

National Housing & Rehabilitation Association

Annual Meeting & Symposium

February 21-25, 2018 ♦ Palm Beach, FL



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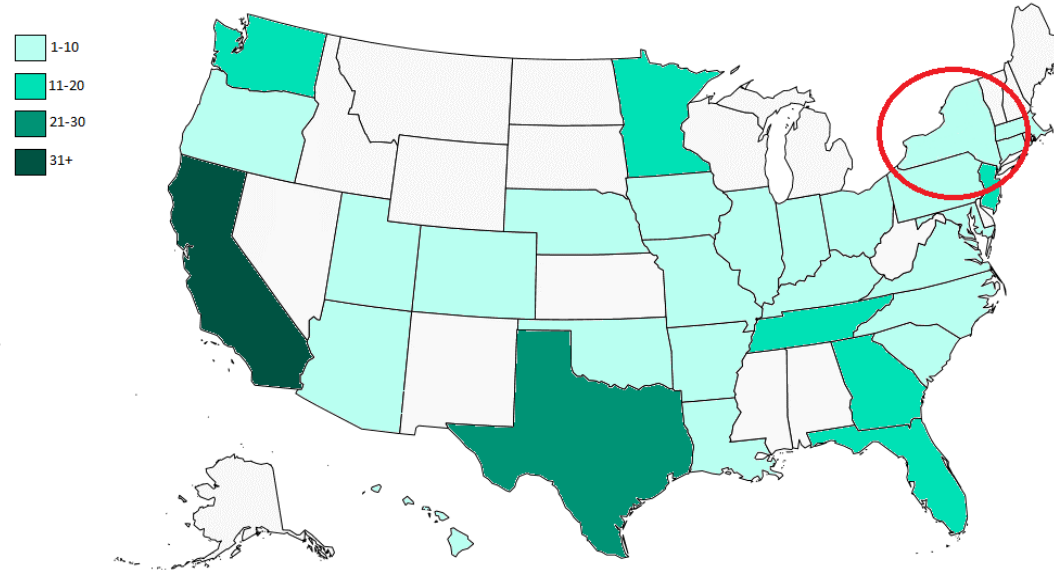
The National Standard in Tax-Exempt Finance

TEL Production Volume by State

32 States and the District of Columbia

| | |
|----------------------|----------------|
| Arizona | Missouri |
| Arkansas | Nebraska |
| California | New Jersey |
| Colorado | New York |
| Connecticut | North Carolina |
| District of Columbia | Ohio |
| Florida | Oklahoma |
| Georgia | Oregon |
| Hawaii | Pennsylvania |
| Illinois | Rhode Island |
| Indiana | South Carolina |
| Iowa | Tennessee |
| Kentucky | Texas |
| Louisiana | Utah |
| Maryland | Virginia |
| Massachusetts | Washington |
| Minnesota | |

TEL Loans Per State



Of the top 30 most populated states, we have securitized TELs in 27 (none in MI, WI, or AL)

TEL Volume and ML Securitization

- \$3.0 Billion (YE 2017)
- ML03 Series Announced (fall of 2017)
 - \$300 Million
 - \$280 Million - Sr Class A's
 - LIBOR + 42 - 3x oversubscribed
 - LIBOR + 40 - 5x oversubscribed
 - LIBOR + 38 - Launched
- TEL Pass-through Certificates – (“PC’s”)
 - CRA Investors
 - K Series Investors

Bond To Securitization “B2K”

- Structured Pass-Through Certificates (SPC)
- Series K-SKY (Fall 2017)
 - \$550 Million – Sr Class A's
 - Tax Exempt \$164 Million (LIBOR + 36bps)
 - Taxable \$386 Million (LIBOR + 44bps)
- Series K Investor Pool

Tax Exempt Loan

Eleven33 Manhattan -
Brooklyn , NY
\$61.2 Million TEL



Eleven33 Manhattan

- **Execution Type:** Immediate TEL with NYHDC Risk Share
- **Loan:** \$45.6 Million - Tax Exempt
\$15.6 Million - Taxable
\$6.8 Million - Subordinate Loan
- **Term/Yield Maintenance:** 10 years; 9.5 years
- **Amortization:** 3 years I/O; 35 years thereafter
- **LTV/DSC:** 90%LTV/1.15xDSC
- **Affordability:** 210 units; 105 units restricted to 38%, 48%, and 130% AMI

Bridge to Resyndication

Summerfield - Indio, CA
\$30.6 Million Bridge loan
\$40 Million Immediate TEL



Summerfield

Bridge Loan

Loan: \$30.6 Million

Term: 18 Months

Amortization: 30 Years

Spread: LIBOR + Spread

LTV/DSC: 85%LTV/1.15xDSC

Benefits:

Leverage

No Interest Rate Cap Required

Dual Rate lock TEL

Requirements: Bridge Benchmarks

TEL Loan

Loan: \$40 Million

1) \$38.7 Million (2016); 2) \$1.3MM (2017)

Term: 16 years

Amortization: 2 years I/O; 35 Years

Spread: 10 year UST + Spread

LTV/DSC: 85%LTV/1.15xDSC

Benefits:

Extended Rate Lock

Delivery Tolerance

Blended Rate Option

Requirements: 24 month rehab

Unfunded Forward Tax Exempt Loan

Bluffs at Cherry Hills – Omaha, NE
\$15.8 Million Unfunded Forward TEL



Bluffs at Cherry Hill

- **Execution Type:** Acquisition/Preservation Rehabilitation (\$23,000/unit)
- **Loan:** \$15.8 Million
- **Term/Forward Period:** 24-Months/ 15 year term (10 YR LO; 54 months YM; 1%)
- **Amortization:** 35 years
- **LTV/DSC:** 90%LTV/1.15xDSC
- **Conversion Requirement:** 10% Delivery Tolerance (85% occupancy/90 days)
- **Affordability:** 60% units at 60% AMI; 40% at market
- **Tenant Profile:** 59% Section 8 Housing Choice Vouchers

Duty to Serve Planned Activities

| | Purchase/Invest | Products | Research |
|---------------------------------|---|--|---|
| Affordable Housing Preservation | <ul style="list-style-type: none"> • LIHTC Debt • Section 8 • RAD • 5-50's from Small FI's • Affordable Housing in High Opportunity Areas • 515 | <ul style="list-style-type: none"> • Mezzanine financing for LIHTC and Section 8 preservation • TAH Express for LIHTC and Section 8 preservation • New USDA 515 preservation offering leveraging 4% tax credits • Securitization and guaranty offerings for 5-50's from small financial institutions | <ul style="list-style-type: none"> • Substantial research efforts on Residential Economic Diversity (RED) • RED mapping tool • Green Advantage Impact |
| Manufactured Housing | <ul style="list-style-type: none"> • Purchase loans on ROCs | <ul style="list-style-type: none"> • New specialized pilot offering to support resident owned communities (ROCs) • Pilot offering to support adoption of DTS tenant protections | <ul style="list-style-type: none"> • Research partnership to survey and size the ROC market • 50 state research effort to identify market and barriers for DTS tenant protections |
| Rural Housing | <ul style="list-style-type: none"> • LIHTC in Rural Markets • LIHTC In High Needs Areas • LIHTC for High Needs Populations (Native Americans and Ag workers) | <ul style="list-style-type: none"> • LIHTC Equity Investment • USDA 515 and 538 • Rural SFR • Rural Mapping Service | <ul style="list-style-type: none"> • LIHTC Serving High Needs Areas • LIHTC Serving High Needs Populations • Rural SFRs |