\$7,650,000
Total Estimated 2009 Matching Contribution	<b>\$1,927,662</b>

\*Numbers have been rounded down.



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## AFFIRMATIVE MARKETING AND OUTREACH TO MINORITY AND WOMEN BUSINESSES

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Affirmative marketing procedures for fiscal year 2009 will follow procedures and regulations and are contained in Appendix B. The Authority certifies that its HOME program will conform to the requirements of the following Acts:

- |    |   |                 |
|----|---|-----------------|
| a) | Fair Housing Act  | 24 CFR 100      |
| b) | Executive Order 11063<br>(Equal Opportunity in Housing)                     | 24 CFR 107      |
| c) | Title VI Civil Rights Act - 1964<br>(Nondiscrimination in Federal Programs) | 24 CFR 1        |
| d) | Age Discrimination Act - 1975   | 24 CFR 146      |
| e) | Sect. 504 Rehabilitation Act - 1973   | 24 CFR 8        |
| f) | Executive Order 11246<br>(Equal Employment Opportunity)                     | 41 CFR 60       |
| g) | Section 3 of the Housing and Urban<br>Development Act of 1968               | 24 CFR 35       |
| h) | Executive Order 11625   |                 |
| i) | Executive Order 12432   |                 |
| j) | Executive Order 12138   |                 |
| k) | Site and Neighborhood Standards   | 24 CRR Part 938 |

The Authority further certifies that in accordance with Section 281 of the National Affordable Housing Act, prescribed procedures acceptable to the Secretary have been established to oversee a minority outreach program. The HOME program includes these provisions, to address minority and women-owned businesses in all contracting activities to facilitate the provision of affordable housing authorized under this Act. The Authority requires itself, and its recipients, with regard to outreach for minority and women-owned businesses, to be:

1. A good faith, comprehensive and continuing endeavor;
2. Supported by a statement of public policy and commitment and published in the print media of widest local circulation;
3. Supported by an office and/or a key, ranking staff person with oversight responsibilities, and
4. Designed to utilize all available and appropriate public and private sector local resources.

Under the minimum Authority standards cited above, the following guidelines are provided for use by recipients in implementing outreach programs to ensure the inclusion, to the maximum extent possible, of entities owned by minorities and women.

1. Develops a systematic method for identifying and maintaining an inventory of certified minority and women's business enterprises (MBEs and WBEs), their capabilities, services, supplies and/or products;
2. Utilizes the local media, electronic and print, to market and promote contract business opportunities for MBEs and WBEs;
3. Develops informational and documentary materials (fact sheet; program guides, procurement forecasts, etc.) on contract/subcontract opportunities for MBEs and WBEs;
4. Develops procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and suppliers of goods and services;
5. Sponsors business opportunity-related meetings, conferences, seminars, etc., with minority and women business organizations;
6. Maintains centralized records with statistical data on the utilization and participation of MBEs and WBEs as contractor/subcontractors in all HUD-assisted program contracting activities.

Each recipient will utilize these procedures and actions in implementing a minority and women's business enterprise outreach program. The above six (6) items represent basic outreach-related activities and are not all-inclusive actions the Authority or its recipients may undertake.



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**PROGRAM INCOME - NARRATIVE "A"**

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It is the intention of the SHA to use HOME Program Income in conjunction with the Authority's Mortgage Revenue Bond (MRB) program, as well as rental activities to include both development and Tenant Based Rental Assistance (TBRA).

The MRB program is a flagship activity offered by the Authority. The sale of tax-exempt bonds to investors provides the bulk of the funding available to qualified beneficiaries. Like all of the Authority's homeownership programs, persons purchasing homes under the MRB program must meet minimum credit standards, as well as income and purchase price restrictions, which vary by county.

HOME Program Income will be used for down payment and closing cost assistance. Beneficiaries that qualify at or below 80% of the area median income will receive a deferred five year forgivable loan in an amount not to exceed \$5,000.

If rental activities are funded with Program Income, all regular processing procedures will be followed to include: application completion, underwriting, subsidy layering, income targeting, utilization of low and high HOME rents, and the affordability period.

HOME Program Income provided to the Authority's Section 8 division will also follow all regular procedures and program requirements. The funds will be used to provide rental assistance payments, security deposits, and utility deposits to eligible beneficiaries.

In addition, some funds will be taken for administrative cost not to exceed the ten (10%), as allowed by HOME regulations for Program Income. The total HOME Program Income for the period is anticipated to be \$4,000,000.

Prepared by: Thomas Ritter

Principal and Interest Receipts on Multifamily Loans Serviced by Finance Division using Trakker System	\$2,425,000
Principal and Interest Receipts on Single Family First Mortgage Loans Serviced by Authority Loans Servicing Department	\$1,303,815
Principal and Interest Receipts on Repayable Single Family Down Payment Assistance Loans Serviced by Authority Loans Servicing Department	\$98,600
Early Payoffs of Forgivable Single Family Down Payment Assistance Loans Serviced by Authority Loans Servicing Department	\$120,000
Interest Earned on Program Income Deposits	\$52,585
Totals	<b><u>\$4,000,000</u></b>



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## APPENDIX A - Affirmative Marketing Procedures

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The Authority's affirmative marketing policy shall consist of the following elements:

### **Informing the Public/Owners/Prospective Tenants**

The Authority will employ several methods for informing the public, owners and potential tenants about the recipient's applicable federal fair housing laws and the HOME program's affirmative marketing policy. Acceptable methods may include, but are not limited to: providing a copy of this policy to property owners and tenants, including the elements of the policy in all media releases, using the Equal Housing Opportunity logo and slogan in all media releases, and explaining the policy in general to the media, property owners, and tenants involved with the HOME program.

Each property owner must follow the recipients' affirmative marketing policy. The policy clearly specifies or suggests activities such as the use of commercial media to advertise vacant units, local community contacts for potential tenants, or the use of the Equal Housing Opportunity logo or slogan. The policy clearly defines the recordkeeping obligations of the property owner.

### **Requirements and Practices for Owners and Special Outreach Efforts**

Owners must use affirmative marketing policies that inform and solicit applications from eligible persons in the housing market area, who are not likely to apply as defined in general as those who are not the race/ethnicity of the residents of the neighborhood in which the unit is located. Such procedures may include, but are not limited to: the use of community organizations, churches, employment centers, fair housing groups, Public Housing Authorities, or housing counseling agencies specifically chosen because they provide services to, or have as members, persons in the group or groups least likely to apply. The policy should clearly specify who is responsible for the various necessary activities.

### **Recordkeeping**

The Authority will require that its state recipients maintain records of efforts taken by the recipient and owners to affirmatively market units, and also utilize those records to assess the results of these actions.

### **Assessment of Affirmative Marketing Efforts**

The recipient will ensure owners compliance with affirmative marketing requirements by use of an agreement that shall be binding for specific periods of time (affordability period) from the date of completion.

Each recipient will be required to comply with the Authority's affirmative marketing procedures described above as well as maintain the required records and reports in accordance with 24 CFR 92.351. The Authority will review and approve the affirmative marketing efforts and monitor each recipient's performance in order to ensure compliance. The affirmative marketing performance of recipients may be used as a factor in approving future HOME awards.



The State PJ certifies that:

**Eligible Activities and Costs** – It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in 92.214.

**Appropriate Financial Assistance** – In accordance with 92.250(b) before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other governmental assistance than is necessary to provide affordable housing.

\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

Executive Director  
Title

DRAFT



**STATE OF SOUTH CAROLINA  
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
SUBSTANTIAL AMENDMENT  
TO THE CONSOLIDATED PLAN 2008 ANNUAL ACTION PLAN**

<p><b>Jurisdiction(s):</b> South Carolina State Housing Finance and Development Authority (the Authority)</p> <p><b>Jurisdiction Web Address:</b> <a href="http://www.schousing.com">www.schousing.com</a>  <i>Web Address for NSP Action Plan:</i>  <a href="http://www.schousing.com/library/NSP/NSP%20Action%20Plan%20Draft.pdf">http://www.schousing.com/library/NSP/NSP%20Action%20Plan%20Draft.pdf</a>  <b>Web Address for Additional Information:</b>  <a href="http://www.schousing.com/index.asp?n=785&amp;p=5&amp;s=852">http://www.schousing.com/index.asp?n=785&amp;p=5&amp;s=852</a></p>	<p><b>NSP Contact Person:</b> Nancy Fairley</p> <p><b>Address:</b> 300-C Outlet Pointe Blvd. Columbia South Carolina 29210</p> <p><b>Telephone:</b> 803-896-9343  <b>Fax:</b> 803-551-4883  <b>Email:</b> nancy.fairley@schousing.com</p>
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**INTRODUCTION**

As authorized under Title III of the Housing and Economic Recovery Act (HERA) of 2008, the U.S. Department of Housing and Urban Development (HUD)'s new Neighborhood Stabilization Program (NSP) will provide emergency assistance to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. NSP funds are a special allocation of Community Development Block Grant (CDBG) funds. The NSP provides grants to every state and certain local communities. The program is targeted to households with incomes at or below 120 percent (120%) of the area median income with a portion of the funds targeted to households at or below 50 percent (50%) of the area median income.

South Carolina as a whole will receive \$49,158,407 in NSP funding. Of this amount, Greenville County was provided a direct allocation from HUD of \$2,262,856 and Richland County was allocated \$2,221,859. The remaining amount, \$44,673,692, must be administered at the state level. The administering agency is the South Carolina State Housing Finance and Development Authority (Authority). The Authority has been designated to administer the NSP funds for the purpose of stabilizing neighborhoods, and to preserve affordable housing opportunities for the citizens of South Carolina.

This document serves as an amendment to the State of South Carolina's 2008 Annual Action Plan to the Consolidated Plan for Housing and Community Development. The Consolidated Plan and 2008 Action Plan are available at the South Carolina Department of Commerce's website at [www.sccommerce.com/DocDirectory/GrantsFolder](http://www.sccommerce.com/DocDirectory/GrantsFolder).

The Amendment can be accessed at the Authority's website at [www.schousing.com](http://www.schousing.com) and the South Carolina Department of Commerce's website at [www.sccommerce.com/DocDirectory/GrantsFolder](http://www.sccommerce.com/DocDirectory/GrantsFolder). **Public comments are being accepted on this Action Plan Amendment between November 7 and November 24, 2008.** The Action Plan Amendment will be submitted to HUD by December 1, 2008.

## **A. AREAS OF GREATEST NEED**

As the Administering agency for the NSP funds for the state, the Authority is required by Section 2301(c)(2) of HERA to give priority emphasis with the NSP funding to the areas in the state “of the greatest need” including those:

- (1) that have the greatest percentage of foreclosures,
- (2) that have the highest percentage of homes financed by sub-prime mortgage related loans, and
- (3) that have been identified as likely to face a significant rise in the rate of home foreclosures.

To determine the areas of greatest need, the Authority analyzed data provided by HUD that addresses the HERA requirements. These data include the following:

- *Foreclosure Filings*: The number of foreclosure filings based on data provided by HUD.
- *USPS Vacancy Data*: United States Postal Service (USPS) data on residential addresses identified as being vacant for 90 days or longer as of June 2008.
- *High Cost Loans*: The number of high cost loans based on Home Mortgage Disclosure Act (HMDA) data. HMDA data is individual loan data with an indicator for, among other things, the “rate spread,” which indicates whether a loan is “high cost” or not. HMDA data released in October 2007 was added to HUD-provided HMDA data for 2004-2006.

The data provided by HUD contains:

- One set of data for each entitlement area (cities/counties that receive a direct allocation of CDBG funds from HUD on an annual basis), which was assigned to the county within which it is located; and
- Data for each county in the state CDBG program area (those areas that are not entitlements under the CDBG Program), consisting of one set of data for each county census “place” (cities and towns) and one set of data with no “place” designation which represents the balance of the county.

For counties where there are entitlement areas as well as state program areas, the data is the total for both entitlement and state CDBG program areas for the county.

The Authority has determined that the areas of greatest need for the purposes of allocation of NSP funding are the 20 counties with the highest ranking determined by HUD when it ran all of the previously described data. These 20 counties have the highest numbers of foreclosures, the highest number of residential units that have been vacant for 90 days or longer, and the highest number of high cost loans. For the purposes of South Carolina’s NSP, these top 20 counties are referred to as the Tier I counties and are shown in Attachment A.

It is important to note that the two highest ranked counties, Richland and Greenville, received direct allocations from HUD. These were the only local governments in the state to receive NSP funding directly from HUD. However, in accordance with the HERA and NSP requirements from HUD, state NSP funding may also be awarded for eligible activities in these areas given the extent of the need that exists in those counties. For detailed information concerning Richland or Greenville County’s NSP Action Plan Amendments, contact Richland County at <http://www.richlandonline.com/departments/Community/Comm/index.asp> and Greenville County at <http://www.greenvillecounty.org/redevelopment/>

As discussed below under “Distribution and Uses of Funds,” proposals submitted under the Authority’s Request for Allocation (RFA) process will be required to further demonstrate need within the communities that they serve and only projects that address these local needs will be funded.

## **B. Distribution and Uses of Funds**

**Allocation of Funds**

The State of South Carolina’s 2008 NSP allocation is \$44,673,692. Activities will include the purchase and redevelopment of foreclosed properties and financing mechanisms such as down payment and closing cost assistance to enable eligible homebuyers to purchase foreclosed properties. Funds may also be used to establish land banks for homes that have been foreclosed upon, to demolish blighted structures or redevelop demolished or vacant properties. The specific activities to be undertaken will be identified through the RFA processes (to be described under “Distribution of Funds” later in this section of the Amendment).

Description of NSP Program	Allocation Amount
<p><b>Tier I – Local NSP Initiatives Program</b></p> <p>For Tier I Areas of Greatest Need (20 counties) only. Projects will be selected through a RFA process. Eligible projects:</p> <ol style="list-style-type: none"> <li>1. Financing mechanisms to purchase and rehabilitate foreclosed properties</li> <li>2. Acquisition and rehabilitation of abandoned or foreclosed properties</li> <li>3. Land banking of foreclosed properties</li> <li>4. Demolition of blighted structures</li> <li>5. Redevelopment of demolished or vacant properties</li> </ol> <p>The responses submitted under this RFA will be competing for a total funding amount of \$29,037,900. While there is no limit on how much money a respondent can request, the Authority anticipates that no county will receive more than \$10 million in NSP funding initially. This is subject to change based on identified need and quality of proposals.</p>	<p>\$29,037,900</p>
<p><b>Tier II – Low Income Rental Housing Program</b></p> <p>For Tier I Areas of Greatest Need (20 counties) only to serve low income beneficiaries at or below fifty percent (50%) of area median income. Eligible projects: Acquisition, redevelopment and rehabilitation of abandoned or foreclosed properties. Projects will be selected through a RFA process and must include at least 10 units per proposal to be considered. The responses submitted under this RFA will be competing for a total funding amount of \$11,168,423. While there is no limit on how much money a respondent can request, the Authority anticipates that no county will receive more than \$10 million in NSP funding initially. This is subject to change based on identified need and quality of proposals.</p>	<p>\$11,168,423</p>
<p>Administration</p>	<p>\$4,467,369</p>
<p><b>Total 2008 NSP Allocation</b></p>	<p><b>\$44,673,692</b></p>

**Distribution of Funds**

The Authority’s RFA process may award funding to entities that comply with HUD’s requirements for meeting the following:

1. In one of the areas identified as “greatest need” found in Attachment A;
2. Ability to meet the 18-month obligation requirements;
3. Ability to meet the four year expenditure requirements; and
4. Project/program’s ability to stabilize neighborhoods at risk due to foreclosures or abandonment of properties that demonstrate local need.

