

Meeting Location: Virtual/Zoom

Date: August 12, 2024

Time: 8:30 am

Board Chair: Bruce Posey

Remote Attendance: Join our meetings remotely via Zoom and/or phone

Conference Call: Dial: 1-646-558-8656, Meeting ID: 849 2877 5869, Password: 568069

Register for Webinar: https://mt.gov.zoom.us/meeting/register/tZAkdeGvgT4iHN2HIAvHZ_Ys0TRS2MG7bo0a

Board Offices: Montana Department of Commerce
Montana Board of Housing
301 S. Park Ave., Room 240, Helena, MT 59601
Phone: 406-841-2840

Agenda Items:

- Meeting Announcements
- Introductions
- Public Comments – Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the agency.
- Approve prior meeting's minutes
- Finance Program (Manager: Vicki Bauer)
 - Financial Update
- Homeownership Program (Manager: Jessica Michel)
 - Single Family Bond Resolution 24-0812 SF02_2024B
 - Participating Lender Approval – Security National Mortgage Company
 - RAM – Loan Approval and Future Condominium Discussion

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



Agenda Items (continued):

- Homeownership Update
- Mortgage Servicing (Manager: Cheryl Cohen for Mary Palkovich)
 - Servicing Update
- Multifamily Program (Manager: Jason Hanson)
 - Coal Trust Multifamily Home Loan Approval – Twin Creeks 9%
 - Multifamily Update
- Operations/Executive Director (Joe DeFilippis + Cheryl Cohen)
 - One Commerce Rebranding Update
 - Operations Update
 - Executive Director Update
 - Rental Assistance Dashboard
- Miscellaneous
- Meeting Adjourns

*All agenda items are subject to Board action after public comment requirements are fulfilled.

*Commerce/MBOH makes every effort to hold meetings at fully accessible facilities.

Any person needing reasonable accommodation must notify the MBOH at 406-841-2840 or visit Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice before the scheduled meeting to allow for arrangements.

2024 Montana Board of Housing Calendar

| January | | | | | | |
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| December | | | | | | |
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January 2024

7-12: NCSHA HFA Institute, WA D.C. (MBOH staff)

8: Board Meeting via Zoom

February 2024

12: Board Meeting via Zoom

March 2024

4-6: NCSHA Legislative Conference, Hilton Washington D.C. (Executive Director; Board Members)

11: Board Meeting via Zoom

April 2024

8: Board Training, AC Hotel, Bozeman MT

9: Board Meeting, AC Hotel, Bozeman MT

May 2024

5-7: Mountain Plains Regional Housing Summit, Colorado Spring, CO (MBOH staff and Board Members welcome)

13: Board meeting Letter of Intent Presentations, Best Western Premier Great Northern, Helena, MT

20-22: Housing Partnership Conference, Missoula MT Holiday Inn (MBOH staff and Board Members welcome)

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June 2024

10-13: [NCSHA Housing Credit Connect – Atlanta GA \(MBOH staff\)](#)

17: Board Meeting via Zoom

July 2024

8: Board Meeting via Zoom

August 2024

12: Board Meeting via Zoom

September 2024

9: Board Meeting via Zoom

28-1: [NCSHA Annual Conference – Phoenix AZ \(MBOH staff and Board Members welcome\)](#)

October 2024

20: Board Strategic Planning, Fairmont Hot Springs Resort, Butte, MT

21: Board Meeting Housing Credit Award Determinations / QAP, Fairmont Hot Springs Resort, Butte, MT

November 2024

4: Board Meeting via Zoom

December 2024

9: No Board Meeting (subject to change)

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Meeting Location: Virtual/Zoom

Date: August 12, 2024

Roll Call of Board Members:

| | |
|------------------------------|-------------------------|
| Bruce Posey, Chair (Present) | Cari Yturri (Present) |
| Sheila Rice (Absent) | Jeanette McKee (Absent) |
| John Grant (Present) | Tonya Plummer (Present) |
| Amber Parish (Present) | |

Staff:

| | |
|--|---------------------------------------|
| Cheryl Cohen, Executive Director | Joe DeFilippis, Operations Manager |
| Stacey Purvis, Executive Assistant | Jason Hanson, Multifamily Manager |
| Vicki Bauer, Finance Manager | Jessica Michel, Homeownership Manager |
| Charlie Brown, Homeownership | Brian Barnes, Multifamily Program |
| Bruce Brensdal, Multifamily Program | Kellie Guariglia, Multifamily Program |
| Julles Engel, Housing Development | Nicole Newman, Housing Development |
| Chandler Rowling, Housing Development | |
| Julie Flynn, Community Housing Manager | |

These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH webpage at [Past Meetings and Minutes](#).

Counsel:

Nathan Bilyeu, Jackson Murdo and Grant

Greg Gould, Jackson Murdo and Grant

Others:

Heather McMilin

Drew Page

John Wagner

Misty Dalke

Alex Burkhalter

Jennifer Wheeler

Tyler Currence

Andrew Chanania

Patrick Zhang

Julia Hope

Paul Capps

Mina Choo

Larry Phillips

Mark Shelburne

Call Meeting to Order:

00:00:00 Chair Bruce Posey called the Montana Board of Housing (MBOH) meeting to order at 8:30 a.m.

00:01:04 Introductions of Board members and attendees were made.

00:03:48 Chair Posey asked for public comment on items not listed on the agenda. Heather McMilin with Homeward announced the Trinity Celebration Tuesday, August 13 in Missoula.

Approval of Minutes:**July 8, 2024 MBOH Board Meeting Minutes – page 6 of packet**

00:04:40 Motion: Cari Yturri

Second: Amber Parish

The July 8, 2024 MBOH Board meeting minutes were approved unanimously.

Accounting:**Accounting Update – page 9 of packet**

00:5:40 Presenter: Vicki Bauer

Homeownership Program:**Approval of Bond Resolution 24-0812 SF02_2024B – page 13 of packet**

00:08:38 Presenter: Jessica Michel

Motion: Amber Parish

Second: Cari Yturri

The motion to approve Bond Resolution 24-0812 SF02_2024B passed unanimously.

Approval of Security National Mortgage Company - Lender – page 20 of packet

00:13:54 Presenter: Jessica Michel

Motion: Cari Yturri

Second: Amber Parish

The motion to approve Security National Mortgage passed unanimously.

RAM – Loan Approval and Future Condominium Discussion – page 22 of packet

00:16:47 Presenter: Jessica Michel

Homeownership Update – page 24 of packet

00:23:56 Presenter: Jessica Michel

Mortgage Servicing Program:**Servicing Update – page 27 of packet**

00:26:03 Presenter: Cheryl Cohen for Mary Palkovich

Multifamily Program:**Approval of Twin Creek 9% - Coal Trust Multifamily Loan Amount Increase – page 28 of packet**

00:28:48 Presenter: Jason Hanson

Motion: John Grant

Second: Cari Yturri

The motion to approve Twin Creek 9% - Coal Trust Multifamily Loan Amount Increase passed unanimously.

Multifamily Update – page 29 of packet

00:30:47 Presenter: Jason Hanson

Operations/ Executive Director:**Operations/Executive Director Update – page 31 of packet**

00:33:37 Presenters: Joe DeFilippis and Cheryl Cohen

Meeting Adjournment:

00:50:46 Meeting was adjourned at 9:21 a.m.

Amber Parish, Secretary

Date

Board Agenda Item

Board Meeting: August 12, 2024

Accounting and Finance Program

INVESTMENT DIVERSIFICATION

Diversification is an investment strategy that entails the purchase of a mixture of investments that reduces the exposure to investment risk. The Board portfolio is invested in historically low risk investments. FHLMC (Freddie Mac) and FNMA (Fannie Mae) are Government Sponsored Enterprises (GSE) that are currently under government conservatorship and some investors assume they are implicitly guaranteed by the federal government.

- As of June 30, 59.2% of MBOH funds were being held in money market earning 5.20%. These funds consist of the bond proceeds from the 2024A issue and other pots of money where we are currently purchasing set-aside loans.
- 28.5% of funds were invested in T-Bills earning 5.10% to 5.25%.
- Remaining funds are invested in FNMA and Freddie Mac Bonds or MBS with rates ranging from 3.69% to 6.25%.

WEIGHTED AVERAGE YIELD TREND

Weighted average is a calculation that considers the varying degrees of importance of the yields in an investment data set. MBOH uses the average yield for specific

investment types and the par value of those same investment types to calculate the weighted average yield.

- The weighted average has improved year-to-year from 5.09% in June 2023 to 5.29% in June 2024.
- There was a month-to-month increase from 5.18% to 5.29% from May 2024 to June 2024.

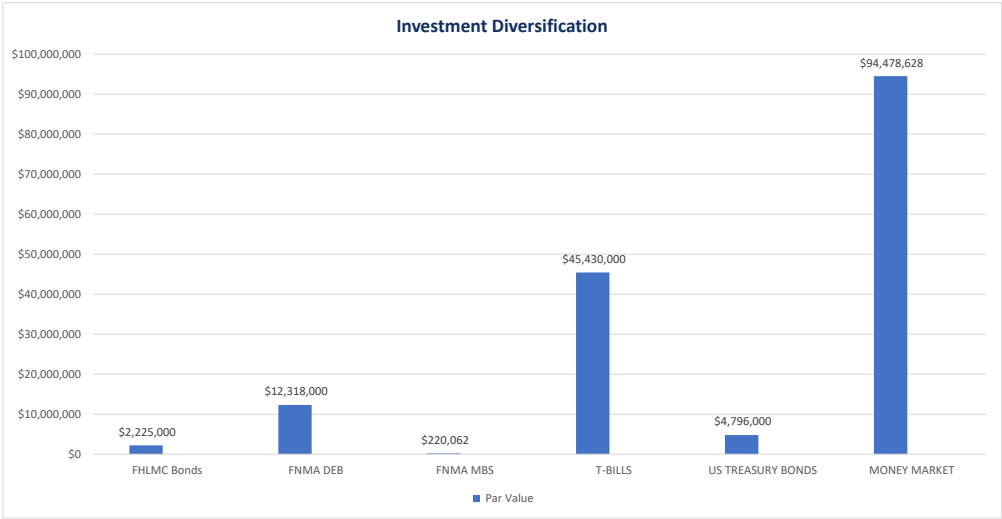
PORTFOLIO MATURITY

Indicates who holds the investment securities on behalf of MBOH, the type of security, the date of maturity and the PAR value, which is the face value of the security at the time of issuance.