**NSP Request for Allocation Timeline**

<b>Event</b>	<b>Date</b>
Final Action Plan Submitted to HUD	December 1, 2008
RFA Submission Begins	Mid-December 2008
RFA Submission Ends	End of January 2009
Review Process Complete	Mid-February 2009
Awards Made	End of February 2009

The Authority will also require that proposals provide detailed information (data, maps, etc.) on the areas of greatest need within the jurisdictions that they serve. In addition, proposals must identify the specific properties that are targeted. Respondents may use HUD or other available and reliable data sources (e.g., Realty Trac) as well as local information foreclosures from cities, towns or counties on vacant and blighted properties.

Eligible entities for both Tier I – Local NSP Initiatives Program and Tier II – Low Income Rental Program, include local governments, nonprofit entities, public housing authorities and for-profit entities.

The Authority will create a NSP review team to review all proposals submitted for funding. Proposals will be reviewed for the above mentioned critical components and the following characteristics; however, this list is not all inclusive:

1. The respondent provides a proposal that supports the Authority's targeted areas of greatest need and further demonstrates that proposed projects will address specific areas of local needs within the community being served.
2. The respondent's proposal includes partnerships with entities needed to make the project successful (i.e., affordable housing providers, lending institutions, homebuyer counseling entities, etc.).
3. The respondent must demonstrate capacity and experience to successfully carry out the project.
4. The respondent must demonstrate experience with federal regulations.
5. The respondent must identify specific properties for obligation.
6. The respondent must demonstrate readiness to meet the obligation and expenditure requirements with regard to the identified activities.
7. Respondent must demonstrate financial accountability.

#### Program Limits and Requirements

The following limits and requirements will apply to NSP activities:

- Rehabilitation must meet the housing rehabilitation standards defined in Section C and will be limited to no more than \$25,000 per unit.
- The purchase price of single family properties (on a per property basis) may not exceed the Category II maximum home prices set by the Authority for use in its mortgage programs. These purchase price limits are provided as **Attachment B**.

#### Forms of Financial Assistance

The NSP funds will be awarded in the form of grants to entities to carry out approved projects. Entities awarded grant funds will be provided contracts with terms and conditions that specifically address benchmarks that must be met in order to comply with the conditions of the contract. If the entity fails to meet the prescribed benchmarks contained in its proposal and/or contract with the Authority, funds may be deobligated and reallocated. NSP requirements and affordability restrictions will be enforced through restrictive covenants and other legal mechanisms. Refer to "Continued Affordability for NSP-Assisted Housing" for more information.

#### Program Income

The Authority will require that entities receive, track and utilize any program income the entity receives in accordance with the NSP requirements. The Authority will return unused program income to HUD by July 30, 2013; therefore entities will have to return program income to the Authority by a specified date.

### ***C. DEFINITIONS AND DESCRIPTIONS***

The Authority will use the following definitions for NSP funding:

***Abandoned:*** A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days and the property has been vacant for at least 90 days.

**Affordable Rent:** is defined as rent plus utility costs which do not exceed the Section 8 Fair Market Rent (FMR) for existing housing established by HUD under 24 CFR Part 888 for the jurisdiction in which the property is located. Owners will be required to review and update rents annually for the term of the affordability period. Affordability periods are based on the amount of NSP funds invested on a per unit basis stated under “Continued Affordability for NSP Assisted Housing.”

**Blighted Structure:** is defined as a structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. The respondent will be required to provide evidence that the structure is in fact blighted and is in a substandard condition and a threat to public health and safety. This can be accomplished by providing documentation of a blighted structure is a structure with at least one or more major structural or system deficiencies based on Section 8 HQS or a more stringent local code. To demonstrate blighted conditions a building inspection report or other evidence that describes the specific condition of slum or blight and how the activity to be assisted with NSP funds will eliminate the blighted condition

**Continued Affordability for NSP-Assisted Housing:** To meet the requirements of the NSP, the Authority will utilize affordability requirements modeled after the HOME Investment Partnerships Program (HOME) affordability requirements for homeownership and rental projects. The period of affordability will be based upon the amount of NSP subsidy provided per unit. These minimum periods are as follows:

NSP Assistance Per Unit	Period of Affordability	Terms
Investment ≤ \$150,000	5 years	Forgiven 20% each year
Investment ≥ \$150,001	10 years	Forgiven 10% each year

**Rental Housing:** During the applicable affordability period, rental units designated as very low income must be occupied by households with incomes at or below 50 percent (50%) of area median income and the rents must be affordable (as previously defined). Other NSP rental units not part of the low income set-aside program must be occupied by households with incomes at or below 120% of area median. A restrictive covenant will be recorded on the property to ensure NSP requirements are met.

**Homeowner Housing:** In order to preserve affordability, beneficiaries of NSP funds for homeownership will be required to pay back all or a portion of the subsidy provided if they sell the house during the period of affordability outlined above. Each year that the period of affordability is maintained, a portion of the subsidy provided for the property is forgiven. A beneficiary who sells the property during the period of affordability may sell the home to any willing buyer at any price. Once the funds are repaid according to the repayment formula, the home is no longer subject to any restrictions. A restrictive covenant as well as loan documents will be recorded on the property to ensure NSP requirements are met.

**Current Appraised Value:** means the value of a foreclosed upon home or residential property that is established through an appraisal made in conformity with the appraisal requirements of the Uniform Relocation Act (URA) at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by the grantee, subrecipient, developer or individual homebuyer.

**Foreclosed:** is a property that has been “foreclosed upon” at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD will generally not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure in accordance with state or local law.

**Housing Rehabilitation Standards:** NSP assisted properties must be rehabilitated to meet the minimum HUD Section 8 Housing Quality Standards (HQS). For the purposes of construction management respondents will be required to follow the NSP construction manual located on the Authority’s web site at <http://www.schousing.com/library/NSP/NSP%20Construction%20Manual.pdf>. Where local codes and standards apply, properties must meet applicable codes/standards. Properties will comply with the Community Development Block Grant (CDBG) Lead-Based Paint requirements. The Lead Based Paint requirements/guidelines consist of written notification via brochure notifying tenants and potential homebuyers of dangers of lead-based paint poisoning. All beneficiaries must read and sign the documentation prior to occupying the property.

**Land Bank:** A land bank is a governmental or nongovernmental nonprofit entity established, at least in part, to assemble, temporarily manage, and dispose of vacant land for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of urban property. For the purposes of the NSP Program, land banks must operate in a specific, defined geographic area and purchase properties that have been abandoned or foreclosed upon and maintain, assemble, facilitate redevelopment of, market and dispose of the land-banked properties. If the land bank is a governmental entity, it may also maintain abandoned or foreclosed property that it does not own, provided it charges the owner of the property full cost of the service and places a lien on the property for the full cost of the service.

**Obligated Funds:** Funds are considered obligated for an activity when orders are placed, contracts are awarded, services are received and similar transactions that require payment by the state, unit of local government, or subrecipient during the same or future period. Funds are not obligated for an activity when subawards (e.g., grants to subrecipients or to units of local government) are made. For the acquisition of property, obligation means a contract or option for purchase has been executed.

**Program Income:** Revenue received by a state, unit of general local government or subrecipient (defined below) that is directly generated from the use of NSP funds constitutes NSP program income. Section 2301(d)(4) places further restrictions on program income based on the type of NSP activity that generated the income and on the date the income is received and further requires that any revenue from the sale, rental, redevelopment, rehabilitation or any other eligible use of NSP funds to be provided to and used by the state or unit of local government (including revenue received by a private individual or other entity that is not a subrecipient).

Each RFA proposal must contain a program income plan, whether income will be received or not. The State will require that all program income derived from NSP funds be returned to the State unless the recipient requests retention of program income to be used for the same activity. Program income plans must be approved by the Authority and will be considered on a case-by-case basis.

**Purchase Discount:** Property purchased under the NSP must be purchased at a discount of 15 percent (15%) from the current appraised value of the property.

**Sale of Homes:** Homes sold to an individual as a primary residence, such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate the property up to a decent, safe, and habitable condition. (Sales and closing costs are eligible NSP redevelopment or rehabilitation costs.) Note that the

maximum sales price for a property is determined by aggregating all costs of acquisition, rehabilitation, and redevelopment (including related activity delivery costs, which generally may include, among other items, costs related to the sale of the property).

**Subrecipient:** A subrecipient is a public or private nonprofit agency, authority, organization or for-profit entity receiving NSP funds from the recipient or another subrecipient to undertake activities eligible for such assistance.

#### ***D. LOW INCOME TARGETING***

The estimated amount of funds to be made available under the NSP for the purchase of abandoned or foreclosed upon residential properties for housing low income person(s) at or below fifty percent (50%) of area median income is at least \$11,168,423. As described previously, the Authority has created a Tier II Rental Housing Set-Aside program that will ensure that the 25 percent (25%) of NSP funding assists this low income population. There may be additional funds that benefit this income level through the Tier 1 Local NSP Initiatives Program.

#### ***E. ACQUISITIONS & RELOCATION***

The one-for-one replacement requirements at 24 CFR 570.488, 570.606(c) and 42.375 are waived for low and moderate income dwelling units demolished or converted. The Authority does not anticipate the demolition or conversion of low and moderate income dwelling units (i.e.,  $\leq$  80 percent [80%] of area median income). Information regarding specific properties will be required as part of the RFA process. If units meet the HUD definition of LMI dwelling units and will be demolished/converted, it is anticipated that such units will be replaced by virtue of the activities being undertaken under NSP (i.e., low and moderate income dwelling units will be created as a result of this program). The Authority and its funded projects will meet all Federal requirements related to acquisition and relocation in accordance with the Authority's existing plan and procedures for compliance with these requirements.

#### ***F. PUBLIC COMMENT***

The Authority held a Neighborhood Stabilization meeting on Wednesday, November 5, 2008 at the SC State Museum Auditorium. The purpose of the forum was to provide information on the NSP and to obtain input from the public concerning the development of this Amendment and NSP activities.

In accordance with the State's Citizen Participation Plan, which can be found in the 2006-2010 South Carolina Consolidated Plan, the State will also provide opportunity for citizen input on the NSP Substantial Amendment to the State's 2008 Annual Action Plan.

A draft of the NSP Action Plan has been posted to the following agency websites:

1. South Carolina State Housing Finance and Development Authority website: [www.schousing.com](http://www.schousing.com)
2. South Carolina Department of Commerce website: [www.sccommerce.com/DocDirectory/GrantsFolder](http://www.sccommerce.com/DocDirectory/GrantsFolder)

**Citizen Comments on Proposed Substantial Amendment  
of the  
2008 Neighborhood Stabilization Program (NSP) Action Plan**

During the public comment period, which ran from November 7, 2008 to November 24, 2008, the Authority accepted comments and questions regarding the NSP Action Plan.

The Authority received requests for clarifications, comments and questions regarding the NSP Action Plan, which includes program guidelines, distribution of funds and the evaluation process. Clarifications were provided and, as appropriate, included in the final 2008 NSP Action Plan.

Among the comments made were the following:

- The Authority should not exclude any activity allowed under the NSP federal guidelines.  
**Response provided:** The Authority has not excluded any activity allow under the NSP federal guidelines.
- The Authority should not prioritize activities allowed under the NSP federal guidelines to give participants better opportunities.  
**Response provided:** The Authority did not prioritize activities allowed under the NSP federal guidelines.
- The Authority should permit and encourage joint agreements between local jurisdictions and capable nonprofit housing organizations.  
**Response provided:** The Authority is encouraging joint agreements between local jurisdictions and capable nonprofit housing organizations.
- The Authority should permit proposals from Community Development Financial Institutions or other nontraditional financial institutions to leverage NSP grant funds.  
**Response provided:** The eligible applicants include local governments, nonprofits, for projects and public housing authorities which would include the institutions listed above.
- The Authority should permit direct application from Community based nonprofit developers and provide priority points to community based nonprofits. If nonprofits are not eligible to apply directly then those awarded NSP funds should be given priority points for working with community based nonprofits or must demonstrate that a nonprofit did not exist in the areas targeted.  
**Response provided:** Clarification was provided that community based nonprofits are eligible to apply directly. In addition, clarification was provided that the Request For Allocation (RFA) provides preferences only; the process is not point driven.
- The Authority should encourage respondents to provide NSP funds in the form of a loan to potential beneficiaries in order to maximize those funds with the return of revenue for program income.  
**Response provided:** The action plan does not prohibit recipients of NSP funds to provide loans to potential beneficiaries and does acknowledge the practicality of this concept.
- Clarification was provided with regards to entities seeking to use NSP funds to support construction of multifamily housing on vacant land.  
**Response provided:** HUD addresses this issue on it's web site of "frequently asked questions" with regard to redevelopment/rehabilitation: [Yes, under Eligible Use E, a grantee may acquire demolished or vacant properties (including vacant structures) that are not residential for redevelopment. As noted in the question, these must be located in targeted areas of greatest need and support the activities in the area that are acquiring, repairing, and selling foreclosed or abandoned houses. Eligible uses A, B, and C are limited to homes and residential properties.] NOTE: the use of A, B, C and E corresponds to the regulatory citation of NSP eligible uses. The key to HUD's response is that projects are targeted

in the areas of greatest need and supporting the stabilization of those neighborhoods that have been affected by foreclosures. Proposals will be deemed ineligible in which respondents request funds for acquisition and construction of vacant properties that are not and cannot demonstrate support for the purpose and intent of the NSP program will not be considered for funding.

- The Authority should allow for longer affordability periods.

**Response provided:** Entities may elect to be more restrictive and extend the period of affordability or continue to maintain units as affordable.

- The Authority should request an exception or waiver from HUD with regard to program income so that entities can continue to use those revenues for the State of South Carolina

**Response provided:** HUD is currently working on changes to program income rules. The Authority will not be requesting a waiver from HUD at this time.