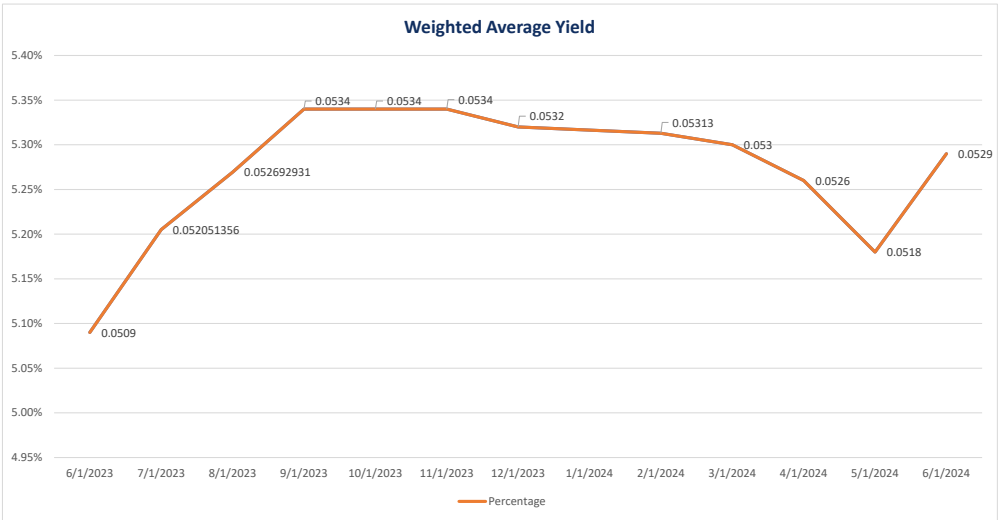
- The FNMA (Fannie Mae) MBS (Mortgage-Backed Securities) are the longest-term maturities in our portfolio with yields at 4.45% and 4.96%.
- Two of the Treasury Bonds were purchased several years ago at a yield of 6.48%. These will be maturing in August 2025.
- The overall total of investments at the end of June 2024 was \$159.5 million with approximately \$94.5 million of that total in money market.

Finance Program Dashboard

August 12, 2024 (Data as of 6/30/2024)



FNMA: Federal National Mortgage Association (Fannie)
FHLMC: Federal Home Loan Mortgage Corporation (Freddie)



AVAILABILITY

| <u>Available Now</u> | <u>< 1 year</u> | <u>1 to 5 years</u> | <u>6 to 10 years</u> | <u>> 11 years</u> | <u>Total</u> |
|----------------------|--------------------|---------------------|----------------------|----------------------|----------------|
| \$ 94,478,628 | \$ 45,430,000 | \$ 17,114,000 | \$ 2,225,000 | \$ 220,062 | \$ 159,467,690 |

Investment Maturity Schedule

| <u>Maturity Date</u> | <u>Trustee</u> | <u>Type</u> | <u>Par Value</u> |
|----------------------|----------------------|-----------------|-----------------------|
| 8/1/38 | Wilmington Trust | FNMA MBS | 44,532.76 |
| 3/1/37 | Wilmington Trust | FNMA MBS | 98,814.33 |
| 7/1/36 | Wilmington Trust | FNMA MBS | 13,993.41 |
| 5/1/36 | Wilmington Trust | FNMA MBS | 22,283.46 |
| 2/1/36 | Wilmington Trust | FNMA MBS | 40,437.65 |
| 7/15/32 | Wilmington Trust | FHLMC BOND | 2,225,000.00 |
| 11/26/27 | Wilmington Trust | FNMA DEB | 3,635,000.00 |
| 4/30/26 | Wilmington Trust | FNMA DEB | 8,683,000.00 |
| 8/15/25 | Wilmington Trust | T-NOTES & BONDS | 4,796,000.00 |
| 11/29/24 | Wilmington Trust | T-BILLS | 38,350,000.00 |
| 8/10/24 | US Bank Corporate Tr | T-BILLS | 7,080,000.00 |
| 6/30/24 | US Bank Corporate Tr | US BANK MONEY M | 455,247.92 |
| | Wilmington Trust | WT GOLDMAN SACH | 94,023,380.56 |
| Total | | | 159,467,690.09 |

Board Agenda Item

Board Meeting: August 12, 2024

Homeownership Program

APPROVAL OF BOND RESOLUTION 24-0812-SF02_2024B

The attached Resolution approves the issuance of fixed or variable rate Mortgage Revenue Bonds in an aggregate principal amount not to exceed \$75,000,000 to finance loans or refund previously issued bonds or for both.

The resolution is written to give us the flexibility to issue bonds under any of the three indentures and to refund bonds from any of the three indentures.

Kutak prepared this resolution in the same form as the one approved for the 2024A issue. Even though this resolution allows for a Floating Rate Note as a variable rate option, we intend to issue fixed interest rate bonds under the SFI Indenture to purchase new money mortgage loans and potentially refund the 2013B bond series.

As of August 5, we had approximately \$5.9 million left to reserve in the 2024A issue that closed on June 6, 2024. We expect to have that fully reserved by the end of August, then we will begin reserving mortgages to be funded with the 2024B issue. We have started working with the finance team to structure the next issue and are monitoring interest rates to keep us competitive while mitigating risk. This resolution will allow us to move forward with the 2024B bond issue, which we anticipate closing in November.

Our current lending rates are 5.75% for first mortgages with no DPA, 6.00% for first mortgages with DPA and the set-aside rate is set at 5.50%. Set-aside loans are being funded with recycled pre-Ullman funds.

PROPOSAL

Staff requests that the Board approve the attached resolution.

RESOLUTION NO. 24-0812 SF02_2024B

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING THE ISSUANCE AND DELIVERY OF, AND AUTHORIZING THE DETERMINATION OF CERTAIN TERMS OF, ONE OR MORE NEW ISSUES OF SINGLE FAMILY BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000, WITH FIXED OR VARIABLE RATES, TO FINANCE LOANS, REFUND OUTSTANDING BONDS OR BOTH; APPROVING THE SALE OF SAID BONDS PURSUANT TO A PURCHASE CONTRACT; APPROVING THE SUPPLEMENTAL TRUST INDENTURE, PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT IF THE BONDS ARE SOLD TO THE PUBLIC, CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATED THERETO; AUTHORIZING THE EXECUTION OF SUCH DOCUMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the Montana Board of Housing (the “Board”) is authorized pursuant to the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended (the “Act”), to issue and refund its bonds and to purchase mortgage loans or mortgage-backed securities in order to finance single family housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana (the “State”); and

WHEREAS, the Board has previously implemented mortgage purchase programs in order to finance single family dwellings in the State for families and persons of lower income; and

WHEREAS, the Board intends to issue its Single Family Mortgage Bonds, Single Family Program Bonds or Single Family Homeownership Bonds, in one or more series or subseries in an aggregate principal amount not to exceed \$75,000,000 with fixed or variable rates (the “New Series Bonds”), under the provisions of either the Trust Indenture dated March 7, 1977, as restated and amended, the Trust Indenture dated August 16, 1979, as amended, or the Trust Indenture dated as of December 1, 2009 (each, the “General Indenture”), each between the Board and Wilmington Trust, National Association (as successor trustee), as trustee, which New Series Bonds will be used to finance mortgage loans to provide additional moneys to finance single family dwellings in the State pursuant to the Mortgage Purchase and Servicing Guide and the forms of the Invitation to Participate and Notice of Acceptance previously approved by the Board, and to fund certain reserve funds, if necessary, or to refund bonds previously issued for such purpose; and

WHEREAS, a Supplemental Trust Indenture (the “Supplemental Indenture”) (together with the General Indenture under which the New Series Bonds are to be issued, which it supplements, the “Trust Indenture”), between the Board and Wilmington Trust, National Association (as successor trustee), as Trustee, will be prepared in substantially the form of such document previously approved by the Board and used in connection with the issuance of the Single Family Mortgage Bonds, 2024 Series A (the “2024 Series A Bonds”) with appropriate changes as hereinafter described, whereby the Board would issue the New Series Bonds subject to the terms, conditions and limitations established in the Trust Indenture; and

WHEREAS, if the New Series Bonds are to be sold to the public, a Preliminary Official Statement (the “Preliminary Official Statement”) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the marketing of the 2024 Series A Bonds, containing certain information relating to the Board, the Trust Indenture and the New Series Bonds, and which will be distributed to the prospective purchasers of such New Series Bonds and others by a group of investment dealers and brokers represented by RBC Capital Markets, LLC (the “Underwriters”); and

WHEREAS, a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the sale of the 2024 Series A Bonds containing the agreement of the Board to annually update certain financial and operating information in the final Official Statement (as hereinafter described) and to timely provide notice of the occurrence of certain specified events; and

WHEREAS, a purchase contract (the “Purchase Contract”), to be dated the date of sale of the New Series Bonds, between the Board and the Underwriters (or if the New Series Bonds are sold to a single institutional investor, such investor) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the sale of the 2024 Series A Bonds, pursuant to which the Board would agree to sell and the New Series Bonds purchaser would agree to purchase the New Series Bonds, at the prices and upon the terms and conditions therein set forth;

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING as follows:

Section 1. Findings.

(a) The Board hereby finds and determines:

(i) that the homes to be financed through the issuance of New Series Bonds, and the purchase by the Board from proceeds thereof of mortgage loans or mortgage-backed securities as contemplated by the Trust Indenture, constitute “housing developments” within the meaning of Section 90-6-103(8) of the Act; and

(ii) that the housing market area to be served by homes to be financed as aforesaid consists of the entire State of Montana.

(b) In accordance with Section 90-6-109 of the Act, the Board previously found and hereby confirms:

(i) that there exists a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of lower income can afford within the general housing market area to be served;

(ii) that private enterprise has not provided an adequate supply of decent, safe and sanitary housing in the housing market area at rentals or prices which persons or families of lower income can afford, or provided sufficient mortgage financing for homes for occupancy by persons or families of lower income;

(iii) that the conditions, restrictions and limitations contained in the Trust Indenture and contained in the program documents relating to the mortgage loans financed thereby and to be financed are sufficient to ensure that the homes will be well planned and well designed so as to constitute decent, safe and sanitary housing and that the “housing sponsors” (as defined in Section 90-6-103(10) of the Act) are financially responsible;

(iv) that the homes financed and to be financed which are referred to in paragraph (a) above will be of public use and will provide a public benefit, taking into account the existence of local government comprehensive plans, housing and land use plans and regulations, area-wide plans and other public desires;

(v) that the homes financed and to be financed with the proceeds of the New Series Bonds do not involve the construction of “second homes,” which are defined in the Act to mean homes which would not qualify as the primary residence of the taxpayer for federal income tax purposes relating to capital gains on the sale or exchange of residential property; and

(vi) that the findings required by Section 90-6-109(1)(f) of the Act are inapplicable because the homes financed by the New Series Bonds do not involve direct loans.

Section 2. Approval of Supplemental Indenture. A Supplemental Indenture for each series of New Series Bonds is hereby approved in the form described above (and reflecting the provisions of the New Series Bonds consistent with the parameters set forth in the following Section) and the Chair or the Vice Chair of the Board is hereby authorized and directed to execute and deliver the Supplemental Indenture with such changes, insertions or omissions therein as may be approved by such Chair or Vice Chair, such approval to be evidenced conclusively by such execution of the Supplemental Indenture, and the Secretary or any other member of the Board or the Treasurer is hereby authorized and directed to attest thereto.