Among the clarifications made were the following:

- Clarification was provided with regard to how a for-profit entity could participate in the NSP program.
- Clarification was provided with regard to comments concerning preference given for proposals that provide building green and LEEDs certified projects". Preference will be given in the RFA for Energy Star appliances at a minimum.
- Clarification was provided with regard to administrative funds that the Authority would be providing a portion of those funds to respondents. In addition, clarification was provided that eligible costs would be provided in the RFA and NSP Implementation Manual with regard to the format to request these funds.
- Clarification was provided with regard to activity delivery fees and allowable costs (i.e. appraisals, inspection fees, work-write ups etc.) and prohibited costs (i.e. realtor commissions) for these fees will be included in the RFA and NSP Implementation Manual. In addition, clarification was provided that developer fees are allowable activity delivery fees and the parameters for requesting developer fees will be provided.
- Clarification was provided with regard to pre-development cost for preparing an RFA.
- Clarification was provided with regard to the NSP regulations found in the federal register. Corrections were provided that the NSP federal register is not all inclusive and that those receiving NSP funds will be responsible for those regulations in NSP as well as the in the Community Development Block Grant (CDBG) Program.
- Assistance has been provided to interested groups with regard to the supporting data for the "areas of greatest need" and identifying targeted neighborhoods and qualifying units.
- Clarification and a correction were made with regard to the maximum amount that can be requested. In the Tier I request for RFA the wording has been changed from "Each request is capped at 3M per respondent per county." to "The responses submitted under this RFA will be competing for a total funding amount of \$23,837,900.00. While there is no limit on how much money a respondent can request, the Authority anticipates that no county will receive more than \$10 million in NSP funding initially."
- Interested entities were informed that the processes for disbursement, record keeping, management property titles and addressing other federal regulations would be provided in the NSP Implementation Manual.
- Clarification was provided with regard to construction caps and that the only cap provided in the plan for construction was the rehabilitation cap in the amount of \$15,000. In response to the \$15,000 rehabilitation cap the Authority has increased the rehabilitation cap to \$25,000 per unit.
- Clarification regarding program income and addition to the definition provided in the action plan (pick one). Interested entities were informed that the Authority will be providing an NSP Implementation Manual that defines what HUD considers program income and the uses of program income as allowed by the CDBG/NSP federal guidelines. In addition, the Authority has added the following under the

- Clarification was provided with regard to leveraging NSP funds. Other resources and sources of funds can be used in conjunction with NSP funds to further the cause of neighborhood stabilization.
- Clarification has been provided with regard to fair housing requirements which will be provided in the NSP Implementation Manual.
- Clarification was provided with regard mobile homes. The Authority will not be providing NSP funding to purchase and rehabilitate mobile homes for sale to potential homebuyers.

The 2008 NSP Action Plan (sets out broad program parameters, goals and requirements. Additional details will be required in RFA and during implementation of funded grants.

## **G. NSP INFORMATION BY ACTIVITY**

### **Activity 1: Tier I – Local NSP Initiatives Program**

- (1) Activity Name: Tier I – Local NSP Initiatives Program
- (2) Activity Types: All five NSP-eligible activities will be allowed under this program:
  - §2301(c)(3)(A) - Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low and moderate income homebuyers. (CDBG activity = varies based on activity type B-E financing is done in connection with [e.g., acquisition] and includes direct homeownership assistance).
  - §2301(c)(3)(B) - Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties. (CDBG activity = acquisition and rehabilitation).
  - §2301(c)(3)(C) - Establish land banks for homes that have been foreclosed upon. (CDBG activity = acquisition, disposition). §2301(c)(3)(D) - Demolish blighted structures. (CDBG activity = clearance/demolition).
  - §2301(c)(3)(E) - Redevelop demolished or vacant properties. (CDBG activity = various including acquisition, disposition, public facilities, new construction).
- (3) National Objective: Low-Mod Housing, Low-Mod Area Benefit (depending upon the specific activity proposed).
- (4) Activity Description: This program will be available only in the 20 counties identified in Attachment A of this Amendment. Projects will be solicited from entities in the 20 counties and selected through the RFA process previously described. Respondents for funding will be required to provide data on local needs and market conditions and to demonstrate how proposed projects will address such needs. Projects will provide housing units for low to moderate income persons as defined in the NSP at or below 120% of area median income. Some of this funding may benefit those below 50% of median income (the NSP requires that 25% of all funding do so); however, the Authority has a separate program set-aside to ensure that the 25% set-aside for those at or below 50 percent (50%) of area median is met.

- (5) Location Description: The Authority has identified 20 counties within the “areas of greatest need” found in Attachment A. Specific locations will be identified through the RFA process.
- (6) Performance Measures: Using an estimated average of \$150,000 per unit, the Authority anticipates that this program may provide as many as 159 properties. To the extent that activities other than residential housing are proposed (demolition, redevelopment of demolished or vacant properties for commercial or industrial use), that number will be less.
- (7) Total Budget:                 \$29,037,900
- (8) Responsible Organization: Entities will be selected through the RFA process previously described. Local governments, nonprofit entities, local housing authorities and for-profit entities are eligible to apply but must meet the experience and capacity requirements outlined in the RFA.
- (9) Projected Start Date:             March 1, 2009
- (10) Projected End Date:             March 1, 2013
- (11) Specific Activity Requirements:
  - Discount Rate: For acquisition activities, properties must be purchased at a 15% discount rate from the current appraised value.
  - Forms of Assistance: Funds will be provided in the form of a grant to respondents. Respondents will be allowed to propose reasonable terms of financing to individual homebuyers and other property owners that NSP funds are provided to at the local level via the RFA process. The Authority will ensure that interest rates and terms are reasonable and appropriate for low- to moderate-income beneficiaries.

For housing related activities:

- The tenure of beneficiaries will include both rental or homeownership to be determined through the RFA process.
- The duration or term of assistance and continued affordability will be ensured as outlined in Section C. This Amendment in keeping with the HOME Program recapture model will be using deferred, forgivable loans for a term of 5 or 10 years depending upon the amount of NSP funds provided on a per unit basis.

**Activity 2:                 Tier II – Low Income Rental Housing Program**

- (1) Activity Name: Low Income Rental Housing Set-Aside
- (2) Activity Type: Several NSP activities will be allowed under this program:
  - §2301(c)(3)(B) - Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent or redevelop such homes and properties. (CDBG activity = acquisition and rehabilitation.) §2301(c)(3)(E) - Redevelop demolished or vacant properties. (CDBG activity = various including acquisition, disposition, public facilities, new construction).
- (3) National Objective: Low-Mod Housing

- (4) Activity Description: This program will be available only in the 20 counties identified in Attachment A of this Amendment as having the greatest need. Respondents for funding will be required to provide rental housing for households whose incomes do not exceed 50 percent (50%) of the area median income for five to 10 years depending upon the amount of assistance provided on a per unit basis.
- (5) Location Description: The Authority has identified 20 counties within the “areas of greatest need” found in Attachment A. Specific locations will be identified through the RFA process.
- (6) Performance Measures: Using an estimated average of \$150,000 per unit, the Authority anticipates that this program may provide as many as 74 rental housing units.
- (7) Total Budget:                 \$11,168, 423
- (8) Responsible Organization: Entities will be selected through the RFA process previously described. Local governments, nonprofit entities, local housing authorities and for-profit entities are eligible to apply but must meet the experience and capacity requirements outlined in the RFA.
- (9) Projected Start Date:             March 1, 2009
- (10) Projected End Date:             March 1, 2013
- (11) Specific Activity Requirements:
  - Discount Rate: For acquisition activities, properties must be purchased at a 15% discount rate from the current market-appraised value.
  - Forms of Assistance: Funds will be provided in the form of a grant to respondents. Respondents will be allowed to propose reasonable terms of financing to rental property owners that NSP funds are provided to at the local level via the RFA process. The Authority will ensure that interest rates and terms are reasonable and appropriate for low- to moderate-income beneficiaries.

For housing related activities:

- The tenure of beneficiaries will include tenants to be determined through the RFA process.
- The duration or term of assistance and continued affordability will be ensured as outlined in Section C. This Amendment in keeping with the HOME Program affordability model and will be using restrictive covenants for a term of 5 or 10 years depending upon the amount of NSP funds provided on a per unit basis.

## **CERTIFICATIONS**

- (1) **Affirmatively furthering fair housing.** The jurisdiction will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-lobbying.** The jurisdiction will comply with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms, if required by that part.
- (3) **Authority of Jurisdiction.** The jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (4) **Consistency with Plan.** The housing activities to be undertaken with NSP funds are consistent with its consolidated plan, which means that NSP funds will be used to meet the congressionally identified needs of abandoned and foreclosed homes in the targeted area set forth in the grantee's substantial amendment.
- (5) **Acquisition and relocation.** The jurisdiction will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the Notice for the NSP program published by HUD.
- (6) **Section 3.** The jurisdiction will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (7) **Citizen Participation.** The jurisdiction is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (8) **Following Plan.** The jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.
- (9) **Use of funds in 18 months.** The jurisdiction will comply with Title III of Division B of the Housing and Economic Recovery Act of 2008 by using, as defined in the NSP Notice, all of its grant funds within 18 months of receipt of the grant.
- (10) **Use NSP funds ≤ 120 of AMI.** The jurisdiction will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent (120%) of area median income.
- (11) **Assessments.** The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements

financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive Force.** The jurisdiction certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction will comply with applicable laws.

\_\_\_\_\_  
Signature/Authorized Official

\_\_\_\_\_  
Date

Valarie M. Williams, Executive Director  
Authorized Official/Title

**Attachment A**  
**NSP Data and Areas of Greatest Need Designation**

<i>Data Category</i>	HUD NSP Rank	Foreclosures		Vacant Residential Property		High Cost Loans	
	Rank of Total HUD "Possible NSP Allocation" for County	Total of HUD Provided "Estimated number of foreclosures"	<i>Rank Order, Highest to Lowest</i>	Total of HUD Provided "Total 90 day vacant residential addresses"	<i>Rank Order, Highest to Lowest</i>	Total HUD + Newer HMDA High Cost Loans 2004 - 2007	<i>Rank Order, Highest to Lowest</i>
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
<b>Richland County</b>	1	4,579	1	6,327	5	12,353	1
<b>Greenville County</b>	2	3,684	2	6,980	3	11,546	2
<b>Charleston County</b>	3	3,369	4	6,435	4	10,562	3
<b>York County</b>	4	2,918	5	1,889	9	7,588	5
<b>Horry County</b>	5	3,379	3	12,755	1	10,381	4
<b>Spartanburg County</b>	6	2,773	6	3,825	6	7,478	6
<b>Anderson County</b>	7	1,621	10	3,515	7	4,616	10
<b>Berkeley County</b>	8	2,263	7	967	18	6,753	8
<b>Lexington County</b>	9	2,028	8	1,697	11	7,200	7
<b>Florence County</b>	10	1,270	11	1,449	15	3,595	12
<b>Dorchester County</b>	11	1,701	9	652	25	5,087	9
<b>Orangeburg County</b>	12	793	16	1,379	16	2,155	16
<b>Sumter County</b>	13	936	13	1,674	12	2,560	15
<b>Beaufort County</b>	14	1,226	12	10,042	2	4,286	11
<b>Aiken County</b>	15	911	14	3,417	8	2,969	13
<b>Pickens County</b>	16	842	15	1,752	10	2,653	14
<b>Laurens County</b>	17	437	23	1,298	17	1,386	22
<b>Darlington County</b>	18	516	20	849	20	1,445	20
<b>Greenwood County</b>	19	545	18	1,454	14	1,564	18
<b>Lancaster County</b>	20	671	17	705	23	1,539	19

## Attachment B

<b>Purchase Price Limits</b>	
Abbeville County	\$180,144
Aiken County	\$180,144
Allendale County	\$180,144
Anderson County	\$180,144
Bamberg County	\$180,144
Barnwell County	\$180,144
Beaufort County	\$255,645
Berkeley County	\$228,712
Calhoun County	\$180,144
Charleston County	\$228,712
Cherokee County	\$180,144
Chester County	\$180,144
Chesterfield County	\$180,144
Clarendon County	\$180,144
Colleton County	\$180,144
Darlington County	\$180,144
Dillon County	\$180,144
Dorchester County	\$228,712
Edgefield County	\$180,144
Fairfield County	\$180,144
Florence County	\$180,144
Georgetown County	\$180,144
Greenville County	\$201,465
Greenwood County	\$180,144
Hampton County	\$180,144
Horry County	\$195,795
Jasper County	\$255,645
Kershaw County	\$180,144
Lancaster County	\$180,144
Laurens County	\$180,144
Lee County	\$180,144
Lexington County	\$180,144
McCormick County	\$180,144
Marion County	\$180,144
Marlboro County	\$180,144
Newberry County	\$180,144
Oconee County	\$180,144
Orangeburg County	\$180,144
Pickens County	\$201,465
Richland County	\$180,144
Saluda County	\$180,144
Spartanburg County	\$180,144
Sumter County	\$180,144
Union County	\$180,144
Williamsburg County	\$180,144
York County	\$207,423

**STATE OF SOUTH CAROLINA  
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
SUBSTANTIAL AMENDMENT CHECKLIST**

*For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the NSP Substantial Amendment and SF-424 (**Attachment D**).*

**Contents of an NSP Action Plan Substantial Amendment**

<p><b>Jurisdiction(s):</b> South Carolina State Housing Finance and Development Authority (the Authority)</p> <p><b>Jurisdiction Web Address:</b> <a href="http://www.schousing.com">www.schousing.com</a> Web Address for NSP Action Plan: <a href="http://www.schousing.com/library/NSP/NSP%20Action%20Plan%20Draft.pdf">http://www.schousing.com/library/NSP/NSP%20Action%20Plan%20Draft.pdf</a> Web Address for Additional Information: <a href="http://www.schousing.com/index.asp?n=785&amp;p=5&amp;s=852">http://www.schousing.com/index.asp?n=785&amp;p=5&amp;s=852</a></p>	<p><b>NSP Contact Person:</b> Nancy Fairley</p> <p><b>Address:</b> 300-C Outlet Pointe Blvd. Columbia South Carolina 29210</p> <p><b>Telephone:</b> 803-896-9343 <b>Fax:</b> 803-551-4883 <b>Email:</b> nancy.fairley@schousing.com</p>
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The elements in the substantial amendment required for the Neighborhood Stabilization Program are:

**A. AREAS OF GREATEST NEED**

Does the submission include summary needs data identifying the geographic areas of greatest need in the grantee’s jurisdiction?

Yes  No  Verification found on **page 2.**

**B. DISTRIBUTION AND USES OF FUNDS**

Does the submission contain a narrative describing how the distribution and uses of the grantee’s NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes  No  Verification found on **pages 3 – 5.**

**Note:** The grantee’s narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

**C. DEFINITIONS AND DESCRIPTIONS**

For the purposes of the NSP, do the narratives include:

- a definition of “blighted structure” in the context of state or local law,  
Yes  No  Verification found on **page 6.**
- a definition of “affordable rents,”  
Yes  No  Verification found on **page 6.**

- a description of how the grantee will ensure continued affordability for NSP assisted housing,  
Yes  No . Verification found on **page 6.**
- a description of housing rehabilitation standards that will apply to NSP assisted activities?  
Yes  No . Verification found on **page 7. (A hard copy of the NSP Construction Manual has been attached.)**

**D. LOW INCOME TARGETING**

- Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?  
Yes  No . Verification is address on the following pages:  
**Bottom of page 3**  
**Bottom of page 4**  
**Page 8 and Pages 12 - 13**
- Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of area median income?  
Yes  No . Verification found on **Bottom of page 3**  
**Amount budgeted = \$11,168,423**

**E. ACQUISITIONS & RELOCATION**

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?  
Yes  No . (If no, continue to next heading)  
Verification found on **Page 8. Although we are not looking at demolition or converting any low and moderate income dwelling units the Authority has included on page 8 those that may be purchased and rehabilitated.**

If so, does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?  
Yes  No . Verification found on **Page 8.**
- The number of NSP affordable housing units made available to low- , moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion)?  
Yes  No . Verification found on **Pages 11 - 13.**
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?  
Yes  No . Verification found on **Pages 12 - 13.**

**F. PUBLIC COMMENT PERIOD**

Was the proposed action plan amendment published via the grantee jurisdiction's usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes  No  Verification found on **Page 8**.

Is there a summary of citizen comments included in the final amendment?

Yes  No  Verification found on **Pages 9 - 11**.

**G. INFORMATION BY ACTIVITY**

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP,  
Yes  No  Verification found on **Pages 11 - 13**.
- correlated eligible activity under CDBG,  
Yes  No  Verification found on **Pages 11 - 13**.
- the areas of greatest need addressed by the activity or activities,  
Yes  No  Verification found on **Pages 11 - 13**.
- expected benefit to income-qualified persons or households or areas,  
Yes  No  Verification found on **Pages 11 - 13**.
- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals and families whose incomes do not exceed 50% of area median income?  
Yes  No  Verification found on **Pages 12 - 13**.
- appropriate performance measures for the activity,  
Yes  No  Verification found on **Pages 11 - 13**.
- amount of funds budgeted for the activity,  
Yes  No  Verification found on **Pages 3 – 4, & Pages 11 - 13**.
- the name, location and contact information for the entity that will carry out the activity,  
Yes  No  Verification found on **Pages 11 - 13**. **The specific information on the name and contact will be obtained at the completion of an RFA, but the locations are addressed by county in the Tiers (Tier I & Tier 11).**
- expected start and end dates of the activity?  
Yes  No  Verification found on **Pages 11 - 13**.
- If the activity includes acquisition of real property, the discount required for acquisition of foreclosed upon properties,  
Yes  No  Verification found on **Page 7**.

- If the activity provides financing, the range of interest rates (if any),  
Yes  No . Verification found on **Page 6**.
- If the activity provides housing, duration or term of assistance,  
Yes  No . Verification found on **Page 6**.
- tenure of beneficiaries (e.g., rental or homeownership),  
Yes  No . Verification found on **Page 6**.
- does it ensure continued affordability?  
Yes  No . Verification found on **Page 6**.

#### **H. CERTIFICATIONS**

The following certifications are complete and accurate:

- |  |   |                             |
|--|---|-----------------------------|
| (1) Affirmatively furthering fair housing                  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-lobbying  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Authority of Jurisdiction                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Consistency with Plan                                  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Acquisition and relocation                             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Section 3  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Citizen Participation                                  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (8) Following Plan   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Use of funds in 18 months                              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use NSP funds $\leq$ 120 of AMI                       | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) No recovery of capital costs thru special assessments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force                                       | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with anti-discrimination laws              | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with lead-based paint procedures           | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with laws                                  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

SOUTH CAROLINA STATE HOUSING FINANCE  
AND DEVELOPMENT AUTHORITY

# **2008 NCSHA Awards Submission**

**Rental Housing: Preservation and  
Rehabilitation**

**Preserving Affordable Housing:  
A National Model**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**In 2007, The Authority undertook a unique public private partnership with USDA Rural Development. The Authority issued more than \$27 million in a pooled bond transaction--the first of its kind in the nation**

SOUTH CAROLINA STATE HOUSING FINANCE  
AND DEVELOPMENT AUTHORITY



**WWJ LLC, a partnership of Boyd Management Company's officers and Greystone Affordable Housing Initiatives proposed a deal to acquire 830 rental units.**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



The properties were primarily garden-style complexes that were built in the late 1970s and early 1980s. Although the developments had an average occupancy rate of 95% or higher, the buildings were approaching the “end of their lives” and were in need of rehabilitation and renovation.



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

**In retrospective, at the time these  
properties were built:**

**(data from 1978)**

**Yearly Inflation Rate USA - 7.62%**

**Interest Rates Year End Federal Reserve - 11.75%**

**Average Cost of New House - \$54,800.00**

**Average Income per year - \$17,000.00**

**Average Monthly Rent - \$260.00**



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

**There were no viable resources within the  
USDA Rural Development to do this type  
of true preservation.**

**The properties were also at the end of  
their restricted-use agreements; therefore,  
the owners were ready to sell. Twenty-  
three multi-family properties in the rural  
areas of 15 different counties across  
South Carolina were bundled into a single  
bond issue and transferred to new  
ownership, which extended the  
restrictions for another 30 years. The bond  
issuance also allowed for the  
rehabilitation and modernization of these  
units.**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

**In order to provide sufficient resources needed to acquire and adequately rehabilitate the properties, the financing plan combined the collaborative efforts of both public and private parties. Preserving the units required a highly complex \$57.5 million deal involving the assumption and subordination of \$23.5 million in existing Rural Development Sec. 515 debt.**



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

**“The South Carolina State Housing Finance and Development Authority issued \$27.7 million in multifamily private-activity tax exempt bonds, and Community Affordable Housing Equity Corp. (CAHEC) purchased 4 percent federal low-income housing tax credits (LIHTCs) to provide \$16.6 million in equity. Other funding sources included \$1.1 million in investment income and approximately \$500,000 in deferred developer fees.”**

*(Source: Affordable Housing Finance, February 2008)*

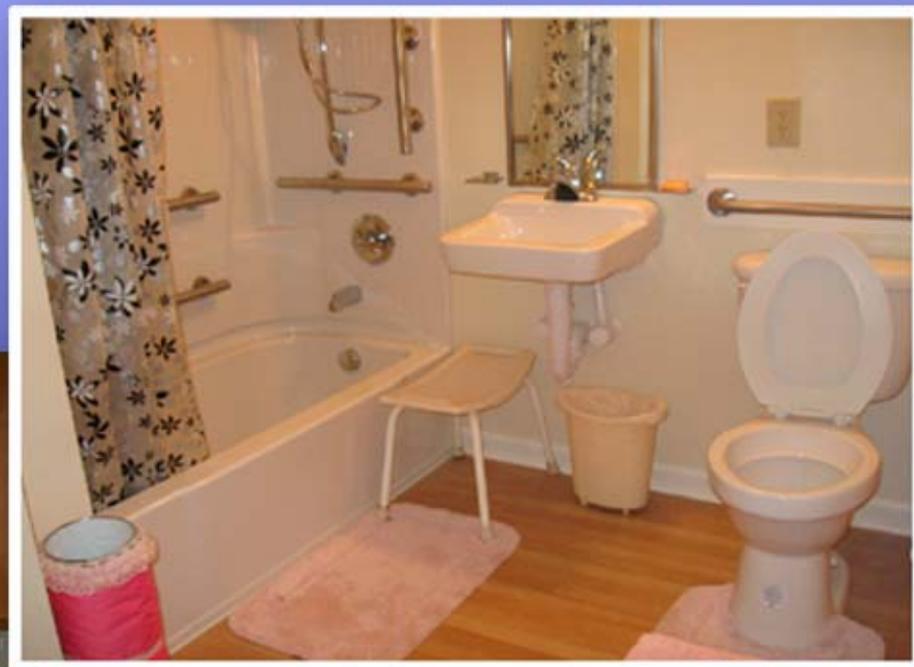
# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**With a construction contract of just over \$18,200,000, the new owners were able to fully renovate the properties and bring them up to fully accessible standards.**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

**When completed, 5% of  
the apartments were  
converted to accessible  
units.**



**An additional 2% of the  
apartments were up-  
fitted for persons with  
sensory impairments.**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**Before**

**Northwest Apartments**  
*Lancaster, SC*

**After**



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

## Wedgewood Apartments *St. Stephens, SC*



**Before**



**After**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**Before**

**Castlewood Apartments**  
*Winnsboro, SC*

**After**



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

## Park Avenue Apartments *Johnston, SC*



**Before**



**After**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



## The Finished Product



# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY

## 2007/2008 South Carolina Rehab Portfolio

### **Ashley Park Apartments**

32 unit family - Bishopville

### **Bamberg Village Apartments**

24 unit elderly - Bamberg

### **Cambridge Apartments**

48 unit family - Bishopville

### **Castlewood Apartments**

96 unit family - Winnsboro

### **Country Lane Apartments**

24 unit family - Moncks Corner

### **Countryside Apartments**

52 unit family - Clinton

### **Fairridge Lane Apartments**

24 unit family - Denmark

### **Fairridge Village Apartments**

24 unit elderly - Demark

### **Heritage Square Apartments**

52 unit family - Newberry

### **Magnolia Village Apartments**

24 unit elderly - Walterboro

### **Northwest Apartments**

72 unit family - Lancaster

### **Park Avenue I Apartments**

20 units elderly - Johnston

### **Park Avenue II Apartments**

20 units family - Johnston

### **Ryan Park Apartments**

48 unit family - Gaffney

### **Sherwood Apartments**

96 unit family - Lugoff

### **Summer Lane Apartments**

24 unit family - Santee

### **Summercrest Apartments**

90 unit family - Laurens

### **The Oaks Apartments**

20 unit family - McCormick

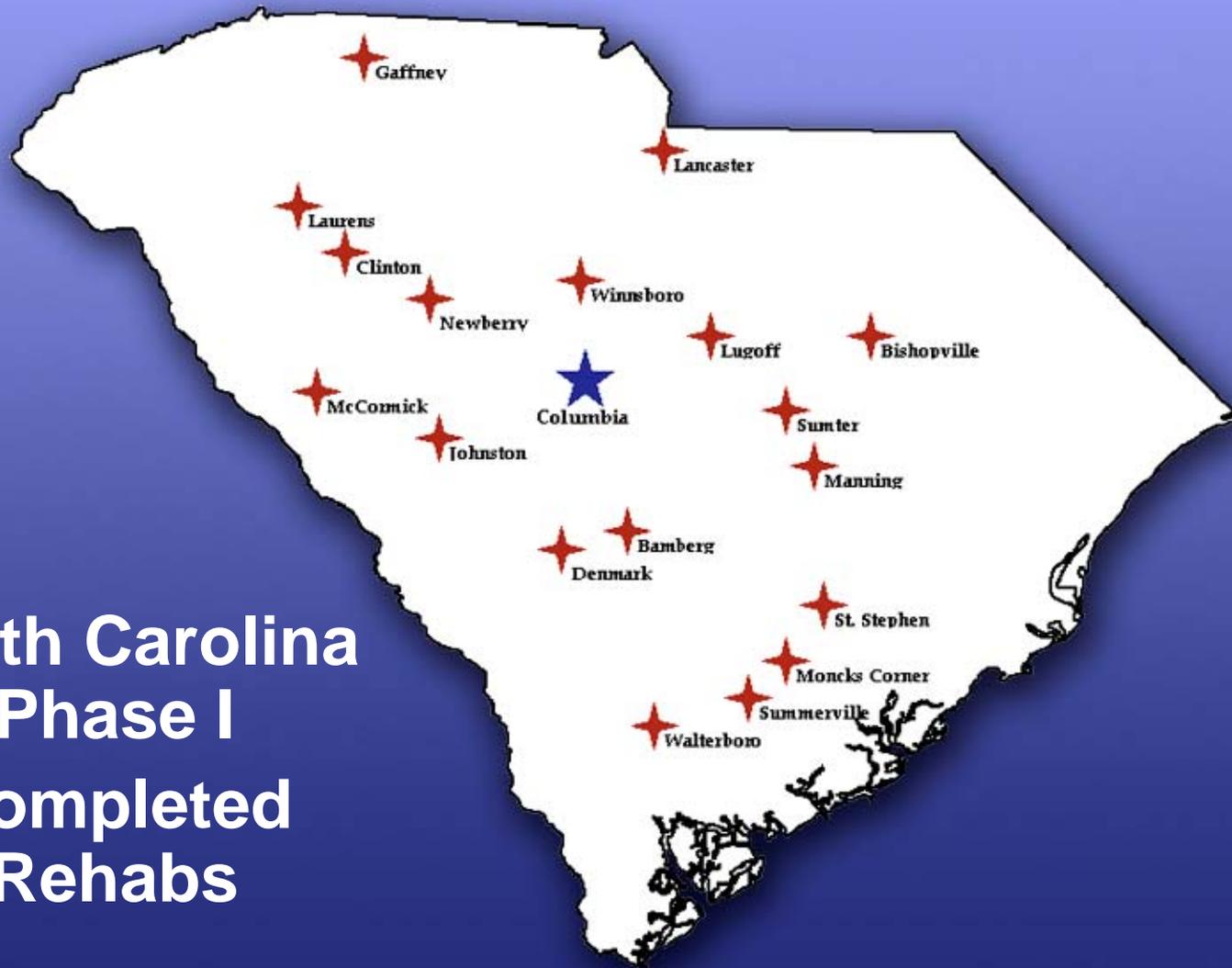
### **Walnut Village Apartments**

24 unit family - Manning

### **Wedgewood Apartments**

16 unit family - St. Stephen

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**South Carolina  
Phase I  
Completed  
Rehabs**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**The South Carolina State Housing Finance and Development Authority won a national award at the National Council of State Housing Agencies' annual conference for its role in this project.**

# SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY



**The Authority recently completed reviewing applications for the next pooled transaction, slated to consist of 45 developments with a bond issuance of \$55,225,000. A partial closing was executed in December 2008 and should finalize in Q1 of 2009.**

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

**A Special Thanks to our Team...**

**United States Department of Agriculture**

**Boyd Management**

**Greystone Affordable Housing Initiatives**

**Community Affordable Housing Equity Corporation**

**Palmetto Architectural Group**

**Bank of America**

**Merchant Capital**

**Howell, Linkous, & Nettles, LLC**

**The Brockmann Law Firm, P.C.**

**Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.**

**Powell Goldstein, LLP**

**Eichner & Norris PLLC**

**Arnold Construction**



**Division: Chairman**

**Subject: Oral Report**



**Division: Executive Director**

**Subject: Oral Report**



## South Carolina State Housing Finance and Development Authority

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Telephone: (803) 896-9001 TTY: (803) 896-8831

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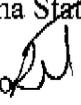
T. Scott Smith  
Chairman

Valarie M. Williams  
Executive Director

January 13, 2009

### MEMORANDUM

TO: Board of Commissioners  
South Carolina State Housing Finance and Development Authority

FROM: Richard Hutto   
Director of Contract Administration

SUBJECT: **CONTRACT ADMINISTRATION CONFLICT OF  
INTEREST CERTIFICATION**

The South Carolina State Housing Finance and Development Authority is the Performance Based Contract Administrator for the State of South Carolina providing oversight for 270 privately owned and federally subsidized properties across the state. Our contractual responsibilities include the performance of annual audits, preparation of subsidy contract renewals and the processing and payment of rental subsidy to owners. The Department of Housing and Urban Development has revised their protocol for ensuring that individuals with administrative functions or responsibility concerning contract administration possess no conflict of interest related to the performance of this contract between the South Carolina State Housing Finance and Development Authority and the Department of Housing and Urban Development. Please review the provided list of subsidy contracts in order that you may identify any direct or indirect interest in these properties. Subsequent to the review we will ask that you sign the "Section 8 Performance Based Contract Administration Conflict of Interest Certification," that will be provided for you at the January 20, 2009 Board meeting. In the event that we determine the existence of a conflict of interest it will be disclosed to HUD and you will be required to recuse yourself from decisions related to this contract. We appreciate your efforts to ensure compliance with our contractual requirements.