Section 3. Authorization of Bonds. The issuance, sale and delivery of the Board’s New Series Bonds, in one or more series or subseries, is hereby authorized and approved, subject to the following provisions. The New Series Bonds shall be issued in an aggregate principal amount (not to exceed \$75,000,000), mature on the date or dates (but no more than 40 years from the date of issuance), bear interest at the rate or rates (which may be fixed or variable rate, such weighted average interest rates initially not exceeding 7.0% per annum and in no case shall the interest rate on any maturity exceed 14%), be sold to the bond purchaser(s) for an amount (but not less than 98.5% of the principal amount of the Bonds), be subject to optional, special optional, mandatory and sinking fund redemption, be subject to mandatory or optional tenders and convertible into fixed or variable rate bonds, be issued under the related General Indenture, and have such other terms and provisions, all as are determined by the Chair and Executive Director (with the advice of such members of the Board as are available upon the pricing of such New Series Bonds) and definitively set forth in the related Supplemental Indenture or Purchase Contract upon execution and delivery as authorized in Sections 2 and 5 hereof. The New Series Bonds shall be executed and delivered substantially in the form set forth in the Trust Indenture, with such additions, omissions and changes as are required or permitted by the Trust Indenture. The New Series Bonds shall be executed in the name of the Board by the Chair or the Vice Chair of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Officer (as such term is defined in the Trust Indenture) for purposes of executing and attesting the New Series Bonds. Such signatures may be in facsimile, provided, however, that such New Series Bonds shall not be valid or obligatory for any purpose until authenticated by the manual signature of an authorized officer of the Trustee.

Section 4. Approval of Preliminary Official Statement and Official Statement. If the New Series Bonds are to be sold to the public through the Underwriters, a Preliminary Official Statement for a series of New Series Bonds is hereby approved in the form described above, with such changes, insertions or omissions therein as may be approved by the Executive Director, and the Chair or the Vice Chair of the Board is hereby authorized to execute and deliver a final official statement (the “final Official Statement”) substantially in the form of the Preliminary Official Statement with such changes, insertions or omissions therein as may be approved by the Chair or Vice Chair, such approval to be evidenced conclusively by such execution of the final Official Statement.

Section 5. Approval of Purchase Contract and Sale of the Bonds. A Purchase Contract for a series of New Series Bonds is hereby approved in the form described above and the execution of the Purchase Contract by the Chair, the Vice Chair or Executive Director of the Board is hereby authorized and

directed in order to effectuate the sale of the related New Series Bonds with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Purchase Contract.

Section 6. Authorization of Standby Bond Purchase Agreement, Continuing Covenant Agreement and/or Remarketing Agreement. If any New Series Bonds are subject to optional or mandatory tender, the Chair or Vice Chair of the Board or the Executive Director are authorized to negotiate, execute and deliver one or more (1) standby bond purchase or similar agreements with a financial institution, with a rating of no less than “A1” or the equivalent by Moody’s Investors Service, Inc., whereby such institution agrees to purchase (or provide the Board with funds to purchase) tendered bonds, (2) continuing covenant agreements with the purchaser of such New Series Bonds which agreements may set forth additional covenants with respect to such New Series Bonds, and/or (3) remarketing agreements with any Board approved underwriter with respect to the remarketing of any tendered bonds; such agreements to have such terms and conditions, and provide for the payment by the Board of such fees, as are determined by the Chair and Executive Director to be in the best interests of the Board, such determinations to be evidenced conclusively by the execution thereof.

Section 7. Approval of Continuing Disclosure Agreement. A Continuing Disclosure Agreement for a series of New Series Bonds is hereby approved in the form described above, and the Chair or Vice Chair of the Board or the Executive Director is authorized and directed to execute and deliver the same with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Continuing Disclosure Agreement.

Section 8. Approval of Program Documents. The Executive Director and Single Family Program Manager are hereby authorized to continue to use the form of the Mortgage Purchase and Servicing Guide, Invitation to Participate and Notice of Acceptance presently in use, and to the extent they deem necessary and appropriate, the Executive Director and Single Family Program Manager are authorized to execute and deliver the same, with such changes, insertions or omissions therein as may be approved by such person, to continue the Single Family Program.

Section 9. Ratification of Prior Actions. All action previously taken by the officers, members or staff of the Board with respect to the Trust Indenture, a Preliminary Official Statement, a Purchase Contract and the New Series Bonds is hereby approved, confirmed and ratified.

Section 10. Execution of Documents. In the event of the absence or disability of the Chair, the Vice Chair or the Treasurer of the Board, or if for any other reason any of them are unable to execute the documents referred to in this Resolution, such documents may be executed by another member of the Board or by the Single Family Program Manager or the Accounting and Finance Manager, with the same effect as if done by the Chair, the Vice Chair or the Treasurer of the Board and without the further authorization of the Board. The execution of such documents by such member shall be conclusive evidence of his or her authority to so act.

Section 11. Execution of Tax Certificate and Declaration of Intent. The Chair, the Vice Chair or the Executive Director of the Board is hereby authorized to issue certifications as to the Board’s reasonable expectations regarding the amount and use of the proceeds of the New Series Bonds as described in Section 148 of the Internal Revenue Code of 1986, as amended. The Board also hereby declares its intention, within the meaning of Section 1.150-2 of the Internal Revenue Code regulations, to facilitate continuous funding of its Single Family Program (as described above) by, from time to time, financing mortgage loans and then issuing bonds in an amount to be determined by the Board in one or more series within 18 months thereof to reimburse itself for such financing, which reimbursement amount is presently expected to not exceed \$75,000,000 (or such greater reimbursement amount as may from time to time be

determined by written declaration of the Executive Director), provided that this declaration does not obligate the Board to issue any such bonds.

Section 12. Additional Actions Authorized. The Chair, the Vice Chair, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Single Family Program Manager and the Accounting and Finance Manager, acting alone or acting with others, are hereby authorized and directed to execute and deliver any or all other documents which may be required under the terms of the Trust Indenture and a Purchase Contract, to take such other action (including, without limitation, making any bond designations) as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof and the members and officers named above are hereby designated as Authorized Officers for such purposes.

Section 13. Effective Date. This Resolution shall become effective immediately.

ADOPTED by the Montana Board of Housing this 12th day of August, 2024.

MONTANA BOARD OF HOUSING

Attest:

By _____
Chair

By _____
Treasurer/Executive Director

Board Agenda Item

Board Meeting: August 12, 2024

Homeownership Program

LENDER APPROVAL – SECURITY NATIONAL MORTGAGE COMPANY

Security National Mortgage Company was formed in Salt Lake City, UT in 1990. They are a division of Security National Financial Company which was founded in 1965. SNMC is currently licensed in 49 states with Billings, Montana added recently. They have 20 licensed Mortgage Loan Officers for Montana, including one in Billings and they are recruiting additional loan officers at their 960 S 24th Street West location.

Security National Mortgage Company is approved to underwrite Fannie, Freddie, FHA, VA and RD loans and they are interested in MBOH's DPA loans as well as Regular Bond, Set Aside loans, VHLP, 80% Combined and MCC programs. Security National Mortgage is also approved for HUD-184 and Section 184a; currently they broker these loans to 1st Tribal Lending. First time homebuyers are their priority, and they have partnered with over 40 State Housing Finance Agency and DPA programs across the United States and have created two in-house DPA products to further assist meeting their customers' needs.

SNMC's mission statement, "We're Turning Houses into Homes" is more than just their slogan; they assisted over 7,100 families in 2022 and continue to find new and inventive ways to support their customers.

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



Security National Mortgage Company's application material, quality control plan and financials have been reviewed and approved by staff, and they meet all requirements for becoming a Board of Housing Participating Lender. Their full application and financial information are available for Board members to review upon request.

PROPOSAL

Staff requests for the Board to approve Security National Mortgage Company as a Participating Lender for Montana Board of Housing.

Board Agenda Item

Board Meeting: August 12, 2024

Homeownership Program

REVERSE ANNUITY MORTGAGE (RAM) PROGRAM – RAM LOAN APPROVAL, FUTURE CONDOMINIUM DISCUSSION

In 1989, when the RAM program first was created, the Board did not allow reverse mortgages on condominiums due to challenges with condo/homeowner associations (HOAs). In 1997, the Board voted to allow condominiums so the program could serve more eligible seniors. At that time, Board staff were given discretion to set rules for approving condominiums in the RAM program. It was later determined by Board staff that the condominium had to be on the FHA or VA approved condo lists to be eligible for the RAM program.

We recently received an application for the RAM program where the potential borrower lives in a condo in Kalispell that is not on the FHA approved list. In fact, there are no condo projects in Flathead County approved by FHA. This project was not approved by the FHA due to the mix of residential and commercial condominiums. The residential side is not high enough (at 85%) to align with FHA requirements. Furthermore, the HOA in this situation is taxable where most other HOAs are tax-exempt. These conditions disqualify this condominium for FHA approval.

Board staff has approved this loan, based on previously authorized Board approval for staff discretion. However, we would like to have a discussion with the Board at our

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



October strategic planning session to determine if the Board would be interested in limiting condos for RAM program eligibility to those projects on the FHA or VA approved list. The loan-to-value ratio on this RAM loan is 48%. The condo's appraised value is \$310,000 and the borrower requested a \$150,000 RAM loan. The borrower is an 80-year-old widow; the requested loan funds will take pressure off her everyday life and supplement other income she receives.

PROPOSAL

While the Board is required to approve RAM loans where an exception to policy is included, this particular loan does not include any policy exceptions. Therefore, Board staff are proceeding with this \$150,000 RAM loan even though the condo is not on the approved FHA or VA list.

Board staff propose a more in-depth conversation with the Board at its October 21, 2024 meeting to discuss condo eligibility going forward. Prior to the October meeting, Board staff can research FHA and VA approved condos in the state, and any publicly available information about the total universe of condos in the state. Additionally, Board staff can outline potential risks with RAM loans for condos that are not on the FHA or VA approved list. The specific question for that meeting can be "Does the Board want staff to require that condos for the RAM program be limited to those on the FHA or VA approved lists, or is the Board comfortable with continuing to permit staff discretion to approve or deny condo eligibility for RAM loans?"

HOMEOWNERSHIP PROGRAM DASHBOARD

August 12, 2024

RATES

| | CURRENT | LAST MONTH | LAST YEAR |
|------------------|---------|------------|-----------|
| MBOH* | 5.750 | 5.75 | 5.500 |
| Market | 6.57 | 6.68 | 6.730 |
| 10 yr treasury | 4.15 | 4.36 | 3.960 |
| 30 yr Fannie Mae | 6.95 | 6.53 | 6.393 |

*Current Setaside 5.50, DPA 6.00

LOAN RESERVATIONS

| | July NUMBER | July AMOUNT | TOTAL NUMBER | TOTAL AMOUNT | ORIGINAL AMOUNT | BALANCE |
|-----------------------------------|----------------|----------------|-----------------|-----------------|--------------------|------------------|
| REGULAR PROGRAM | | | | | | |
| Series 2024A (since 04.02.24) | 47 | 13,687,117 | 202 | 57,628,198 | 62,406,015 | 4,777,817 |
| Series 2024A DPA (since 04.02.24) | 22 | 263,821 | 84 | 1,039,289 | 1,235,000 | 195,711 |
| 80% Combined (20+) | 2 | 300,800 | 6 | 1,194,320 | Since July 2023 | reg bond funds |
| SET-ASIDE PROGRAMS | | | | | | |
| MBOH Plus | 2 | 21,995 | 67 | 656,775 | Since July 2023 | 1,317,303 |
| NeighborWorks | 2 | 500,762 | 17 | 3,711,756 | Since July 2023 | Pre-Ullman funds |
| CAP NWMT CLT | 1 | 161,944 | 3 | 442,596 | | |
| Missoula HRDC XI | | | | | | |
| Bozeman HRDC IX | | | | | | |
| Home\$tart | 3 | 619,466 | 8 | 1,508,109 | | |
| HUD 184 | | | | | | |
| MT Street CLT | 1 | 156,171 | 2 | 292,143 | | |
| Sparrow Group | | | | | | |
| City of Billings | | | 6 | 1,160,049 | | |
| Foreclosure Prevent | | | | | 50,000 | 50,000 |
| Disabled Accessible | | | | | Ongoing | 862,950 |
| Lot Refi | | | | | 2,000,000 | 726,440 |
| FY24 Habitat | | | 14 | 2,273,521 | 3,751,000 | 1,477,479 |
| OTHER PROGRAMS | | | | | | |
| Veterans (Orig) | 4 | 1,124,813 | 452 | 92,156,848 | Revolving | 542,472 |
| 912 Mrtg Cr Cert (MCC) | | | 39 | 10,454,847.52 | 62,500,000 | 52,045,152 |

LOAN PURCHASES BY LENDER

| | Jun-24 1st | DPA | 2024 YTD 1st | DPA | 2023 YTD 1st | DPA |
|--------------------------------|---------------|-----|-----------------|-----|-----------------|-----|
| FIRST SECURITY BOZEMAN 061 | | | 1 | | | |
| BANK OF COMMERCE 086 | | | 1 | | 1 | 1 |
| 1ST SECURITY BK MISSOULA 133 | | | 2 | | 10 | 2 |
| VALLEY BANK RONAN 159 | | | | | 2 | |
| YELLOWSTONE BANK 161 | 1 | | 1 | | 2 | 2 |
| FIRST MONTANA BANK 172 | | | 3 | 3 | 3 | 2 |
| BRAVARA BANK 186 | | | 5 | 3 | 4 | 1 |
| STOCKMAN BANK OF MT MILES 524 | 7 | 1 | 28 | 13 | 60 | 29 |
| FIRST INTERSTATE BANK-WY 601 | | | | | 5 | 1 |
| US BANK 617 | 1 | 1 | 1 | 1 | 2 | |
| OPPORTUNITY BANK 700 | 3 | | 32 | 8 | 109 | 44 |
| PIONEER SAVINGS AND LOAN 710 | | | 1 | | | |
| FIRST FEDERAL BANK & TRUST 731 | | | | | 1 | |
| GLACIER BANK KALISPELL 735 | | | 14 | 4 | 16 | |
| WESTERN SECURITY BANK 785 | 1 | | 1 | | 5 | 4 |
| MANN MORTGAGE 835 | 4 | 2 | 32 | 12 | 70 | 40 |
| GUILD MORTGAGE COMPANY 842 | 5 | 4 | 11 | 10 | 23 | 23 |
| UNIVERSAL 843 | | | 1 | 1 | 20 | 13 |
| FAIRWAY INDEPENTENT MRTG 847 | 3 | 1 | 28 | 15 | 28 | 20 |
| CORNERSTONE HOME LENDING 850 | | | | | 9 | 8 |
| PRIME LENDING 851 | | | 1 | | 8 | 5 |
| BAY EQUITY LLC 853 | | | 5 | 2 | 4 | |
| PARAMOUNT RES MTG GRP 855 | | | | | 3 | 3 |
| AM CAP 858 | | | | | 3 | 2 |
| HOMESTAR FINANCIAL 861 | | | | | 1 | 1 |
| HOMETOWN LENDERS 862 | | | 1 | 1 | | |
| CROSSCOUNTRY MORTGAGE 863 | 1 | | 6 | 2 | 22 | 7 |
| GUARANTEED RATE 864 | | | 6 | | 19 | 7 |
| FIRST COLONY MORTGAGE 865 | | | 2 | 2 | 8 | 8 |
| WINTRUST MORTGAGE 867 | | | | | 2 | 2 |
| ONE TRUST HOME LOAN 868 | | | 1 | 1 | | |
| CHURCHHILL MORTGAGE 869 | 2 | | 2 | | | |
| NOVUS 872 | | | 1 | 1 | | |
| LOWER DOT COM, LLC 873 | 5 | 3 | 12 | 6 | | |

| | | | | | | |
|----------------------------|-----------|-----------|------------|-----------|------------|------------|
| CMG 874 | | | 1 | | | |
| EVERGREEN MORTGAGE 875 | 3 | 3 | 3 | 3 | | |
| CHURCHILL MORTGAGE 869 | | | 3 | 1 | 5 | 2 |
| CLEARWATER FEDERAL C U 901 | 1 | | 1 | | 1 | |
| INTREPID CREDIT UNION 903 | | | 1 | | 10 | |
| FLATHEAD HABITAT 991 | | | 8 | | | |
| Grand Count | 37 | 15 | 216 | 89 | 456 | 227 |

PORTFOLIO CHANGES

| | June | | 2024 YTD | | |
|----------------------|----------------|------------------|----------------|------------------|--------|
| | <u># loans</u> | <u>Princ Bal</u> | <u># loans</u> | <u>Princ Bal</u> | |
| May Balance | 5,485 | 583,660,221.23 | 5,397 | 556,995,770.50 | Dec-23 |
| June Purchases (1st) | 37 | 10,330,058.10 | 216 | 55,463,327.46 | |
| June Purchases (2nd) | 15 | 178,827.00 | 89 | 950,411.88 | |
| June Amortization | | (1,362,686.81) | | (8,814,948.31) | |
| June Payoffs (1st) | (25) | (2,045,207.73) | (135) | (12,578,486.05) | |
| June Payoffs (2nd) | (2) | (10,407.91) | (50) | (275,874.48) | |
| June Foreclosures | - | - | (7) | (989,397.12) | |
| June Balance | 5,510 | 590,750,803.88 | 5,510 | 590,750,803.88 | May-24 |

JUNE PORTFOLIO SUMMARY

| | <u># of loans</u> | <u>\$ of loans</u> | <u>% of #</u> | <u>% of \$</u> | |
|----------------------------|-------------------|--------------------|---------------|----------------|----------------------|
| FHA | 2,832 | 389,896,496 | 51.4% | 66.0% | |
| RD | 844 | 89,274,138 | 15.3% | 15.1% | |
| VA | 388 | 68,256,627 | 7.0% | 11.6% | |
| HUD184 | 34 | 2,200,182 | 0.6% | 0.4% | |
| PMI | 31 | 2,054,938 | 0.6% | 0.3% | |
| Uninsured 1st | 259 | 30,595,753 | 4.7% | 5.2% | |
| Uninsured 2nd | 1,122 | 8,472,670 | 20.4% | 1.4% | |
| | 5,510 | \$ 590,750,804 | | | |
| May 2023 Portfolio Balance | 5,074 | \$ 485,672,188 | 8.59% | 21.64% | percent of Incr/Decr |

| <u>Servicer</u> | <u># of loans</u> | <u>\$ of loans</u> | <u>% of #</u> | <u>% of \$</u> |
|---------------------------|-------------------|--------------------|---------------|----------------|
| MBOH | 5,435 | \$ 584,693,865 | 99% | 99% |
| First Security Bozeman | 3 | \$ 70,650 | 0% | 0% |
| First Boulder Valley Bank | 1 | \$ 40,822 | 0% | 0% |
| Valley Bank Ronan | 40 | \$ 3,940,857 | 1% | 1% |
| Manhattan Bank | 1 | \$ 77,442 | 0% | 0% |
| Pioneer Federal Savings | 18 | \$ 879,396 | 0% | 0% |
| Guild Mortgage | 12 | \$ 1,047,773 | 0% | 0% |
| | 5,510 | 590,750,804 | | |

Weighted Average Interest Rate 4.351%

| | <u># of loans</u> | <u>\$ of loans</u> | |
|-----------|-------------------|--------------------|---------------------|
| 0 - 2.99% | 1138 | \$ 98,129,653 | rates up to 4% |
| 3 - 3.99% | 1440 | \$ 170,739,617 | 2499 \$ 268,869,270 |
| 4 - 4.99% | 762 | \$ 81,036,768 | |
| 5 - 5.99% | 1548 | \$ 181,519,899 | rates 4% and above |
| 6 - 6.99% | 668 | \$ 66,180,788 | 3016 \$ 329,468,421 |
| 7 - 7.99% | 38 | \$ 730,966 | |

RAM PROGRAM JUNE ACTIVITY

| <u>Loan Requests</u> | | <u>Loans Outstanding</u> | | <u>Life of Program</u> | | <u>Avail Balance</u> |
|----------------------|---------|--------------------------|--------------|------------------------|------------|----------------------|
| 1 | 150,000 | 41 | 2,637,407.00 | 238 | 15,401,072 | 5,530,535.00 |

DELINQUENCY AND FORECLOSURE RATES

| | MONTANA BOARD OF HOUSING | | | MORTGAGE BANKERS ASSOC. 3/2024 | | | (most recent available) |
|---------------------|--------------------------|---------------|---------------|--------------------------------|---------------|---------------|-------------------------|
| | <u>Jun-24</u> | <u>May-24</u> | <u>Jun-23</u> | <u>Montana</u> | <u>Region</u> | <u>Nation</u> | |
| 30 Days | 1.69 | 1.28 | 1.35 | 1.42 | 1.61 | 2.02 | |
| 60 Days | 0.80 | 0.82 | 0.82 | 0.38 | 0.50 | 0.63 | |
| 90 Days | 2.03 | 1.73 | 2.39 | 0.55 | 0.72 | 0.98 | |
| Total Delinquencies | 4.52 | 3.83 | 4.56 | 2.35 | 2.83 | 3.63 | |
| In Foreclosure | 0.27 | 0.27 | 0.25 | 0.28 | 0.23 | 0.46 | |

Mortgage Servicing Program Dashboard
August 12, 2024 (Data as of July 31, 2024)

2024 Monthly Servicing Report

| MONTH | <u>Last Year</u> | | <u>Last Month</u> | | <u>This Month</u> | |
|-------------------------------------|------------------|-------------|-------------------|-------------|-------------------|-------------|
| | 7/31/2023 | | 6/30/2024 | | 7/31/2024 | |
| PORTFOLIO TOTAL LOANS | 5608 | | 6186 | | 6236 | |
| MBOH | 5102 | | 5512 | | | |
| BOI | 304 | | 291 | | 292 | |
| MULTIFAMILY | 16 | | 19 | | 19 | |
| HAF - HOMEOWNERS ASSISTANCE FUND | 186 | | 364 | | 366 | |
| PRINCIPAL (ALL LOANS) | \$ | 563,633,780 | \$ | 677,059,831 | \$ | 688,698,795 |
| ESCROW (ALL LOANS) | \$ | 5,010,694 | \$ | 3,869,286 | \$ | 4,707,194 |
| LOSS DRAFT (ALL LOANS) | \$ | 719,386 | \$ | 684,444 | \$ | 738,973 |
| LOANS DELINQUENT (60+ DAYS) | 235 | | 223 | | 264 | |
| ACTUAL FORECLOSURE SALES IN MONTH | 2 | | 0 | | 0 | |
| FORECLOSURES TOTAL CALENDAR YEAR | 9 | | 4 | | 4 | |
| DELINQUENT CONTACTS TO MAKE | 748 | | 655 | | 692 | |
| LATE FEES - NUMBER OF LOANS | 762 | | 864 | | 1003 | |
| LATE FEES - TOTAL AMOUNT OF REVENUE | \$ | 21,464 | \$ | 26,370 | \$ | 30,572 |
| PAYOFFS | 21 | | 31 | | 33 | |
| NEW LOANS | 61 | | 74 | | 84 | |