Enclosure (1): List of Contract Administration Properties

RH:sl

## Assignment -- Exhibit B

### HAP Contracts Assigned to PHA for CA ID = SC800

Contract Number	Property Name	Covered Units	Expiration Date	Assigned Date
SC16004002	WINNSBORO ARMS, LP	60	05/31/09	07/01/00
SC160012001	LEESVILLE GARDENS	60	03/31/09	07/01/00
SC160022001	LITCHFIELD-HAMPTON GARDENS, ALP	50	04/30/09	07/01/00
SC160028001	LAKEVIEW APARTMENTS	40	09/30/09	04/01/01
SC160042001	HOUSING AUTHORITY OF UNION	54	12/12/12	07/01/00
SC160043001	SC REGIONAL HOUSING AUTHORITY NO.	35	04/16/13	07/01/00
SC160044002	ESTILL VILLAGE	35	04/30/09	07/01/00
SC160045003	ORANGEBURG MANOR, ALP	100	12/31/08	06/01/02
SC160052001	HAMPTON HOUSE APARTMENTS	60	07/31/09	04/01/01
SC160052002	MT. VERNON PLACE, ALP	100	03/31/28	04/01/01
SC160052003	BRIGHTON RIDGE APTS.	44	11/30/28	07/01/00
SC160052012	PHOENIX PLACE	100	08/31/27	07/01/00
SC160052013	ANDERSON VILLAGE	98	09/30/26	04/01/01
SC160052014	PENDLETON PROPERTIES, ALP	50	05/31/09	04/01/01
SC160052016	SENECA GARDENS APTS.	76	07/31/27	07/01/00
SC160052017	EASTSIDE HOMES	56	03/31/28	07/01/00
SC160052018	GLENDALE MANOR APARTMENTS	50	05/31/09	04/01/01
SC160054001	WEST MAIN STREET	36	12/12/09	07/01/00
SC160054002	HAMPTON APARTMENTS	36	11/07/09	07/01/00
SC160054003	BOUNDARY APARTMENTS	24	01/30/09	07/01/00
SC160054004	OAKLAND APTS.	30	12/12/09	07/01/00
SC160054005	BRANCHVILLE ASSOCIATES, LTD	24	10/31/09	07/01/00
SC160054007	NORTH APTS.	36	07/11/13	07/01/00
SC160055008	MANNING GARDENS	50	09/30/26	07/01/00
SC160056001	CRESTWOOD FOREST APARTMENTS, AL	156	10/31/09	07/01/00
SC160056002	SPRING GROVE APARTMENTS	96	01/31/09	07/01/00
SC160056003	OAKLAND PLACE, ALP	80	04/30/09	07/01/00
SC160056004	BEVERLY APARTMENTS	80	05/31/09	07/01/00
SC160056005	TOWERS EAST APARTMENTS	269	03/31/09	07/01/00
SC160056007	FLEETWOOD MANOR	100	10/31/09	07/01/00
SC160056015	PICKENS GARDENS	76	04/30/09	07/01/00
SC160057001	J. WILLIAM PITTS APARTMENTS, INC.	32	04/30/13	04/01/01
SC160060001	GREENVILLE ARMS, ALP	100	10/31/09	07/01/00
SC160060004	MAULDIN GARDENS	64	03/31/09	07/01/00
SC160061001	NANCE FOREST, ALP	74	04/30/21	04/01/01
SC160061002	NEWBERRY ARMS LIMITED PARTNERSHI	60	11/30/09	04/01/01
SC160061003	LAURENS VILLA APARTMENTS	60	01/31/26	07/01/00
SC160061005	CLINTON MANOR APARTMENTS	60	08/31/09	07/01/00
SC160061006	ABBEVILLE ARMS, ALP	72	08/31/21	06/01/02

SC160062001	LEDGES APARTMENTS (THE)	84	06/30/26	06/01/02
SC160062003	NORTH AUGUSTA GARDENS	100	07/31/09	04/01/01
SC160063001	WATEREE VILLAS, LIMITED PARTNERSHI	80	05/31/09	07/01/00
SC160063003	DENMARK ASSOCIATES, LTD	40	10/08/09	07/01/00
SC160064001	LEEHAVEN & SANDERS	58	10/31/09	04/01/01
SC160064002	PLANTATION APARTMENTS	110	05/31/09	04/01/01
SC160066002	EASTWOOD APARTMENTS	62	06/07/19	07/01/00
SC160067002	RIVER OAKS APTS.	100	07/31/10	07/01/00
SC160067003	PARK NORTH, A LIMITED PARTNERSHIP	84	12/31/08	04/01/01
SC160067006	RICHLAND VILLAGE, ALP	100	07/31/09	04/01/01
SC160072001	GATEWAY VILLAGE, ALP	70	09/30/09	04/01/01
SC160072009	CANEBREAK, A LIMITED PARTNERSHIP	120	10/31/25	07/01/00
SC160072019	SPANISH TRACE APTS.	88	02/28/09	07/01/00
SC160072021	MEADOW RUN INVESTORS, LLC	96	06/30/09	07/01/00
SC160072029	WISEWOOD APARTMENTS ASSOCIATES,	90	10/31/26	07/01/00
SC160072032	EDGEWOOD SQUARE, ALP	96	05/31/09	06/01/02
SC160073005	CARRIAGE HOUSE APARTMENTS	124	10/31/21	06/01/02
SC160073014	HILTON HEAD GARDENS	112	03/31/09	07/01/00
SC160073048	LANCASTER APARTMENTS ASSOCIATES	66	10/31/25	07/01/00
SC160075003	IRMO VILLAGE, ALP	80	12/31/08	07/01/00
SC160075004	CAMBRIDGE APARTMENTS, LP	62	12/31/12	07/01/00
SC160075005	KENSINGTON MANOR	124	10/31/09	07/01/00
SC160075007	GREENTREE NORTH APARTMENTS	96	09/30/11	07/01/00
SC160075011	KALMIA APARTMENTS	96	07/31/09	07/01/00
SC160075013	MILLER OAKS VILLAGE, A LP	100	05/31/09	07/01/00
SC160075014	SWIFT CREEK APARTMENTS, ALP	72	08/31/09	07/01/00
SC160075015	HAVEN OAKS APTS.	104	10/31/09	07/01/00
SC160075017	BAMBERG VILLA APTS.	60	11/30/10	07/01/00
SC160075018	BARNWELL ARMS	50	06/30/09	07/01/00
SC160075019	DILLON MANOR , A LIMITED PARTNERSHI	92	04/30/09	07/01/00
SC160075021	MOSSY OAKS VILLAGE TOWNHOUSES	96	08/31/09	07/01/00
SC160075025	CRESTVIEW VILLAGE APTS., ASSOCIATE	76	03/31/09	07/01/00
SC160075029	OAK FOREST APARTMENTS ASSOCIATE	64	11/30/09	07/01/00
SC160075032	CREEKWOOD VILLAGE, ALP	76	08/31/09	04/01/01
SC160075038	JC BULL APARTMENTS	100	09/07/11	07/01/00
SC160075043	CLEARWATER VILLAGE, ALP	104	05/31/09	07/01/00
SC160075044	SANDYGATE VILLAGE, ALP	104	02/28/09	07/01/00
SC160075048	DRUID HILLS APARTMENTS	80	06/30/09	09/01/05
SC160075052	EASLEY HSG FOR THE ELDERLY, ALP	40	09/30/09	07/01/00
SC160075054	EDISTO PLAZA APARTMENTS	44	03/29/09	07/01/00
SC160075056	PARKWAY VILLAGE APARTMENTS	144	10/31/09	07/01/00
SC160075058	VILLAGE CREEK, ALP	96	04/30/09	07/01/00
SC160075061	GLENFIELD APARTMENTS	104	05/31/23	07/01/00
SC160075067	LYNCHE'S RIVER APARTMENTS, ALP	50	04/29/09	07/01/00

SC160076005	PRESCOTT MANOR, ALP	88	11/30/24	07/01/07
SC160076013	THE GLENS	88	04/30/27	07/01/07
SC160076014	DRUID HILLS II APARTMENTS	64	01/31/13	07/01/00
SC160076018	STANDPOINT VISTA ASSOCIATES, ALP	64	01/31/25	07/01/07
SC160076020	CROSLAND HOUSING ASSOCIATES, LP	56	05/31/09	07/01/00
SC160076021	CAMBRIDGE ASSOCIATES OF LAMAR	50	05/30/09	07/01/00
SC160076032	WOODSIDE APARTMENTS	50	04/30/09	09/01/04
SC160076040	WOODSTREAM APARTMENTS, ALP	112	10/31/09	07/01/00
SC160076062	DUNCAN VILLAGE ASSOCIATES, A South	50	11/30/25	07/01/07
SC160076065	REDWOOD VILLAGE APTS., ALP	50	07/31/28	07/01/07
SC160076109	PINE RIDGE APARTMENTS, ALP	48	10/31/12	07/01/00
SC160076112	HUNTER'S GLEN, ALP	20	12/06/09	07/01/00
SC160076126	SPRUCE PINES ASSOC. OF LANDRUM AL	50	01/31/25	07/01/00
SC160078001	GREENVILLE ASSOCIATES, A SC LP	101	09/04/15	07/01/00
SC160389201	CROFT HOUSE, INC.	60	01/31/12	07/01/00
SC160389202	JOHN'S ISLAND RURAL HOUSING	88	07/31/09	04/01/01
SC168023005	PINEHAVEN VILLAS APTS., ALP	80	10/31/13	07/01/00
SC168023015	CAROLINA APTS. (THE)	70	08/31/23	07/01/00
SC168023043	WOODS EDGE APARTMENTS	130	05/31/10	07/01/07
SC16E000003	BOONE WEST APARTMENTS	62	06/30/10	07/01/00
SC16H055005	DORCHESTER VILLAGE	24	02/28/25	07/01/07
SC16H055006	VARNVILLE I	48	12/13/09	07/01/07
SC16H055009	CHERRY MANOR	20	05/31/10	07/01/07
SC16H055010	WILLOW OAKS ASSOCIATES OF COWPE	20	06/30/09	07/01/00
SC16H055012	WALTERBORO VILLAGE ASSOCIATES, AL	68	01/01/09	07/01/00
SC16H055017	BAYTREE I	40	06/30/09	06/01/02
SC16H055018	TALL PINES I	24	08/31/09	04/01/01
SC16H055020	WREN VILLAGE	50	08/30/09	07/01/07
SC16H055023	INDIAN CREEK APARTMENTS	28	06/30/11	07/01/07
SC16H055024	ALMAN STREET APARTMENTS	32	09/30/11	07/01/07
SC16H055028	FOXWOOD, A LIMITED PARTNERSHIP	48	12/31/13	07/01/07
SC16H055029	LATTA ARMS , A LIMITED PARTNERSHIP	60	12/31/08	07/01/07
SC16H055032	NORTHBRIDGE COURTS ASSOCIATES, L	100	01/31/10	07/01/07
SC16H055033	PAGELAND PLACE ASSOCIATES, LP	50	05/31/24	07/01/07
SC16H055034	WINNFIELD WEST	66	11/30/09	07/01/07
SC16H055035	CEDARWOOD APARTMENTS	60	04/30/24	07/01/07
SC16H055036	SHANNON PARK APARTMENTS	96	07/31/12	07/01/07
SC16H055037	HERITAGE COURT ASSOCIATES, ALP	148	11/30/26	07/01/07
SC16L000001	FINLAY HOUSE	177	05/31/09	07/01/00
SC16L000003	SPRING GROVE APARTMENTS	104	01/31/23	04/01/01
SC16L000009	POPLAR SQUARE APARTMENTS	50	03/31/26	04/01/01
SC16L000078	MOUNTAIN TRACE ASSOCIATES LP	56	05/31/09	07/01/00
SC16L000081	NEW WALHALLA I APTS ASSOCIATES AL	22	07/31/09	04/01/01
SC16L000082	OAKLAND HOUSING, LP	32	07/31/09	07/01/00

SC16L000087	OAKFIELD APARTMENTS	184	04/30/09	07/01/00
SC16L000091	FAIRWINDS APARTMENTS	168	05/31/09	07/01/00
SC16L000122	LAURENS GLEN APARTMENTS	29	02/28/09	07/01/00
SC16L000124	ABBOTT ARMS APTS	20	09/30/12	04/01/01
SC16L000129	GREENFIELD APARTMENTS	40	05/31/09	07/01/00
SC16L000132	CHRISTOPHER TOWERS	154	02/28/09	04/01/01
SC16M000012	TRINITY METHODIST CHURCH APTS. INC	50	09/30/09	04/01/01
SC16M000014	TWIN OAKS APARTMENTS	56	02/28/09	07/01/00
SC16M000015	BROAD RIVER TERRACE APTS.	104	08/31/09	07/01/00
SC16M000016	WALHALLA GARDENS II	36	10/31/08	04/01/01
SC16M000019	MT PISGAH APARTMENTS	60	11/30/09	04/01/01
SC16M000020	BETHEL APARTMENTS INC	30	08/31/09	04/01/01
SC16M000024	CONNECTICUT VILLAGE	105	09/30/09	04/01/01
SC16M000025	JOSEPH PAUL APARTMENTS, INC.	44	12/31/08	04/01/01
SC16M000026	NEW ORLEANS GARDENS APARTMENTS	100	09/30/09	04/01/01
SC16M000027	E M B E APTS	100	09/30/09	04/01/01
SC16M000029	HAMPTON HOUSE APARTMENTS	56	05/31/09	07/01/00
SC16M000030	LAURENS TERRACE APARTMENTS	58	04/30/09	07/01/00
SC16M000032	LINCOLN APARTMENTS	64	09/30/09	04/01/01
SC16M000034	FAIRVIEW GARDENS, A PARTNERSHIP	160	08/31/09	07/01/00
SC16M000037	MAPLE RIDGE APTS.	165	06/30/12	07/01/00
SC16M000038	WOODLAND APARTMENTS, ALP	20	06/30/09	07/01/00
SC16M000040	PINETREE APARTMENTS	10	09/30/09	07/01/00
SC16M000041	PARKVIEW APARTMENTS	60	05/31/09	04/01/01
SC16M000043	PINEWOOD PARK APARTMENTS	44	03/31/13	07/01/01
SC16M000044	BETHEL BISHOP CHAPPELLE MEMORIAL	200	06/30/13	04/01/01
SC16M000045	HOME SECURITY, INC.	61	10/31/09	04/01/01
SC16M000048	FRIENDSHIP COURT, LP	80	09/30/09	04/01/01
SC16M000050	FAIRWOOD APTS.	56	04/30/09	04/01/01
SC16M000051	ROOSEVELT GARDENS I	100	03/31/09	04/01/01
SC16M000052	BRIDGEVIEW VILLAGE APARTMENTS	150	07/31/09	07/01/00
SC16M000053	ARRINGTON PLACE	48	07/31/23	04/01/01
SC16M000055	BELTON WOODS	200	07/31/12	07/01/00
SC16M000056	MT ZION AME	72	09/30/09	06/01/02
SC16M000058	HIGHLAND SQUARE II APTS., ASSOC. LP	152	06/30/10	04/01/01
SC16M000059	MARKET PLACE APARTMENT	68	07/31/09	07/01/00
SC16M000060	SHEMWOOD CROSSING	200	05/31/09	07/01/00
SC16M000061	BRIDGEVIEW VILLAGE APARTMENTS	150	05/31/09	07/01/00
SC16M000062	CRESCENT HILL	150	05/31/13	07/01/00
SC16M000063	CHESTER MANOR APARTMENTS	36	05/31/10	04/01/01
SC16M000064	BOULDER CREEK	200	05/31/09	07/01/00
SC16M000065	HICKORY HEIGHTS APARTMENTS, ALP	80	11/30/08	07/01/00
SC16M000066	ROOSEVELT GARDENS II APARTMENTS	100	03/31/09	04/01/01
SC16M000067	WESTWOOD APARTMENTS	48	05/31/09	04/01/01