HUD's National Servicing Center TRSII SFDMS Reporting
Federal FY 2023 Final Score 93.97% - Grad A
*FHA Revision of Tier Score Pending

| LOSS MITIGATION | <u>Last Year</u> | | <u>Last Month</u> | | <u>This Month</u> | |
|--------------------------------|------------------|--|-------------------|--|-------------------|--|
| | 6/30/2023 | | 6/30/2024 | | 7/31/2024 | |
| ACTIVE FINANCIAL PACKETS | 0 | | 0 | | 0 | |
| REPAYMENT/SPECIAL FORBEARANCES | 0 | | 0 | | 0 | |
| COVID 19 FORMAL FORBEARANCES | 76 | | 0 | | 0 | |
| PARTIAL CLAIMS & MODS PENDING | 19 | | 9 | | 14/1 | |
| CHAPTER 13 BANKRUPTCIES | 10 | | 7 | | 7 | |
| PRESERVATION PROPERTIES | 7 | | 10 | | 10 | |
| REAL ESTATE OWNED PROPERTIES | 0 | | 3 | | 4 | |
| SHORT SALE | 0 | | 0 | | 0 | |
| DEED IN LIEU | 0 | | 0 | | 0 | |

Board Agenda Item

Board Meeting: August 12, 2024

Multifamily Program

TWIN CREEK 9% COAL TRUST MULTIFAMILY LOAN APPROVAL

Update for Twin Creek 9%

With pricing changing on the Tax Credit, the previous loan amount was underleveraged, so in order to make up for the lower price, United Housing Partners is asking for an increase to the Coal Trust loan to \$1,221,360. This is an increase of \$106,014.

For Twin Creek 4%, they decreased their Coal Trust loan by \$203,905.

All terms will stay the same as previously approved.

Staff recommendation (if any)

Staff supports this proposal.

Motion Option(s)

1. Move to approve \$1,221,360 (increased from \$1,115,346) Coal Trust Multifamily Homes Loan in first lien position with a 30-year amortization, 30-year term and at a 3.8325% interest rate that will close on or after 3 months of stabilized occupancy, with the staff's discretion to change loan terms or funding pool if needed.
2. No motion; proposal fails.

Multi Family Program Dashboard

August 12, 2024

Coal Trust Multifamily Homes Program, Multifamily Loan Program and Housing Montana Fund Loan Programs

Available After Commitments

| | | |
|-------------|--------------|---|
| CTMH | \$15,128,795 | From \$65M Authorized (including loan P&I payments) |
| MFLP | \$35,160 | |
| HMF - AHRLF | \$238,822 | |

| Projects Underway | | | | | |
|-------------------|-----------------------------|----------------|--------------|---|-----------------|
| Amount | Program/Project | City/Units | Year Awarded | Recipient | Est. Completion |
| 460,000.00 | CT/RLACF | Red Lodge/4 | 2024 | Red Lodge Community Foundation | Aug-26 |
| 2,500,000 | CT/Alpenglow II | Whitefish/18 | 2024 | Housing Whitefish | Fall-26 |
| 30,460,886 | 9%/CT/4%Twin Creek | Helena/72 | 2024 | United Housing Partners | Sep-26 |
| 8,050,000 | 9%/CT/Riverstone Senior | Hamilton/23 | 2024 | Housing Solutions Community Preservation Partners | April-26 |
| 6,500,000 | 9%/CT/Elmore Roberts | Great Falls/60 | 2024 | Partners | Dec-26 |
| 13,197,880 | 9%/4%/7th & Aspen | Bozeman/46 | 2024 | Boundry Dev & HRDC | May-26 |
| 8,200,000 | 9%/CTMitchell Court | Billings/32 | 2024 | GL Development | Aug-25 |
| 10,963,840 | 4%/The Manor | Hamilton/60 | 2024 | Sapphire Lutheran Homes | Feb-26 |
| 18,341,480 | 4%/Parkview Village | Great Falls/84 | 2023 | Vitus Development, LLC | Aug-24 |
| 11,993,710 | 4%Baxter | Bozeman/50 | 2023 | Devco Preservation | Aug-24 |
| 82,575,000 | 4%North 3rd Apartments | Bozeman/216 | 2023 | Devco Preservation | Sep-25 |
| 58,551,220 | 4%/HMF/Lumberyard | Bozeman/155 | 2023 | Rueter Walton Development | Jun-25 |
| 7,414,040 | 4%/Big Fork Senior | Big Fork/24 | 2023 | Bigfork Senior Housing | Jun-25 |
| 14,342,680 | 4%/Union Place | Missoula/63 | 2023 | Union Place Apartments LLC Community Preservation | Jan-24 |
| 23,985,160 | 4%/Sunshine Village | Great Falls/92 | 2023 | Partners | Mar-24 |
| 6,435,000 | 9%/ANHA LIHTC #2 | Agency/23 | 2023 | Apsaalook Nation HA | Dec-25 |
| 6,500,000 | 9%/MF/Cabinet Affordable | Libby/24 | 2023 | Cabinet Affordable Housing | Aug-25 |
| 8,200,000 | 9%/CT/Carter Commons | Great Falls/25 | 2023 | Carter Commons, LLLP | Jul-25 |
| 41,961,750 | 9%/4%/Creek Side Apartments | Missoula/161 | 2023 | Homeword Northwest Real Estate Capital Group | Apr-26,Oct-25 |
| 7,700,000 | 9%/MF/Meadowlark Senior | Butte/26 | 2023 | Group | Oct-24 |
| 7,991,250 | 9%/MF/Riverview Apts | Big Sky/25 | 2022 | Blueline | Jul-24 |
| 6,100,000 | 9%/Baatz Block Apts | Great Falls/25 | 2022 | Homeword | Feb-25 |
| 6,200,000 | 9%/Tapestry Apts | Billings/26 | 2022 | CLDI | Feb-24 |
| 5,812,010 | 9%/ARPA/Laurel Depot | Laurel/19 | 2021 | GL/North Fork Dev. | Aug-24 |
| 8,435,000 | 9%/ARPA/MRM Unified Campus | Billings/29 | 2021 | MT Rescue Mission | Nov-24 |
| 8,435,000 | 9%/ARPA/Jackson Court | Billings/38 | 2021 | GL Development | Aug-24 |
| 8,015,483 | 9%/ARPA/AHNA LIHTC 1 | Crow | 2021 | Apsaalooke Nation HA | Aug-24 |
| 6,649,597 | 4%/ARPA/Highland Manor | Havre/32 | 2021 | Echo Enterprise | Dec-24 |

| | CTMH Projects | Loan Amount | Status |
|------------------------|-----------------------------------|--------------|--------------------------------|
| HB 16 \$15,000,000 | Belt - Golden Valley Homes | \$803,060 | Approved February 2020; Closed |
| | Cascade - Quiet Day Manor | \$872,500 | Approved February 2020; Closed |
| | Livingstone - Livingston Cottages | \$900,000 | Approved February 2020; Closed |
| | Havre - Highland Manor | \$1,932,000 | Approved February 2020 |
| | Helena - Firetower | \$2,674,631 | Approved April 2020; Closed |
| | Joliet / Laurel - Spruce Grove | \$5,173,486 | Approved April 2020; Closed |
| | Havre - Oakwood Village | \$2,100,000 | Approved April 2020; Closed |
| HB 819 \$50,000,000 | Great Falls - Carter Commons | \$1,700,000 | Approved September 2023 |
| | Helena - Twin Creek 9% | \$1,221,360 | Approved October 2023 |
| | Hamilton - Riverstone Senior | \$1,550,000 | Approved October 2023 |
| | Billings - Mitchell Court | \$1,700,000 | Approved October 2023 |
| | Darby - Welcome Way | \$2,090,000 | Closed November 2023 |
| | Lolo - Two Rivers | \$5,460,833 | Closed February 2024 |
| | Belgrade - Stan's Garden | \$5,356,765 | Closed January 2024 |
| | Helena - Twin Creek 4% | \$6,890,000 | Approved January 2024 |
| | Elmore Roberts | \$4,989,000 | Approved March 2024 |
| | Whitefish - Alpenglow 2 | \$2,500,000 | Approved April 2024 |
| | Red Lodge - RLACF Rentals | \$460,000 | Approved May 2024 |
| Total | | \$48,373,635 | |

Events and Deadlines

QAP Discussion at Board meeting 10/21/2024

Board Agenda Item

Board Meeting: August 12, 2024

One Commerce Rebranding Update

NEW WEBSITE LAUNCHED JULY 31, 2024

The Montana Board of Housing is collaborating with the Montana Department of Commerce Director's Office and its Marketing and Communications team ("marcomms") to implement the Administration's approved One Commerce rebranding initiative, including a new website scheduled to launch on July 31, 2024.

This August 12, 2024 Board Meeting packet was assembled with updated One Commerce templates, reflecting the new Commerce logo and underlying style guidance (fonts, colors, spacing etc.), as outlined within Commerce's new Brand Book. The Brand Book serves as a toolkit of communication strategies and visual elements designed to align our message and enhance our outreach.

The goal with this rebranding initiative is to ensure brand consistency across all Commerce activities and administratively attached boards, to reduce inefficiencies resulting from the maintenance of a wide variety of branding, logos, and social media accounts previously in use by Commerce divisions and attached boards, and ultimately to integrate and unify our efforts with a narrative that transcends individual services and divisions to drive effectiveness and unleash the potential of a unified, One Commerce impact in Montana's economy. As we know, the need for affordable housing is integral to the health and stability of Montana's broader economy. Here are a few key changes:

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice





- We are moving away from the previously adopted Montana Housing “doing business as” for Montana Board of Housing and broader Commerce Housing Division activities.
- The Montana Housing Facebook account has been deactivated. Social media posts for Montana Board of Housing and broader Commerce Housing Division activities will be included in the Montana Department of Commerce Facebook and/or LinkedIn accounts. This is to reduce the number of individual social media accounts maintained by marcomms and to amplify Commerce messaging.
- The Commerce marcomms team is preparing a Montana Board of Housing supplemental guidance to accompany the Brand Book to ensure consistency in messaging for specific MBOH business use cases. This supplemental guidance will include direction for consistent phrasing such as, “The Montana Board of Housing, administratively attached to the Montana Department of Commerce.”
- Rebranding shift is also focused on compliance with the Americans with Disabilities Act, including font size, spacing and related requirements.

Example

1. Please see the enclosed borrower Welcome Packet as an example of newly branded material for a specific MBOH business use case. Special care was taken to ensure clarity for borrowers and alignment with applicable state and federal regulations pertaining to the marketing and communications of mortgage servicers.





CONGRATULATIONS.
You're a homeowner.



The Montana Board of Housing, administratively attached to the Montana Department of Commerce, strengthens our vibrant communities by supporting access to safe, affordable and sustainable homes for hard-working Montanans whose housing needs are not met by the market. Our professional and courteous staff work to create a variety of housing opportunities for Montanans by partnering with local organizations across the state and leveraging federal housing funds available to Montana.

Our loan servicing specialists can assist you with:

- Taking phone payments
- Answering escrow questions
- Explaining delinquency options
- Referral to a housing counselor

CUSTOMER SERVICE

P.O. Box 200550
Helena, MT 59620-0550

ACCOUNT ACCESS:

montanalogs.mt.gov/account/login

EMAIL: housing@mt.gov

PHONE:

406-841-2840

Montana 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice

FACEBOOK:

[facebook.com/montanadepartmentofcommerce](https://www.facebook.com/montanadepartmentofcommerce)

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COMMERCE





DEAR HOMEOWNER,

Congratulations on becoming a homeowner!

This informational packet is designed to answer common questions about your home loan and to help clarify the home mortgage process.



Welcome

We are excited to have the opportunity to service your new home loan. Customer service is our priority, so we have created a convenient online tool to help you manage your account called Borrower Portal View. Here you can make payments online and manage your home loan account anytime, anywhere.

CREATE YOUR BORROWER PORTAL VIEW ACCOUNT

Have your loan number handy. It can be found in the letter that came with this packet.

- Go to housing.mt.gov.
- Click on "Borrower Portal."
- Log in using your username and password.
- To create an account, click "Register." Input your loan number, Social Security number and email address. Select a username and a password that is easy to remember.
- Once you create your account you will be able to access your mortgage loan account and navigate through the following:
 - Loan summary
 - Mortgage summary
 - Amortization calculator
 - Payment history
 - Year-end information
 - Escrow information

LOGGING IN

- Go to montanalogs.mt.gov/account/login.
- Enter username and password and click "Sign In."

IF YOU FORGET YOUR PASSWORD OR USERNAME

- Click the "Forgot Username or Password?" link.
 - Enter your username and click on "Get Reminder Phrase," or enter loan number, borrower SSN and email address and click "Submit Request" to receive an email with instructions.

IF YOU CANNOT GAIN ACCESS TO BORROWER PORTAL

If you are logging in and are unable to gain access to your account, please call a loan servicing specialist.

CONTACT CUSTOMER SERVICE

Please have your account number handy. If you do not find the assistance you need at Borrower Portal View, our loan servicing specialists are available to provide you with answers to questions regarding your home loan.

BORROWER PORTAL VIEW

Access all your account information online at montanalogs.mt.gov/account/login.

Customer Service and Pay by Phone
406-841-2840

Montana 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice

Hours of Operation
8 a.m. to 5 p.m., Monday-Friday

Email
housing@mt.gov

MAKE A PAYMENT

Your payment is due on the first day of each month and cannot be changed. Late charges are assessed when a payment is received after the 16th day of the month at 3 p.m. Make your payments in one of the following ways:

ONLINE

- Visit montanalogs.mt.gov/account/login for our Borrower Portal View.
- Enter your username and password and click “Log In.”
- Click “Make a Payment Online” each month and follow the steps to make your payment. There is a \$5 fee for this option.

AUTOMATIC BANK DRAFT

Sign up for free automatic bank drafts to ensure your payment is always on time. Your payment will be automatically deducted from your checking or savings account on one of the two days offered to have the automatic bank draft, eliminating any chance of a late fee. To set up your automatic bank draft payment, fill out the Automated Clearing House Authorization Form in the back of this packet or access the form online through your Borrower Portal View account and follow the instructions for completion. Once your paperwork has been processed, you will receive a letter with the date the automatic payment will begin.

Take a moment to authorize the Montana Board of Housing to automatically draft your payment for you each month. Mail the completed and signed ACH Authorization Form (along with a voided check, not a deposit slip) to the following address:

Montana Department of Commerce
MBOH – Loan Servicing
P.O. Box 200550
Helena, MT 59620

PHONE

Pay by phone with the assistance of a loan servicing specialist by calling [406-841-2840](tel:406-841-2840). Our cut-off time for same-day posting is 3 p.m. There is a \$10 fee for this option.

MAIL

Include your payment coupon located at the bottom of your monthly statement and mail your payment to:

Montana Department of Commerce
MBOH – Loan Servicing
P.O. Box 200550
Helena, MT 59620

IN PERSON

You can drop off your check or money order with your payment coupon at the address below. Cash is not accepted.

301 S. Park Ave., Suite 240
8 a.m. to 5 p.m., Monday-Friday
Our cut-off time is 3 p.m. for same-day posting.



Household Budgeting

If you don't already have a budget, it's never too late to start one. This is the best way to ensure that you are always able to pay essential bills. Here are some budget basics:

If you can't pay all your bills, don't ignore them.

- Contact your creditors as soon as you know that you will not have funds to pay everything on time.
- Figure out how much you will have to pay and then prioritize those funds. Everyone's situation is different, but the usual list would be food, utilities, house payment and car payment — in that order.
- Contact creditors and let them know what to expect. The worst thing you can do is ignore them. Most creditors will work with you if they know that they eventually will be paid in full.
- Do not fall into the payday or title loan trap. This is a vicious cycle that can make your situation much worse in the long run. It is better to let a creditor know you will pay late than to pay on time with a payday loan and then be faced with trying to pay off exorbitant interest and fees on these types of cash advances.



Budget for regular maintenance and unexpected repairs.

Some experts suggest budgeting 1% of the purchase price of the house for annual maintenance and repairs.

Adhere to a regular savings plan.

Think about it as paying yourself first. Regularly putting a portion of each paycheck into savings helps create a sense of financial stability. Many financial advisors suggest saving 5% of your take-home pay.

Always keep an emergency fund on hand.

Saving money isn't always easy but having an emergency fund set aside can make dealing with unexpected events much easier, such as replacing the hot water heater when it suddenly springs a leak. If you don't already have such a fund, it's a good time to start one. You'll be glad you did.

Know what bills are due and when.

Compare the timing of your set expenses (such as your mortgage, utilities, car payments, etc.) with your pay schedule. If you get paid weekly, you need a different strategy than if you get paid monthly. In either case, a checking account will provide an easy way to pay your bills and a way to help you keep track of what you spend.

Ask electric and gas companies about their “budget billing” payment plan.

Based on the history of gas or electric use in the home, the company arrives at an estimated annual cost then divides it by 12 months. You are billed for the same amount every month, though the utility company still keeps track of how much you use. Once a year, the company adjusts your average monthly payment up or down according to your actual use, then you pay that amount for the next year. This helps with budgeting since you know in advance how much that bill will be.

Know how you spend your money.

Get in the habit of saving receipts. Jot down what they're for if they're not itemized. This is an easy way to keep track of your cash expenditures. Then categorize all of your expenditures for an entire month. If money is tight, look for ways you can reduce expenses. You will have to do your own analysis, but this will help you see where your money is being spent and help you make adjustments as needed.

Plan for large, periodic expenses.

Expenses such as property taxes, homeowner's insurance (if they're not paid by the lender), car insurance and water bills can be put on a “budget calendar” that shows the approximate amount of the expenses and when they come due.



Plan ahead for major purchases.

Whenever you purchase something on credit, look carefully at the financing terms, including the APR. Often the retailers that offer the easiest terms (no payments due for three months financing) actually charge the highest interest rates. Shop around. Try to save for things you need rather than charging them. You'll pay less and you may decide that you'd rather use the money for something else.

Questions and Answers

Who is providing loan servicing for my mortgage?

The Montana Board of Housing, which is administratively attached to the Montana Department of Commerce, provides loan servicing for MBOH borrowers.

Is my personal information kept private?

We respect the privacy and security of your personal information. Just like you, we want all of your personal information kept that way — personal and private. Our staff adheres to the detailed privacy policy that is enclosed in this packet for your review.

How do I make my payment?

You may make your payments online through Borrower Portal View at housing.mt.gov, by automatic bank draft, by phone with a service professional, drop off in person or by mail. For more information, please see page 3 of this packet.

When is my payment considered late?

Your payment is due on the first day of the month. Late charges are assessed to the loan if payment is received after the 16th day of the month. Postmarks are not considered when determining late payments.

What do I do if I cannot make my monthly payment?

Notify us immediately. No matter the situation, our loan servicing specialists are trained and experienced in dealing with every situation. You may also reach out to the HUD-approved housing counseling agencies in Montana: hud.gov/states/montana/homeownership/hsgcounseling.

Can I defer a payment to the end of the loan?

Our mortgage loans do not allow deferment of payments. If you are having problems making your payment, please contact us immediately. We may have other options that can help.

What do I do if my payment is going to be late?

Notify us as soon as you know your payment will be late. Our loan servicing specialists will help you with a plan to get back on track.

Can I use a debit or credit card to make my payment?

At this time, we do not process debit or credit card payments. However, making a payment online is a debit to your checking or savings account.

What is an “owner occupancy requirement?”

One of the requirements of MBOH loans is that the borrower must occupy the home for the life of the loan. If you must move — because of a job transfer, for example — contact loan servicing with your new address, phone number and your plans for the home. We may approve a waiver of this requirement.



How do I add, remove or change a name on my loan?

We cannot add people to a loan, but we can update the name of an original borrower. Send a photocopy of the legal document showing the name change and a written request that includes your loan number to:

Montana Department of Commerce
MBOH – Loan Servicing
P.O. Box 200550
Helena, MT 59620

In some rare cases, names can be removed from a loan. To find out more about this, contact customer service.

What is an escrow payment?

Your payment has two parts. The first part is principal and interest, which repays your home loan. The second part of your payment is the escrow portion. This portion pays for your property taxes, homeowner's insurance and mortgage insurance, and changes annually depending on your property tax or homeowner's insurance premium changes. Contact the county for information regarding the property tax amount. Talk to your homeowner's insurance agent for information on your insurance premium.

Why does my payment change when I have a fixed rate?

On a fixed rate loan, the principal and interest portion of your payment does not change. However, the escrow portion of your payment may change. The escrow payment is affected by increases or decreases in the property tax and homeowner's insurance bills we pay from your escrow account.

I just received a property tax bill.

Do I have to pay it?

Each year you should receive a bill (or a copy of the bill) from your county treasurer. They are for your records. We receive the same information electronically and will pay your property taxes from your escrow account.

How do I learn more about my property tax?

Contact your specific tax office.

I received a bill from my homeowner's insurance company. Do I have to pay it?

Your homeowner's insurance is paid from your escrow account. We should receive a bill directly from your insurance company. However, if you receive your homeowner's insurance bill, contact your insurance agent and make sure the mortgagee clause is:

MBOH – Loan Servicing
P.O. Box 200550
Helena, MT 59620

Please be sure your homeowner's insurance agent has Montana Board of Housing listed as your lender and knows your loan is escrowed so they bill MBOH. Give them your loan number so your bill can be processed promptly. Your agent may either mail or send a secured email to mbohinsurance@mt.gov.

Do I have to have homeowner's insurance?