SC16M000075	PALMETTO TERRACE	44	05/31/09	07/01/00
SC16M000076	PALMETTO TERRACE II	68	06/30/09	07/01/00
SC16M000077	SHAMROCK ASSOCIATES	40	08/31/09	04/01/01
SC16M000084	BROCKINGTON HEIGHTS, INC.	50	08/31/09	04/01/01
SC16M000086	CARVER APARTMENTS	32	12/31/08	07/01/00
SC16M000107	MT ZION II	36	02/28/26	04/01/01
SC16M000108	Gable Oaks	60	10/31/13	07/01/00
SC16M000109	HAMPTON HALL APARTMENTS, LTD.	65	10/31/13	07/01/00
SC16M000110	HILLANDALE, LP	20	10/31/25	07/01/00
SC16M000112	SWIFT CREEK VILLAS	48	10/31/08	04/01/01
SC16M000114	HOME SECURITY APTS. PHASE II, LP	28	10/31/09	04/01/01
SC16M000115	COLUMBIA GARDENS, LP	20	10/31/12	04/01/01
SC16M000139	LANDAU APARTMENTS	60	05/31/09	07/01/00
SC16M000140	FILBIN CREEK APARTMENTS	32	09/30/09	04/01/01
SC16M000150	ABBOTT ARMS APTS	77	07/31/12	04/01/01
SC16M000151	ASHLEY ARMS APTS.	79	07/31/12	04/01/01
SC16M000152	COLUMBIA GARDENS, LP	160	07/31/12	04/01/01
SC16M000153	WILLOW RUN APARTMENTS	186	07/31/12	04/01/01
SC16M000154	COLONY APTS	300	05/31/24	09/01/04
SC16R000001	RAMSEY GROVE APARTMENTS, ALP	64	09/30/26	04/01/01
SC16R000002	RAMBLEWOOD OF BATESBURG, ALP	64	03/31/09	07/01/00
SC16R000004	ARBOR PLACE	48	07/31/09	07/01/00
SC16R000006	JOHNSONVILLE APARTMENTS	54	12/01/09	07/01/00
SC16R000007	WILLOW OAKS	48	01/31/09	07/01/00
SC16R000008	INDIAN CREEK	50	05/31/24	07/01/00
SC16R000009	WESTOWNE APARTMENTS	40	08/31/09	07/01/00
SC16R000010	SALUDA TERRACE, ALP	48	05/31/09	07/01/00
SC16R000011	DALE APARTMENTS (THE)	60	06/30/22	07/01/00
SC16R000012	VARNVILLE AREA HOUSING CORP.	32	07/31/12	07/01/00
SC16R000013	HEMINGWAY HOUSING ASSOCIATES, AL	48	12/31/10	07/01/00
SC16R000014	KINGS CROSSING APARTMENTS	44	09/30/22	07/01/00
SC16R000015	MEADOWFIELD APTS.	48	08/31/09	07/01/00
SC16R000016	WOODSIDE ASSOCIATES OF BISHOPVILL	48	10/31/17	07/01/00
SC16R000017	FOREST VILLA APTS.	48	08/31/26	07/01/00
SC16R000019	MEDICAL PARK MANOR	24	11/30/16	07/01/00
SC16R000020	BAYTREE II	16	09/30/09	07/01/00
SC16R000021	WATER OAKS ASSOCIATES OF JEFFERS	40	03/31/17	07/01/00
SC16R000022	FOX CREEK APARTMENTS, ALP	48	01/31/17	07/01/00
SC16T781004	SHILOH RANDOLPH MANOR	71	09/30/26	07/01/00
SC16T781006	DIGNITY VILLAGE	28	07/31/09	04/01/01
SC16T781007	PINCKNEY PLACE	75	11/17/09	07/01/00
SC16T781008	RICHLAND NORTH, INC.	16	05/31/18	07/01/00
SC16T781009	LEXINGTON SOUTH, INC.	16	06/30/18	07/01/00
SC16T781010	RICHLAND EAST, INC.	16	01/31/09	07/01/00

SC16T781011	LEXINGTON WEST, INC.	16	10/31/18	07/01/00
SC16T781014	LAKESIDE APARTMENTS	110	08/31/27	07/01/00
SC16T791001	OAKBROOK TOWERS	95	01/31/18	07/01/00
SC16T791002	PINCKNEY PLACE	74	03/31/13	07/01/00
SC16T791003	PALMETTO TOWERS	95	03/31/09	07/01/00
SC16T801002	ENSOR FOREST	69	12/31/12	07/01/00
SC16T801003	CREATIVE ENVIRONMENTS, INC.	18	04/13/09	07/01/00
SC16T811003	DIGNITY VILLAGE	30	05/08/09	07/01/00
SC16T811009	ANSONBOROUGH HOUSING CORPORATI	77	08/29/09	07/01/00
SC16T811010	BARNWELL IV, INC.	24	10/25/09	07/01/00
SC16T821006	SHERMAN HOUSE	55	08/26/09	07/01/00
SC16T821011	PIEDMONT PROPERTIES	36	03/26/09	07/01/00
SC16T831005	KERSHAW SPECIAL HOUSING, INC.	15	02/28/09	07/01/00
SC16T831011	ASBURY ARMS	55	11/30/25	07/01/00
SC16T831014	WOODVIEW APTS.	40	07/18/09	07/01/00
SC16T831015	SPARTANBURG ARP MANOR APARTMEN	56	02/12/09	07/01/00
SC16T831017	BENCHMARK HOMES	24	08/31/11	07/01/00
SC16T831020	GANDY ALLMON APTS.	39	10/06/09	07/01/00
SC16T841001	ORANGEBURG HOUSING, INC.	16	10/05/09	07/01/00
SC16T841002	CALHOUN COUNTY HOUSING, INC.	16	07/06/09	07/01/00
SC16T841003	VANGUARD RESIDENTIAL SERVICES	15	05/15/09	07/01/00
SC16T841004	COUNTRY TREND, INC.	8	05/15/09	07/01/00
SC16T841005	AMELIA VILLAGE ELDERLY HOUSING	44	05/06/09	07/01/00
SC16T841006	PELICAN HOUSE, INC.	46	07/31/27	07/01/00
SC16T841008	PINCKNEY PLACE	46	02/24/09	07/01/00
SC16T841010	SECESSIONVILLE	9	12/31/27	07/01/00
SC16T841019	BROCKWOOD COMMUNITY ASSOCIATIO	67	01/31/12	07/01/00
SC16T851001	HAPPY HOMES, INC.	15	11/30/12	07/01/00
SC16T851002	HARTSVILLE SPECIAL HOUSING, INC.	16	10/31/12	07/01/00
SC16T851003	LEE COUNTY SPECIAL HOUSING, INC.	15	11/30/27	07/01/00
SC16T851004	YORK COUNTY SPECIAL HOUSING, INC.	16	10/31/27	07/01/00
SC16T851007	TOWN & COUNTRY APARTMENTS	30	12/31/12	07/01/00
SC16T851008	WHITE OAKS APARTMENTS	40	06/30/13	07/01/00
SC16T851009	WISTERIA WAY	30	06/14/09	07/01/00
SC16T861003	JOHN G. FELDER APARTMENTS	40	11/27/09	07/01/00
SC16T861007	WASHINGTON SQUARE	40	11/26/09	07/01/00
SC16T861008	FARROW PLACE APARTMENTS	44	07/05/10	07/01/00
SC16T861009	THE PORTALS, INC.	20	03/30/09	07/01/00
SC16T861011	LEXINGTON RESIDENTIAL ALTERNATIVE,	8	05/31/13	07/01/00
SC16T861015	LAURENS CO. SPECIALTY HSG. CORP.	16	05/24/10	07/01/00
SC16T861019	WESTOVER APARTMENTS, INC.	20	05/01/11	07/01/00
SC16T871001	ST. ELIZABETH PLACE	47	06/19/11	07/01/00
SC16T871004	JEAN W. MCCABE MANOR	32	04/06/12	07/01/00
SC16T871005	LEE COUNTY SENIOR APARTMENTS, INC	32	05/09/11	07/01/00

SC16T871006	BAPTIST VI	60	07/09/11	07/01/00
SC16T871008	SPRING VALLEY ELDERLY HOUSING	48	04/03/11	07/01/00
SC16T871011	CANNON HOUSING, INC.	40	06/18/11	07/01/00
SC16T871012	MILLNER ELDERLY HOUSING, INC.	47	05/17/12	07/01/00
SC16T881002	PROPERTIES WEST, INC.	20	03/13/11	07/01/00
SC16T881004	SIXTY-TWO PLAZA CENTRAL, INC.	24	07/02/11	07/01/00
SC16T881005	CLARENCE MCKINNEY COURT, INC.	20	07/09/11	07/01/00
SC16T881006	AIKEN APARTMENTS, INC.	20	04/22/11	07/01/00
SC16T881007	ARBOR POINTE	20	09/04/11	07/01/00
SC16T881009	PINERIDGE APTS.	51	09/13/10	07/01/00
SC16T881013	CHESTERFIELD COURTS, INC.	40	07/04/11	07/01/00

**Total Contracts for CA ID (SC800) = 270****Total Units 17,894**



South Carolina

**STATE HOUSING**

Finance and Development Authority

**January 20, 2009**

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**Division: Deputy Director for Administration**

**Subject: Oral Report**



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

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## **Homeownership**

**January 20, 2009**

The following Homeownership Division monthly status reports as of December 31, 2008 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

December-08

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	\$100,133	\$33,694	\$49,369,832	(\$6,508,670)	65	\$0	\$0	\$42,861,162	(\$24,685,828)	\$18,175,334
DPA Repayable	\$4,692	\$42,349	\$5,267,848	(\$122,000)	26	\$0	\$800	\$5,146,648	(\$702,100)	\$4,444,548
HOME DPA	\$3,111	\$26,761	\$2,029,113	(\$174,000)	67	\$0	\$12,600	\$1,867,713	(\$768,850)	\$1,098,863
Home Voucher	\$0	\$0		\$0	0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>			<b>\$56,666,793</b>	<b>(\$6,804,670)</b>	<b>158</b>	<b>\$0</b>	<b>\$13,400</b>	<b>\$49,875,523</b>	<b>(\$26,156,778)</b>	<b>\$23,718,745</b>

UNRESERVED FUNDS	
Series 2008 - MRB 041	(\$1,213,897)
Series 2008 - MRB 042	\$8,882,945
Other Funds	\$8,204,717
Palmetto Hero	\$2,301,569
<b>TOTAL</b>	<b>\$18,175,334</b>

# Fiscal YTD Loan Purchase Statistics

July 1, 2008 Through December 31, 2008

Funding Source	Beginning Fund Balance (Allocated)	Purchases		New Fund Allocations	Recyled Funds	Ending Balance	Outstanding Reservations	Unreserved Balance
		Volume	Units					
MRB	\$59,205,641	(\$60,203,029)	572	\$43,858,550	\$0	\$42,861,162	(\$24,685,828)	\$18,175,334
DPA Repayable	\$2,145,848	(\$1,000,000)	273	\$4,000,000	\$800	\$5,146,648	(\$702,100)	\$4,444,548
HOME DPA	\$3,132,413	(\$1,285,500)	462	\$0	\$20,800	\$1,867,713	(\$768,850)	\$1,098,863
HOME Voucher	\$15,000	(\$15,000)	1	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$64,498,902</b>	<b>(\$62,503,529)</b>	<b>1,308</b>	<b>\$47,858,550</b>	<b>\$21,600</b>	<b>\$49,875,523</b>	<b>(\$26,156,778)</b>	<b>\$23,718,745</b>

## Monthly Portfolio Statistics

Month Ending December 2008

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	\$6,508,670	65	(\$1,745,940)	(45)	(\$1,103,414)	(12)	\$3,659,317	8	\$836,305,828	11,235
Second Mortgage	\$296,000	93	(\$31,500)	(24)	(\$21,871)	(11)	\$242,629	58	\$14,233,171	7,114
Other	\$0	0					\$0	0	\$0	0
<b>TOTAL</b>	<b>\$6,804,670</b>	<b>158</b>	<b>(\$1,777,440)</b>	<b>(69)</b>	<b>(\$1,125,285)</b>	<b>(23)</b>	<b>\$3,901,945</b>	<b>66</b>	<b>\$850,538,999</b>	<b>18,349</b>

## YTD Portfolio Statistics

July 1, 2008 Through December 31, 2008

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	\$60,203,030	572	(\$14,100,084)	(276)	(\$4,386,034)	(59)	\$41,716,912	237	\$836,305,828	11,235
Second Mortgage	\$2,300,500	736	(\$234,740)	(191)	(\$77,965)	(45)	\$1,987,795	500	\$14,233,171	7,114
Other	\$0	0					\$0	0	\$0	0
<b>TOTAL</b>	<b>\$62,503,530</b>	<b>1308</b>	<b>(\$14,334,824)</b>	<b>(467)</b>	<b>(\$4,463,999)</b>	<b>(104)</b>	<b>\$43,704,707</b>	<b>737</b>	<b>\$850,538,999</b>	<b>18,349</b>

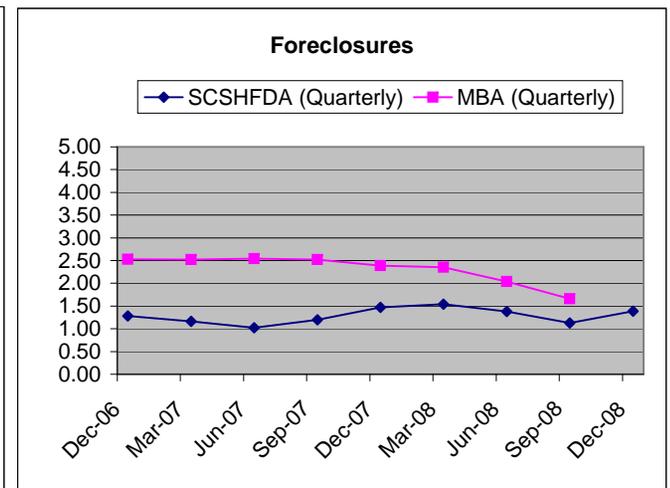
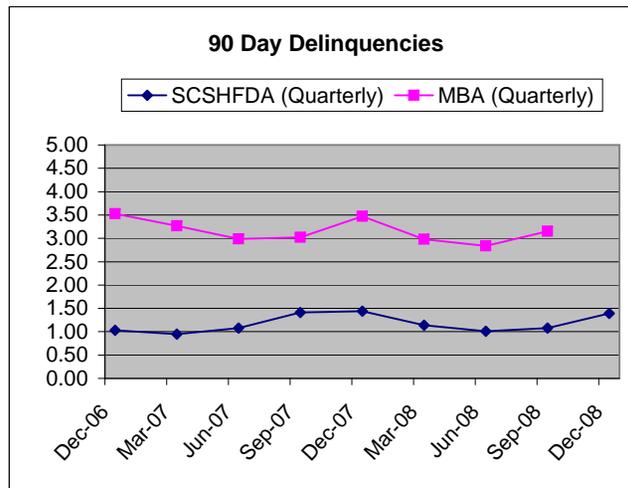
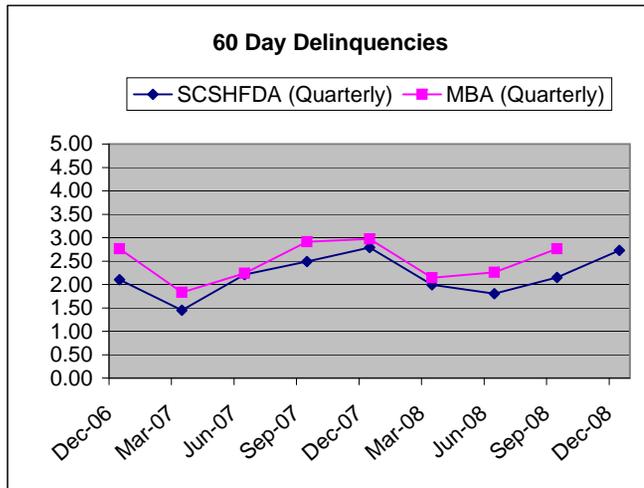
## Portfolio by Servicer

Servicer	First Mortgages Serviced	Outstanding Principle Balance	Second Mortgages Serviced	Outstanding Principle Balance	Total Loans Serviced
State Housing	9,932	\$780,081,894.07	7,114	\$14,233,170.92	17,046
First Citizens	1,303	\$56,223,933.70	0	\$0.00	1,338
<b>Total All Servicers</b>	<b>11,235</b>	<b>\$836,305,827.77</b>	<b>7,114</b>	<b>\$14,233,170.92</b>	<b>18,349</b>

# DELINQUENCY REPORT

	<u>60 Day</u>			<u>90 Day</u>			<u>Foreclosures</u>	
	<i>SCSHFDA (Quarterly)</i>	<i>MBA (Quarterly)</i>		<i>SCSHFDA (Quarterly)</i>	<i>MBA (Quarterly)</i>		<i>SCSHFDA (Quarterly)</i>	<i>MBA (Quarterly)</i>
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

			<u>60 Day</u>				<u>90 Day</u>				<u>Foreclosures</u>				<u>Bankruptcies</u>		
			<i>SCSHFDA (Monthly)</i>	<i>SCSHFDA (Quarterly)</i>	<i>MBA (Quarterly)</i>		<i>SCSHFDA (Monthly)</i>	<i>SCSHFDA (Quarterly)</i>	<i>MBA (Quarterly)</i>		<i>SCSHFDA (Monthly)</i>	<i>SCSHFDA (Quarterly)</i>	<i>MBA</i>		<i>SCSHFDA (Monthly)</i>	<i>SCSHFDA (Quarterly)</i>	<i>MBA</i>
<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	N/A		1.09	1.39	N/A		1.24	1.39	N/A		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		





## 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:                      11:30 AM                      January 9, 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>6.625</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 Repayable	<b>6.500</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 Repayable	<b>6.000</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 (\$3,000 Forgivable \$2,000 Repayable)	<b>6.500</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 (\$3,000 Forgivable \$2,000 Repayable)	<b>6.500</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 (\$3,000 Forgivable \$2,000 Repayable)	<b>6.000</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>6.000</b>
<i><b>Single Parent Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>6.000</b>
<i><b>Disability Program</b></i> (First time homebuyer requirement waived)	\$5,000 Forgivable	<b>6.000</b>

FOR ADDITIONAL INFORMATION SEE OUR WEBSITE

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

## INCOME LEVELS AND MAXIMUM SALES PRICE

Tier I				Tier II				
NON-TARGETED								
2008	1 or 2 Person	3 or More Persons	Home Price	See Tier II Charts for 5 or more Persons				Home Price
				1 Person	2 Person	3 Person	4 Person	
Aiken	\$54,300	\$62,445	\$200,160	\$30,400	\$34,750	\$39,100	\$43,450	\$180,144
Anderson	\$52,400	\$60,260	\$200,160	\$30,750	\$35,150	\$39,550	\$43,900	\$180,144
Charleston	\$58,400	\$67,160	\$254,125	\$32,700	\$37,350	\$42,050	\$46,700	\$228,712
Greenville	\$55,100	\$63,365	\$223,851	\$31,650	\$36,150	\$40,700	\$45,200	\$201,465
Greenwood	\$50,300	\$67,845	\$200,160	\$28,750	\$32,850	\$36,950	\$41,050	\$180,144
Lancaster	\$48,800	\$56,120	\$200,160	\$27,600	\$31,550	\$35,500	\$39,450	\$180,144
Lexington	\$59,200	\$68,080	\$200,160	\$33,950	\$38,800	\$43,650	\$48,500	\$180,144
Oconee	\$51,800	\$59,570	\$200,160	\$29,200	\$33,350	\$37,550	\$41,700	\$180,144
Pickens	\$55,100	\$63,365	\$223,851	\$31,650	\$36,150	\$40,700	\$45,200	\$201,465
Richland	\$59,200	\$68,080	\$200,160	\$33,950	\$38,800	\$43,650	\$48,500	\$180,144
Spartanburg	\$54,000	\$62,100	\$200,160	\$30,750	\$35,150	\$39,550	\$43,900	\$180,144
York	\$64,300	\$73,945	\$230,470	\$36,050	\$41,200	\$46,350	\$51,500	\$207,423
TARGETED								
2008	1 or 2 Person	3 or More Persons	Home Price	See Tier II Charts for 5 or more Persons				Home Price
				1 Person	2 Person	3 Person	4 Person	
Barnwell	\$63,480	\$74,060	\$200,160	\$32,750	\$37,450	\$42,100	\$46,800	\$180,144
Beaufort	\$73,800	\$86,100	\$284,050	\$35,300	\$40,300	\$45,300	\$50,400	\$255,645
Berkeley	\$70,080	\$81,760	\$254,125	\$31,550	\$36,100	\$42,050	\$46,700	\$228,712
Calhoun	\$63,480	\$74,060	\$200,160	\$33,950	\$38,800	\$43,650	\$48,500	\$180,144
Cherokee	\$63,480	\$74,060	\$200,160	\$30,750	\$35,150	\$39,550	\$43,900	\$180,144
Dorchester	\$70,080	\$81,760	\$254,125	\$31,550	\$36,100	\$42,050	\$46,700	\$228,712
Edgefield	\$63,480	\$74,060	\$200,160	\$29,900	\$34,200	\$38,450	\$42,700	\$180,144
Fairfield	\$63,480	\$74,060	\$200,160	\$33,950	\$38,800	\$43,650	\$48,500	\$180,144
Florence	\$63,480	\$74,060	\$200,160	\$27,450	\$31,350	\$35,300	\$39,200	\$180,144
Georgetown	\$63,480	\$74,060	\$200,160	\$27,900	\$31,900	\$35,850	\$39,850	\$180,144
Horry	\$63,480	\$74,060	\$217,550	\$28,850	\$32,950	\$37,100	\$41,200	\$195,795
Jasper	\$63,480	\$74,060	\$284,050	\$26,100	\$29,850	\$33,550	\$37,300	\$255,645
Laurens	\$63,480	\$74,060	\$200,160	\$27,850	\$31,800	\$37,100	\$41,200	\$180,144
Newberry	\$63,480	\$74,060	\$200,160	\$27,250	\$31,100	\$35,000	\$38,900	\$180,144
Saluda	\$63,480	\$74,060	\$200,160	\$33,950	\$38,800	\$43,650	\$48,500	\$180,144
ALL Others	\$63,480	\$74,060	\$200,160	\$26,100	\$29,850	\$33,550	\$37,300	\$180,144

Expanded Income Charts can be found at [www.schousing.com](http://www.schousing.com)

For more information on other State Housing Products see our website at [www.schousing.com](http://www.schousing.com)

Questions can be emailed to [MortgageQuestions@schousing.com](mailto:MortgageQuestions@schousing.com)

Call 803-896-8797 - 803-896-9178 - 803-896-9396



Division: **Human Resources**

<b>Total Authorized Permanent Positions</b>	<b>127*</b>
Filled Permanent Positions	117
Vacancies	10
Temporaries	11

\* The State's Budget Office authorized the addition of 5 federally funded FTEs to staff the NSP division effective 11/17/08.

**New Hires & Promotions**

Department	Employee Name	Job Title	Effective Date
Contract Administration	Angela Vassey	Contract Renewal Mgr	1/2/09
Mortgage Servicing	Nina Carpenter	Foreclosure Manager	12/22/08
Neighborhood Stabilization Program	Jennifer Cogan	Senior NSP Coordinator	12/17/08
Neighborhood Stabilization Program	Reginald Mack	NSP Coordinator	1/19/09

**Resignations & Job Postings**

Department/Title	Employee Name	Termination Date	Vacancy Posting Dates
Compliance Monitoring	Reginald Mack	Internal Transfer	1/8/09 – 1/16/09
Deputy Director of Programs	Roy Tucker	12/31/08	12/5/08-12/19/08
HOME Program	Jennifer Cogan	Internal Promotion	1/6/09 – 1/12/09

**Employee Reward and Recognition**

Authority employees donated gifts for 99 children from Epworth Children's Home in December. An additional donation of \$250 was made to Epworth from proceeds of a fundraising auction coordinated by the Employee Appreciation Committee.

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

	<u>General Operating Fund</u>	<u>Single Family Finance Programs</u>	<u>Program Fund</u>	<u>As of December 31</u>	
				<u>2008</u>	<u>2007</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 5,832,522	\$ 186,956,613	\$ 16,910,375	\$ 209,699,510	\$ 290,882,616
Accounts receivable	9,552,973	952,166	-	10,505,139	9,697,489
Investments, at market	-	1,730,378	-	1,730,378	2,289,631
Loans receivable, net of unamortized discounts	68,563,987	820,652,592	8,539,994	897,756,573	816,556,457
Interest receivable:					
Loans	127,945	5,440,549	25,964	5,594,458	4,975,637
Deposits and investments	-	792,617	143	792,760	953,262
Prepayments	231,302	213,650	-	444,952	-
Unamortized bond issuance cost	-	6,294,079	-	6,294,079	6,437,392
Furniture and equipment, net of depreciation	616,716	-	-	616,716	708,528
<b>Total Assets</b>	<u>84,925,445</u>	<u>1,023,032,644</u>	<u>25,476,476</u>	<u>1,133,434,565</u>	<u>1,132,501,012</u>
<b>Liabilities and Retained Earnings</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	2,456,134	219,197	723	2,676,054	2,716,132
Bonds payable, net of unamortized discounts	-	786,471,127	-	786,471,127	815,685,528
Notes Payable	-	22,000,000	-	22,000,000	① -
Interest payable on bonds and notes	-	20,381,927	-	20,381,927	19,622,516
Mortgage escrows	2,618,292	-	4,323	2,622,615	3,758,910
Other	74,127	32,239	11,301	117,667	97,120
<b>Total Liabilities</b>	<u>5,148,553</u>	<u>829,104,490</u>	<u>16,347</u>	<u>834,269,390</u>	<u>841,880,206</u>
<b>Retained Earnings</b>					
Reserved for debt service	-	41,981,927	-	41,981,927	41,338,790
Reserved for bond reserves	-	15,887,461	-	15,887,461	14,670,663
Designated for special programs	-	136,058,766	25,460,129	161,518,895	155,132,977
Undesignated	79,776,892	-	-	79,776,892	79,478,376
<b>Total Retained Earnings</b>	<u>79,776,892</u>	<u>193,928,154</u>	<u>25,460,129</u>	<u>299,165,175</u>	<u>290,620,806</u>
<b>Total Liabilities and Retained Earnings</b>	<u>\$ 84,925,445</u>	<u>\$ 1,023,032,644</u>	<u>\$ 25,476,476</u>	<u>\$ 1,133,434,565</u>	<u>\$ 1,132,501,012</u>

① Beginning with the financial statements dated April 30, 2008, the Authority decided (due to its material amount) to present "Notes Payable" as a separate item in its Consolidated Balance Sheet for proprietary funds. Previously, "Notes Payable" was combined with "Bonds Payable, net of unamortized discounts" for financial statement presentation purposes. The combined amount for the current period is \$808,471,127.

**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 December 31</b>	
				<b>2008</b>	<b>2007</b>
<b>Operating Revenues</b>					
Interest on loans	\$ 851,414	\$ 23,223,495	\$ 62,038	\$ 24,136,947	\$ 21,608,553
Interest on deposits and investments	18,696	3,164,816	96,126	3,279,638	5,639,105
Administrative fees	4,723,269	-	-	4,723,269	4,991,822
Other	43,943	188,973	8,447	241,363	369,654
<b>Total Operating Revenues</b>	<u>5,637,322</u>	<u>26,577,284</u>	<u>166,611</u>	<u>32,381,217</u>	<u>32,609,134</u>
<b>Operating Expenses</b>					
Interest expense for bonds and notes	-	20,684,757	-	20,684,757	19,736,223
Program expenses	430,537	1,280,825	47,725	1,759,087	1,603,925
General and administrative expenses	4,801,220	-	-	4,801,220	4,398,787
Bond issuance cost amortization	-	669,625	-	669,625	320,790
Depreciation	67,532	-	-	67,532	62,186
Other	-	347,981	-	347,981	441,231
<b>Total Operating Expenses</b>	<u>5,299,289</u>	<u>22,983,188</u>	<u>47,725</u>	<u>28,330,202</u>	<u>26,563,142</u>
<b>Operating Income (Loss)</b>	<u>338,033</u>	<u>3,594,096</u>	<u>118,886</u>	<u>4,051,015</u>	<u>6,045,992</u>
<b>Nonoperating Revenues (Expenses)</b>					
Federal grant and contract revenue	57,964,143	-	-	57,964,143	59,159,742
HUD housing assistance payments and grant awards disbursed	(60,114,631)	-	-	(60,114,631)	(57,642,353)
Other grant awards disbursed	-	-	(2,625,889)	(2,625,889)	(1,370,740)
<b>Total Nonoperating Revenue (Expenses) - Net</b>	<u>(2,150,488)</u>	<u>-</u>	<u>(2,625,889)</u>	<u>(4,776,377)</u>	<u>146,649</u>
<b>Income (Loss) Before Operating Transfers</b>	(1,812,455)	3,594,096	(2,507,003)	(725,362)	6,192,641
<b>Transfers</b>					
Transfers among SHA funds	(3,387,551)	(362,449)	3,750,000	-	-
Transfers - Housing Trust Fund	-	-	-	-	-
Transfers - State General Fund	-	-	-	-	-
<b>Income (Loss) Before Extraordinary Item</b>	<u>(5,200,006)</u>	<u>3,231,647</u>	<u>1,242,997</u>	<u>(725,362)</u>	<u>6,192,641</u>
<b>Extraordinary Items</b>					
Extraordinary loss on early extinguishment of debt	-	-	-	-	-
<b>Net Income (Loss)</b>	<u>(5,200,006)</u>	<u>3,231,647</u>	<u>1,242,997</u>	<u>(725,362)</u>	<u>6,192,641</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>\$ 79,776,892</u>	<u>\$ 193,928,154</u>	<u>\$ 25,460,129</u>	<u>\$ 299,165,175</u>	<u>\$ 290,620,806</u>