Homeowner's insurance is important for protecting your investment in a home from fire, theft and other potential dangers. Adequate homeowner's insurance coverage is a requirement of your loan. If you do not obtain your own insurance, lender-placed insurance will be purchased for you that you will have to pay through your escrow. This insurance protects the house but not the contents or personal property and can potentially cost you more.

What is mortgage insurance?

Mortgage insurance, either from a private company or a government agency, makes available loans with little or no down payment. Private mortgage insurance is generally required when the loan-to-value of the home is greater than 80 percent. Although paid for by the borrower, the policy insures the lender against default on the loan.

Annual Statements

You will receive three statements from us each year. One is a year-end statement that lists the amounts applied as interest, taxes, insurance and principal paid on your mortgage balance during the prior year. This statement will be mailed in January and should be used by you for income tax purposes.

The second statement is an escrow account disclosure statement that details monthly payments into and out of your escrow account. All borrowers pay principal and interest on their mortgage loan plus an escrow amount that we manage on your behalf to pay property taxes and homeowner's insurance on your home.

The third statement is an annual privacy notice.

Although we pay these items from your escrow account, you may receive property tax or homeowner's insurance bills anyway. In this case, please contact us to ensure that we have a copy for payment purposes. You may be able to reduce your real estate property taxes, if you are eligible, by filing for a homeowner property tax exemption with your county treasurer.

ESCROW ANALYSIS

Each year, we must re-evaluate your monthly mortgage payment to reflect any changes in property taxes or homeowner's insurance. Although the principal and interest portion of your monthly mortgage payment may not change, your total monthly mortgage payment may increase or decrease because of changes in property taxes and/or homeowner's insurance on your home.

In the sample statement below, you'll see a monthly breakdown of the projected escrow account starting under "Projected Payments Starting 07/01/19"

- In the first column on the left, you will see the month.
- The second column shows the projected payments into the escrow account.

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT - PROJECTION

Please review this statement closely, your mortgage payment may be affected.

PROJECTED ESCROW DISBURSEMENTS

| | | | |
|--------------------------------------|----------|---------------------|----------|
| 1st HALF COUNTY TAX | 1,182.72 | 2nd HALF COUNTY TAX | 1,176.97 |
| HAZARD INSURANCE | 1,007.00 | | |
| Total projected escrow disbursements | 3,366.69 | | |
| Escrow payment calculation | 3,366.69 | / 12 = | 280.56 |
| Cushion selected by Servicer | 336.67 | | |

PROJECTED PAYMENTS STARTING 07/01/19

| Month | To Escrow | Payments from Escrow | Projected | Required |
|-----------|-----------|----------------------|-----------|----------|
| | | Starting Balance: | | |
| July | 280.56 | HAZARD INSURANCE | 650.56 | 1,123.59 |
| August | 280.56 | | 75.88- | 397.15 |
| September | 280.56 | | 204.68 | 677.71 |
| October | 280.56 | | 485.24 | 958.27 |
| November | 280.56 | | 765.80 | 1,238.83 |
| December | 280.56 | 1st HALF COUNTY TAX | 136.36- | 336.67 |
| January | 280.56 | 1,182.72 | 144.20 | 617.23 |
| February | 280.56 | | 424.76 | 897.79 |
| March | 280.56 | | 705.32 | 1,178.35 |
| April | 280.56 | | 985.88 | 1,458.91 |
| May | 280.56 | 2nd HALF COUNTY TAX | 1,266.44 | 1,739.47 |
| June | 280.56 | 1,176.97 | 370.03 | 843.06 |
| | | | 650.59 | 1,123.62 |

Your starting escrow balance is 650.56, your starting balance according to this analysis should be 1,123.59. This means you have a shortage of 473.03 this shortage will be collected from you over a period of 12 month.

Below is your new monthly payment breakdown for the next 12 months:

| | | |
|--------------------|-------------------------|----------|
| Effective 07/01/19 | Principal & Interest | 861.05 |
| | Escrow | 319.97 |
| | Other monthly Insurance | 127.80 |
| | Total new payment | 1,308.82 |

- The third column shows the projected payments from the escrow account for homeowner's (hazard) insurance and property taxes.
- The fourth column shows the projected balance of the account, including any surplus or shortage amounts.
- The last column on the right shows Real Estate Settlement Procedures Act required escrow amount by month.

If you see an amount in "Other Monthly Insurance" at the bottom of the letter, it is the monthly Federal Housing Administration Mortgage Insurance Premium that is paid to FHA on a monthly basis. It is not shown in detail on this letter as it is an in-and-out amount.

PROJECTED ESCROW DISBURSEMENTS

This is the total projected amount that will be paid on your behalf toward property tax, USDA or private mortgage insurance and homeowner's (hazard) insurance. A projected monthly disbursement history is provided so you can see how a new monthly mortgage payment is calculated.

NEW MONTHLY PAYMENT BREAKDOWN

This section details your new monthly payment, including principal and interest, your new escrow account payment, discretionary items and shortage or deficiency spreads (any additional monies collected monthly to make up escrow account shortages). If there is a surplus of more than \$50 in your escrow account (more money than is needed to pay homeowner's insurance and property taxes), a refund will be processed for you if your loan is current. If there is a shortage, we will collect an additional amount each month, spread out over 12 months, to make up the difference.

Please review your statements closely because your mortgage payment may be affected. The statement reflects any changes in your monthly mortgage payment, including surplus refunds or shortages.



Terms and Policies

TERMS

Deficiency: Negative escrow balance.

Escrow Account: This account is set up on your behalf to pay property taxes; FHA, USDA or private mortgage insurance; and homeowner's hazard/flood insurance throughout the year (flood insurance is not required on all homes). The money used to pay property taxes and homeowner's hazard/flood insurance comes from a portion of your monthly mortgage payment.

FHA Insurance: Insurance paid to the Federal Housing Administration to secure mortgage loans.

Hazard Insurance: Homeowner's insurance necessary to cover fire or other damages to a borrower's property as described in the insurance policy.

Principal and Interest: Your monthly principal amount plus interest payment.

Private Mortgage Insurance: Insurance paid to a private mortgage insurance company insuring mortgage loans in case of default.

USDA Annual Guarantee Fee: Fee paid to the U.S. Department of Agriculture Rural Development to secure mortgage loans in those areas designated as rural.

Shortage: An escrow account shortage occurs when an insufficient amount is collected to pay property taxes and homeowner's insurance on a borrower's home. We collect shortages over a minimum 12-month period.

Surplus (overage): An escrow account surplus occurs when more funds are collected for taxes and insurance than are needed to pay on your behalf. We refund any surplus amounts in excess of \$50 to you within two weeks of the completed Annual Escrow Disclosure Statement if your loan is current.

RESPA: A federal guideline to assist mortgage lending and servicing organizations in the collection and distribution of escrow funds. RESPA regulates the maximum amount of escrow money that mortgage servicers may collect and hold in an escrow account. Montana Code Annotated 2017, Title 71, Chapter 1, Part 1, 71-1-113 places limits on the amount of funds on reserve. Except as provided in 71-1-114, if a lending institution requires a borrower under a mortgage or trust indenture of real property to include in the borrower's regular payment additional payment into a reserve fund held by the lending institution for the future payment of property taxes, insurance premiums and other expenses, the amount of funds on reserve may not exceed 110% of the projected amount needed to pay those expenses.



RESPA POLICY

The following is set forth in the Real Estate Settlement Procedures Act (12 USC 2605) Section 6. For more information, please refer to this act. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your prior servicer before its due date may not be treated by the new servicer as late, and a late fee may not be imposed on you. Section 6 of RESPA (12 USC 2605) gives you certain consumer rights. If you send a “qualified written request” to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgement within 20 business days of receipt of your request.

A “qualified written request” is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, that includes your name and account number and your reasons for the request. No later than 60 business days after receiving your request, your servicer must make any appropriate corrections to your account and must provide you with written clarification regarding any dispute. During the 60-day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such a period or qualified written request.

A business day is any day, excluding legal public holidays (state or federal), Saturdays and Sundays. Section 6 of RESPA also provides for damages and costs for individuals in circumstances in which servicers are shown to have violated the requirements of that section. You should seek legal advice if you believe your rights have been violated.

PRIVACY POLICY

This notice is in accordance with federal law enacted in June 2000. There is no action required on your part. The notice is for informational purposes only.

YOUR PRIVACY

We respect the privacy and security of your personal information. Just like you, we want all of your personal information kept that way — personal and private. This notice describes the privacy policy and practices we follow.

SAFEGUARDING CUSTOMER INFORMATION

We will only grant access to nonpublic personal information, as defined by federal law, about you to employees who need it to perform their job responsibilities or as otherwise required by law or legal process. Furthermore, nonpublic personal information is provided only to our contracted service providers as necessary to administer or enforce your transaction. Even if you are no longer our customer, we will continue to treat your nonpublic personal information in the same way we would if you were still a customer. In addition, we maintain physical, electronic and procedural safeguards to store and secure information about you from unauthorized access, alteration and destruction.

Any agreements entered into by our company with nonaffiliated third parties to provide services for us, or to make products or services available to you, contain specific conditions requiring those companies to safeguard the confidentiality of this information and to not use it for any other purpose.

COLLECTION OF INFORMATION

We obtain only the information needed to process your loan application and service your home loan.

The following lists the usual kinds of nonpublic financial information we obtain and from what sources that information is obtained:

- From forms you fill out (such as a loan application) via the internet, by telephone or otherwise. Examples of this type of information include your name, address, Social Security number, credit history and other financial information.
- From transactions with us. For example, payment history, account balance and other transaction records.

- From credit reporting agencies, such as information relating to your creditworthiness and credit history.
- From third parties to verify information you have provided to us.

SHARING OF INFORMATION

We do not disclose, or reserve the right to disclose, nonpublic financial information about our current or previous customers except as permitted by law or with customer permission.

We do not disclose any nonpublic personal information for our current or previous customers with nonaffiliated third-party marketers offering their products and services. While we may offer financial products and services of our third-party providers, we control all information used to make such offers.

**THANK YOU FOR ALLOWING US TO
SERVICE YOUR HOME LOAN. WE VALUE
YOUR BUSINESS AND ARE COMMITTED
TO PROTECTING YOUR PRIVACY.**



**AUTOMATED CLEARING HOUSE (ACH) AUTHORIZATION FORM**

Borrower Name: _____ MBOH Loan #: _____

Borrower Address: _____

Borrower Current Phone #: _____

Borrower Email: _____

Bank Name: _____ Bank Routing Number: _____

Account Type: ☐ Checking ☐ Savings Account Number: _____
(Please circle one.)

Payment Amount _____

+ Extra Principal (optional) _____

= TOTAL Debit _____

Draw on the: 5th -or- 10th

(Please circle one
date of the month.)

Beginning Date: _____

ACH forms are due in our office no later than the **24th** of the month to begin ACH in the following month.
Your loan must be current in order to sign up for ACH.

CANCEL EXISTING TRANSFER(S) (If you need more space, please attach a separate sheet.)

Please cancel the automatic transfer(s) from:

Bank Account # _____ to My MBOH Loan # _____

Print Name _____ Signature _____ Date _____

By signing below, I represent and warrant that I am legally authorized to access funds from the account specified. I also agree to the signature acknowledgment on the back of this form.