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

	<b>As of December 31</b>	
	<b>2008</b>	<b>2007</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 17,930,059	\$ 28,035,102
Accounts receivable	448,595	970,201
Loans receivable, net of unamortized discounts	11,708,092	10,505,641
Interest receivable:		
Loans	24,715	25,183
Deposits and investments	-	-
<b>Total Assets</b>	<b>30,111,461</b>	<b>39,536,127</b>
 <b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Mortgage escrows	-	-
<b>Total Liabilities</b>	-	-
 <b>Fund Balance</b>		
Unpaid Grants/Awards	16,723,830	24,656,406
Reserved for Housing Trust Programs	13,387,631	14,879,721
<b>Total Fund Balance</b>	<b>30,111,461</b>	<b>39,536,127</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 30,111,461</b>	<b>\$ 39,536,127</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 December 31</b>	
	<b>2008</b>	<b>2007</b>
<b>Operating Revenues</b>		
Interest on loans	\$ 111,827	\$ 111,307
Interest on deposits and investments	130,180	729,756
Documentary stamp fees	3,403,601	5,665,594
<b>Total Operating Revenues</b>	<u>3,645,608</u>	<u>6,506,657</u>
<b>Expenditures</b>		
Grant disbursements for Housing Trust Programs	8,650,949	10,060,506
<b>Total Expenditures</b>	<u>8,650,949</u>	<u>10,060,506</u>
<b>Revenues Over (Under) Expenditures</b>	(5,005,341)	(3,553,849)
<b>Transfers</b>		
Transfers To Other Funds	-	-
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>\$ 30,111,461</u>	<u>\$ 39,536,127</u>

**South Carolina State Housing Finance and Development Authority**  
**Total Agency**  
**Budget vs Actual**  
**December 31, 2008**

	<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	3,600,000	1,026,717	(2,573,283)
Administrative Fees	8,438,285	8,438,285	4,219,143	3,926,207	(292,936)
Housing Assistance Revenue	121,500,000	127,104,710	60,750,000	57,961,843	(2,788,157)
<b>Total Revenue Sources</b>	<u>137,138,285</u>	<u>142,742,995</u>	<u>68,569,143</u>	<u>62,914,767</u>	<u>(5,654,376)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	6,037,000	6,167,083	3,061,861	2,797,261	264,600
Payroll--Temporary Employees	303,500	438,500	219,250	141,106	78,144
Payroll--Per Diem	4,500	4,500	2,250	1,785	465
Employee Benefits	1,962,025	2,003,652	994,892	933,482	61,410
Contractual Services	1,634,800	1,644,800	798,233	335,891	462,342
Supplies	431,800	443,050	219,650	119,594	100,056
Rent & Other Fixed Fees	490,060	503,477	249,502	207,538	41,964
Travel	407,300	421,883	208,511	164,180	44,331
Equipment	558,000	806,750	527,750	100,309	427,441
Depreciation	-	-	-	67,532	(67,532)
Allocations	21,500,000	26,450,000	10,725,000	5,315,034	5,409,966
Housing Assistance Payments	106,500,000	106,500,000	53,250,000	54,828,627	(1,578,627)
Program Payments	6,000,000	6,050,000	3,025,000	2,688,115	① 336,885
Mortgage Expenses	-	-	-	-	-
<b>Total Expenses</b>	<u>145,828,985</u>	<u>151,433,695</u>	<u>73,281,899</u>	<u>67,700,454</u>	<u>5,581,445</u>
<b>Transfers from (to) Other Departments:</b>					
Transfer from Single Family-Operations	6,468,300	6,418,300	3,209,150	449,997	(2,759,153)
Transfer from Single Family-Special Initiatives	3,000,000	3,050,000	1,525,000	-	(1,525,000)
Transfer from Housing Trust Fund	400,000	400,000	200,000	-	(200,000)
Transfer from Programs-Special Initiatives	2,300,000	2,300,000	1,150,000	3,750,000	2,600,000
Transfer from Programs-Operations	126,000	126,000	63,000	1,193,891	1,130,891
Transfer to Program Fund-Special Initiatives	(2,300,000)	(2,300,000)	(1,150,000)	(3,749,999)	(2,599,999)
Transfer to Exec, Supp Serv, Finance-Operations	(126,000)	(126,000)	(63,000)	(1,193,895)	(1,130,895)
<b>Total Transfers</b>	<u>9,868,300</u>	<u>9,868,300</u>	<u>4,934,150</u>	<u>449,994</u>	<u>(4,484,156)</u>
<b>Gain (Loss)</b>	1,177,600	1,177,600	221,394	(4,335,693)	(4,557,087)

① The Authority has purchased mortgages totaling \$1,870,534 using HOME and \$1,170,016 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**  
**1-Development & Rental Assistance**  
**Budget vs Actual**  
**December 31, 2008**

	<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	2,500,000	655,335	(1,844,665)
Administrative Fees	8,030,600	8,030,600	4,015,300	3,921,202	(94,098)
Housing Assistance Revenue	121,500,000	127,104,710	60,750,000	57,953,396	(2,796,604)
<b>Total Revenue Sources</b>	<u>134,530,600</u>	<u>140,135,310</u>	<u>67,265,300</u>	<u>62,529,933</u>	<u>(4,735,367)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	2,966,000	3,096,083	1,526,361	1,357,645	168,716
Payroll--Temporary Employees	144,000	144,000	72,000	38,018	33,982
Employee Benefits	963,950	1,005,577	495,853	442,695	53,158
Contractual Services	350,000	495,000	223,333	96,757	126,576
Supplies	119,000	130,250	63,250	42,900	20,350
Rent & Other Fixed Fees	207,760	221,177	108,352	79,674	28,678
Travel	245,000	259,583	127,361	114,850	12,511
Equipment	61,000	309,750	279,250	29,054	250,196
Allocations	20,000,000	25,000,000	10,000,000	4,934,872	① 5,065,128
Housing Assistance Payments	106,500,000	106,500,000	53,250,000	54,828,627	(1,578,627)
Mortgage Expenses	-	-	-	-	-
<b>Total Expenses</b>	<u>131,556,710</u>	<u>137,161,420</u>	<u>66,145,760</u>	<u>61,965,092</u>	<u>4,180,668</u>
<b>Transfers from (to) Other Departments:</b>					
Transfer from Single Family-Operations	225,000	225,000	112,500	30,271	(82,229)
Transfer from Housing Trust Fund	400,000	400,000	200,000	-	(200,000)
Transfer to Program Fund-Special Initiatives	(2,300,000)	(2,300,000)	(1,150,000)	(3,749,999)	(2,599,999)
Transfer from Programs-Operations	-	-	-	-	-
Transfer to Exec, Supp Serv, Finance-Operations	(126,000)	(126,000)	(63,000)	(1,193,895)	(1,130,895)
<b>Total Transfers</b>	<u>(1,801,000)</u>	<u>(1,801,000)</u>	<u>(900,500)</u>	<u>(4,913,623)</u>	<u>(4,013,123)</u>
<b>Gain (Loss)</b>	1,172,890	1,172,890	219,040	(4,348,782)	(4,567,822)

① The Authority has purchased mortgages totaling \$1,870,534 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**  
**December 31, 2008**

	<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	750,000	213,218	(536,782)
Administrative Fees	-	-	-	-	-
<b>Total Revenue Sources</b>	<u>1,500,000</u>	<u>1,500,000</u>	<u>750,000</u>	<u>213,218</u>	<u>(536,782)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	1,035,000	1,035,000	517,500	528,495	(10,995)
Payroll--Temporary Employees	90,000	225,000	112,500	83,933	28,567
Employee Benefits	336,375	336,375	168,188	200,509	(32,321)
Contractual Services	404,000	269,000	134,500	41,486	93,014
Supplies	107,000	107,000	53,500	18,586	34,914
Rent & Other Fixed Fees	77,000	77,000	38,500	33,363	5,137
Travel	35,000	35,000	17,500	8,646	8,854
Equipment	359,500	359,500	179,750	4,952	174,798
Allocations	1,500,000	1,450,000	725,000	380,162	344,838
Mortgage Expenses	-	-	-	-	-
<b>Total Expenses</b>	<u>3,943,875</u>	<u>3,893,875</u>	<u>1,946,938</u>	<u>1,300,132</u>	<u>646,806</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	2,445,000	2,395,000	1,197,500	173,007	(1,024,493)
Transfer to Program Fund-Special Initiatives	-	-	-	-	-
Transfer from Programs-Operations	-	-	-	492,111	492,111
<b>Total Transfers</b>	<u>2,445,000</u>	<u>2,395,000</u>	<u>1,197,500</u>	<u>665,118</u>	<u>(532,382)</u>
<b>Gain (Loss)</b>	1,125	1,125	562	(421,796)	(422,358)

**South Carolina State Housing Finance and Development Authority**  
**3-Executive**  
**Budget vs Actual**  
**December 31, 2008**

	<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	350,000	158,164	(191,836)
Administrative Fees	372,685	372,685	186,343	-	(186,343)
Housing Assistance Revenue	-	-	-	8,447	8,447
<b>Total Revenue Sources</b>	<u>1,072,685</u>	<u>1,072,685</u>	<u>536,343</u>	<u>166,611</u>	<u>(369,732)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	723,000	723,000	361,500	279,122	82,378
Payroll--Temporary Employees	32,500	32,500	16,250	1,305	14,945
Payroll--Per Diem	4,500	4,500	2,250	1,785	465
Employee Benefits	234,975	234,975	117,488	85,374	32,114
Contractual Services	316,000	316,000	158,000	110,020	47,980
Supplies	105,500	105,500	52,750	37,633	15,117
Rent & Other Fixed Fees	110,000	110,000	55,000	55,093	(93)
Travel	76,000	76,000	38,000	29,743	8,257
Equipment	4,500	4,500	2,250	50,504	(48,254)
Depreciation	-	-	-	67,532	(67,532)
Housing Assistance Payments	-	-	-	-	-
Program Payments	6,000,000	6,050,000	3,025,000	2,688,115	① 336,885
<b>Total Expenses</b>	<u>7,606,975</u>	<u>7,656,975</u>	<u>3,828,488</u>	<u>3,406,226</u>	<u>422,262</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	1,200,300	1,200,300	600,150	80,541	(519,609)
Transfer from Single Family-Special Initiatives	3,000,000	3,050,000	1,525,000	-	(1,525,000)
Transfer from Programs-Special Initiatives	2,300,000	2,300,000	1,150,000	3,750,000	2,600,000
Transfer from Programs-Operations	36,000	36,000	18,000	229,094	211,094
<b>Total Transfers</b>	<u>6,536,300</u>	<u>6,586,300</u>	<u>3,293,150</u>	<u>4,059,635</u>	<u>766,485</u>
<b>Gain (Loss)</b>	2,010	2,010	1,005	820,020	819,015

① The Authority has purchased mortgages totaling \$1,170,016 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**  
**December 31, 2008**

	<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	-	-	-	-	-
Administrative Fees	35,000	35,000	17,500	5,005	(12,495)
<b>Total Revenue Sources</b>	<u>35,000</u>	<u>35,000</u>	<u>17,500</u>	<u>5,005</u>	<u>(12,495)</u>
<b>Expenses:</b>					
Payroll--Permanent Employees	794,000	794,000	397,000	339,095	57,905
Payroll--Temporary Employees	10,000	10,000	5,000	1,526	3,474
Employee Benefits	258,050	258,050	129,025	111,436	17,589
Contractual Services	328,800	328,800	164,400	76,679	87,721
Supplies	81,300	81,300	40,650	16,146	24,504
Rent & Other Fixed Fees	61,500	61,500	30,750	25,631	5,119
Travel	37,300	37,300	18,650	2,695	15,955
Equipment	113,000	113,000	56,500	15,799	40,701
Allocations	-	-	-	-	-
Mortgage Expenses	-	-	-	-	-
<b>Total Expenses</b>	<u>1,683,950</u>	<u>1,683,950</u>	<u>841,975</u>	<u>589,007</u>	<u>252,968</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	1,610,000	1,610,000	805,000	105,577	(699,423)
Transfer from Programs-Operations	40,000	40,000	20,000	300,309	280,309
<b>Total Transfers</b>	<u>1,650,000</u>	<u>1,650,000</u>	<u>825,000</u>	<u>405,886</u>	<u>(419,114)</u>
<b>Gain (Loss)</b>	1,050	1,050	525	(178,116)	(178,641)

**South Carolina State Housing Finance and Development Authority**  
**5-Finance**  
**Budget vs Actual**  
**December 31, 2008**

	<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	519,000	259,500	292,904	(33,404)
Payroll--Temporary Employees	27,000	27,000	13,500	16,324	(2,824)
Employee Benefits	168,675	168,675	84,338	93,468	(9,130)
Contractual Services	236,000	236,000	118,000	10,949	107,051
Supplies	19,000	19,000	9,500	4,329	5,171
Rent & Other Fixed Fees	33,800	33,800	16,900	13,777	3,123
Travel	14,000	14,000	7,000	8,246	(1,246)
Equipment	20,000	20,000	10,000	-	10,000
<b>Total Expenses</b>	<u>1,037,475</u>	<u>1,037,475</u>	<u>518,738</u>	<u>439,997</u>	<u>78,741</u>
<b>Transfers from Other Departments:</b>					
Transfer from Single Family-Operations	988,000	988,000	494,000	60,601	(433,399)
Transfer from Programs-Operations	50,000	50,000	25,000	172,377	147,377
<b>Total Transfers</b>	<u>1,038,000</u>	<u>1,038,000</u>	<u>519,000</u>	<u>232,978</u>	<u>(286,022)</u>
<b>Gain (Loss)</b>	525	525	262	(207,019)	(207,281)

**South Carolina State Housing Finance and Development Authority**  
**Statement of Cash Flows -- Proprietary Funds (Net of Federal Funds)**  
**For the Period of July 1, 2008 Through December 31, 2008**

**Cash Receipts**

**Operating**

Principal payments on loans	\$ 58,309,347
Interest payments on loans	22,902,745
Contract Administration admin fees	1,822,985
Tax Credit fees	627,192
Compliance Monitoring fees	28,860
Multifamily bond fees	298,515
Servicing revenue	851,750
Other	208,046
Subtotal	<u>85,049,439</u>

**Financing and Investing**

Sale (Purchase) of investments	(82,419)
Income on deposits and investments	2,931,420
Proceeds from sale of bonds	45,215,000
Proceeds from notes payable	22,000,000
Subtotal	<u>70,064,001</u>

**Total Cash Receipts** 155,113,441

**Cash Disbursements**

**Operating**

Purchases of new loans	(86,384,150)
Payments to vendors for operations	(8,843,184)
Payments to employees	(3,203,580)
Subtotal	<u>(98,430,914)</u>

**Financing and Investing**

Principal payments on bonds	(20,735,000)
Interest payments on bonds	(20,648,650)
Principal payments on notes payable	(50,000,000)
Payments of bond issuance costs	(650,275)
Transfers from (to) other programs	-
Subtotal	<u>(92,033,925)</u>

**Total Cash Disbursements** (190,464,840)

**Net Increase (Decrease) in Cash** (35,351,399)

**Cash Balance at July 1, 2008** 250,077,292

**Cash Balance at December 31, 2008** 214,725,893