Borrower Signature_____
Date

(See remaining instructions on the back of this form. A voided check must be attached.)

commerce.mt.gov | housing.mt.gov

301 S. Park Ave. | P.O. Box 200550 | Montana Board of Housing — Loan Servicing | Helena, MT 59620-0550

Phone: **406-841-2840** | Fax: **406-841-2841**Montana 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice

SIGNATURE ACKNOWLEDGMENT

In signing this document, I (we) also authorize the Montana Board of Housing to initiate adjustments to my account when escrow analysis is processed annually. I agree to have enough money in my account at least one (1) day before the transfer is scheduled. I understand that MBOH can cancel this service without my consent (1) at any time 21 calendar days after sending written notice to me, or (2) immediately upon receiving notification of the death or insolvency of any owner of the account identified above or the closing of the account identified above. This authorization shall remain in full force and effect, and shall be binding on my heirs, personal representative, administrators, assigns and co-owners of the account above, unless an owner of the account to be withdrawn from cancels in writing no less than seven (7) business days before the next scheduled transfer. An owner of the account to be withdrawn from can revoke this authorization by completing the section below.

ATTACH A VOIDED CHECK FROM YOUR BANK

The diagram shows a check with a large 'VOID' watermark. Labels with brackets point to the routing and account numbers at the bottom of the check.

YOUR NAME
Your Address
Your City, State Zip

3456

Pay to the Order of _____ \$ _____ Dollars

YOUR BANK
Bank City, State Zip

For _____

Routing # Account #

Credit Union Members:

To ensure prompt processing of your ACH, please verify your account and routing/transit numbers with your credit union, since the correct numbers may be different than those appearing on your check. If different, please make sure to include the correct bank routing and account numbers on the front of this form.

SEND US YOUR PAPERWORK

Send the completed form, along with your voided check, to:

Montana Department of Commerce
MBOH — Loan Servicing
P.O. Box 200550
Helena MT 59620-0550

This document is printed at state expense. Information on the cost of producing this publication may be obtained by contacting the Department of Administration.

commerce.mt.gov | housing.mt.gov

301 S. Park Ave. | P.O. Box 200550 | Montana Board of Housing — Loan Servicing | Helena, MT 59620-0550

Phone: 406-841-2840 | Fax: 406-841-2841

Montana 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice



OUR MISSION STATEMENT

The Montana Board of Housing, administratively attached to the Montana Department of Commerce, works with community partners across the state; together we ensure Montana families have access to safe and affordable homes.



MONTANA DEPARTMENT OF
COMMERCE

Board Agenda Item

Board Meeting: August 12, 2024

Operations/Executive Director

BOARD MEETINGS

- The next Board meeting will be held September 9, 2024, at 8:30 am via Zoom.

BOARD MEMBER OPPORTUNITIES

- August 13, 2024: Trinity Celebration from 10:00 – 11:30 am at 2200 Mullen Road, Missoula, MT. Cheryl Cohen and Joe DeFilippis are attending.
- September 12, 2024: Housing Coordinating Team Meeting at 10:00 am.
- September 28 – October 1, 2024: [2024 Annual Conference & Showplace — NCSHA](#), Phoenix, AZ. Shelia Rice and Jeanette McKee have confirmed their attendance. Board members interested in attending can contact Stacey Purvis by August 19, 2024 to ensure early bird pricing.
- October 21, 2024: Board Training and Planning – Fairmont Hot Springs Resort, Anaconda, MT.

CONTRACTS / PROCUREMENT

- A Request For Proposal (RFP) to select a qualified vendor to support a statewide Fair Market Rent Reevaluation Survey has been submitted to State Procurement Bureau.

Montana Department of Commerce | commerce.mt.gov | Montana Board of Housing
P.O. Box 200528 | Helena, MT 59620-0528 | Phone: 406-841-2840 | Fax: 406-841-2841
Montana Relay 711: dphhs.mt.gov/detd/mtap/traditionalrelayservice





- HDS Software hosting contract (with Rental Assistance Bureau) has been executed. Soon our SITSD staff will no longer be hosting this software on state servers as a component called Citrix will be obsolete starting in October.

PERSONNEL

- Mackenzie Roberts is joining Commerce as our new Special Programs Supervisor with the Rental Assistance team. Mackenzie is a licensed property manager who previously worked for Tamarack Property Management Company as a Regional Asset Manager. Her experience in managing affordable properties involving funding sources such as Housing Choice Vouchers, HOME and Housing Credits will be a huge asset to our team.
- Tracy Stone joins the HAF team as a First Reviewer for the Home Repairs program.

EMERGENCY RENTAL ASSISTANCE

- With remaining Emergency Rental Assistance funds, the Montana Department of Commerce is continuing to contract with Montana Legal Services Association to provide eviction prevention services. However, MLSA is no longer able to assist renters who have only received a past due rent notice, unless the renter is a client of MLSA and in need of legal advice to respond to a complaint, summons or court-ordered eviction.
- Through FAQ 46, other eligible uses, we initially awarded 6 grants for approximately \$4.1 million. Since the award announcement, additional requests for funding were received by the grantees, bringing the total to \$4.7 million.



HOMEOWNER ASSISTANCE FUND

- As of August 5, 2024, 1,855 applications have been submitted to the statewide program. HAF staff have approved and paid over \$6 million in total through all statewide program applications.
- HAF Home Repair program is receiving steady monthly applications.
- As of August 5, 2024, 336 home repair applications have been submitted.
- 3 applications are approved and complete; 16 applications are currently under construction.
- We received approval for Mortgage Reinstatement to be a grant instead of a loan.

COMMUNITY HOUSING

- The application deadline for CDBG-Housing, National Housing Trust Fund and the HOME Investment Partnerships is September 17, 2024. There are limited funds available to award this cycle: \$1.5 million in CDBG-Housing, \$1.9 million in HTF and \$1.5 million in HOME.
- Julie Flynn supported and participated in a Bozeman area tour on Tuesday, July 30 with visiting HUD Principal Deputy Assistant Secretary for Community Planning and Development, Marion Mollegen McFadden and Senior CPD Representative for Region VIII, Elizabeth Clark. This tour included a meet and greet with elected officials in Bozeman and several project tours, including a Housing Trust Fund Rental Assistance Demonstration conversion project, CDBG-CARES non-congregate shelter and Permanent Supportive Housing property in Bozeman, as well as a resident-owned manufactured housing community in



Livingston. Program staff for HRDC 9 and NeighborWorks Montana were exemplary.

- The first stage of public outreach for the Five-Year Consolidated Plan and Equity Plan wrapped up in early August and included dozens of focus groups, as well as in-person meetings with Zoom option in Missoula, Hardin, Libby and Glasgow. The draft Equity Plan will be published August 20, 2024 and Commerce will accept comments through September 20, 2024. There will be a public hearing for the draft Equity Plan on September 10, 2024. Information regarding that meeting will be posted to commerce.mt.gov in the near future.

EXECUTIVE DIRECTOR

- Commerce closing Housing Choice Voucher waitlist on August 15, 2024. <https://commerce.mt.gov/News/press-releases-and-statements/Commerce-Announces-Housing-Choice-Voucher-Rental-Assistance-Waitlist-Closure-August-15-2024>
- Governor Gianforte Invests \$1 Million to Address Housing Accessibility for Montanans in Behavior Health System. [https://news.mt.gov/Governors-Office/Governor Gianforte Invests 1 Million to Address Housing Accessibility for Montanans in Behavioral Health System](https://news.mt.gov/Governors-Office/Governor-Gianforte-Invests-1-Million-to-Address-Housing-Accessibility-for-Montanans-in-Behavioral-Health-System)
 - The Montana Budget & Policy Center also released a blog post about this project. <https://montanabudget.org/post/fair-market-study>
- Governor's Property Tax Task Force released its draft report on July 30, 2024. <https://budget.mt.gov/docs/PropertyTaxTaskForce/PropertyTaxTaskForce20240730ReportDRAFT.pdf>



Rental Assistance Dashboard
August 12, 2024 (Data as of July 31, 2024)

Totals

| | Previous Month | Current Month | Change |
|--------------------|----------------|---------------|--------|
| Paid Units | 6,863 | 6,958 | 95 |
| Budgeted Units | | 8,317 | |
| All Section 8 HAPs | 4,735,346 | 4,831,895 | 96,549 |

Rental Assistance Tenant Based Programs

| | Month | | | Year | HUD | | |
|-------------------------------------|-----------|-----------|---------|------------|--------|-----------|--------|
| | Jun-24 | Jul-24 | Change | HAP | Budget | Fees | Term |
| Housing Choice Voucher | | | | | | | CY2024 |
| Paid Units (3625 Agency contracts) | 2,867 | 2,894 | 27 | | | 149,861 | |
| Current Month Payment Amount | 1,704,381 | 1,760,924 | 56,543 | 11,888,550 | | 1,060,926 | |
| Veterans Affairs Supportive Housing | | | | | | | CY2024 |
| Number Units Paid (321 Authorized) | 191 | 194 | 3 | | | 10,205 | |
| Payment Amount | 111,392 | 118,028 | 6,636 | 628,803 | | 68,482 | |
| Moderate Rehabilitation | | | | | | | |
| Number Contracts | | | 0 | | | | |
| Paid Units (297 Authorized) | 159 | 110 | -49 | | | 7,532 | |
| Payment Amount | 98,039 | 74,181 | -23,858 | 561,286 | | 50,173 | |
| Mainstream | | | | | | | |
| Number Units Paid | 22 | 24 | 2 | | | 1,437 | |
| Payment Amount | 16,120 | 18,423 | 2,303 | 101,057 | | 9,652 | |
| Project Based VASH | | | | | | | |
| Number Units Paid | 16 | 5 | -11 | | | 0 | |
| Payment Amount | 4,049 | 0 | -4,049 | 50,126 | | 1,820 | |
| Emergency Housing Vouchers | | | | | | | |
| Number Units Paid | 67 | 65 | -2 | | | 4,020 | |
| Payment Amount | 46,752 | 45,694 | -1,058 | 295,610 | | 30,165 | |

Rental Assistance Project Based Programs

| | | | | | | |
|---|-----------|-----------|--------|------------|-----------|-----------------------|
| Project-Based Section 8 | | | | | | Admin Earnings |
| Contracts | 89 | 89 | 0 | | | 98,027 |
| Units Paid (4132 Authorized with 8bb) | 3,518 | 3,645 | 127 | | | Contract Extension |
| Payment Amount | 2,739,952 | 2,802,764 | 62,812 | | | |
| Calendar Year Admin Earnings | | | | | | 686,188 |
| 811 Project Rental Assistance Demo (FY) | | | | | 1,900,000 | 157,000 Five Year |
| Rental Assistance Contracts (RAC) | | | 0 | Disbursed: | 1,138,623 | Balance: 761,377 |
| Units (grant requires 82) | 23 | 21 | -2 | | | 8 Units Kalispell |
| Payment Amount | 14,661 | 11,881 | -2,780 | | | 40 Units Missoula |
| | | | | | | 5 Units Ronan |
| | | | | | | 21 Units Boz/Belgrade |
| | | | | | | 74 |