

KY Caucus Minutes – November 13, 2014

Fahe Office, 319 Oak St., Berea

10:00am-3:00pm

Page 1: Attendance & Action Items

Page 2-3: Member Updates

Page 4-6: Detailed Caucus Meeting Minutes

Member Group	Representatives	Present	Absent
Beattyville Housing & Development	Wilma Kelley	X	
	Anna Brock	X	
Bell-Whitley Community Action Agency	Josh Mills	X	
	Ken Stuber	X	
Christian Appalachian Project	Ken Stuber	X	
COAP	Blake Enlow	X	
Community Ventures Corporation	Myron Agnew	X	
Frontier Housing	Sherry Farley	X	
Housing Development Alliance	Scott McReynolds	X	
HOMES	Seth Long	X	
	Rachel Chambers	X	
KCEOC Community Action	Jennifer Smith	X	
	Tom Manning-Beavin	X	
Kentucky Highlands Investment Corporation	Leah Norvell	X	
	Bobby Wolfe	X	
Kentucky Mountain Housing Development Corp.	Brenda Marcum	X	
Kentucky River Community Care	Cyndi Mancillas	X	
Kentucky River Foothills Development Council	Jimmy Stone	X	
LINKS	Ginger Yeary	X	
	Jason Benedict	X	
Partnership Housing	Rachael Marshall	X	
	Cassie Hudson	X	
People's Self-Help Housing	Dave Kreher	X	
Guests	Jay Kittenbrink	Episcopal Retirement Homes	
	Rosemary Lockett	KHC	
	Davey King	KHC	
	Melissa Benton	KHC	
FAHE Staff	Pam Johnson	Sara Morgan	
	Angela Stephens	Myraleee Smith Cowley	
	Tom Carew	Jon Rogers	
	Jim King	Vonda Poynter	
	Jackie Weiss		

100% Attendance!!!

ACTION ITEMS FROM MEETING:

FOR Members:

ACTION ITEM	DEADLINE/Responsible Party
Notify Vonda if you are interested in HERS Training \$	ASAP – set up training for winter months
Share topics for Spring ED Symposium with Jim	ASAP
USDA – “Right of Redemption” info	Sherry Farley to send link to information

FOR FAHE STAFF:

ACTION ITEM	DEADLINE/Responsible Party
CDBG – Request for Comment Link from KHC	ASAP – Jackie (DONE)

- 1) **Welcome and Introductions** (Blake Enlow, Tom Carew)
Special Guests – **KHC**: Rosemary Lockett, Davey King; **ERH**: Jay Kittenbrink; Update on Norman – sign banner in the back
- 2) **Review Previous Caucus Meeting Minutes and Action Items** (July) Tom Manning-Beavin moved that minutes be accepted, Scott McReynolds seconded, minutes approved.

3) Member Updates

LINKS

- Building up pipeline, need for quality homes in their area
- 7 applications for houses, getting credit ready
- Working on contractor relationships,
- Have applications for home repairs and have 37 volunteers so far to help w/repairs and signing up more. Will be starting w/repairs soon.

Kentucky Mountain Housing Development Corp. (KMHDC)

- 1 home complete, round HB13, starting HB14 (1 started)
- 4 Repairs, 2 in progress,
- Audit complete. And board approved.

Kentucky Highlands Investment Corp. (KHIC)

- 2nd Self-Help grant finished 18 units total. Next grant came in June: 8 under const.
- 3 other projects going.
- Drawing for HBEER in Emlyn. Hoping to submit designs from UK for approval, start in Dec. 1M CDBG financing. For that project. Must be finished by next Dec.

Christian Appalachian Project (CAP)

- Celebrating 50th Year Anniversary. Nitty Gritty Dirt Band & Chrystal Gayle kickoff – EKU
- Planning for Alternate spring break and work crews.
- Strategic planning in process, revision of the VA plan.
- Juliana O'Brien delivered a baby boy in Oct.

HOMES

- Struggling w/health insurance 33% increase, but only 17% in reality.
- Just completed 2 houses
- Finishing HOME round. Final house starting in Dec. will finish in Feb.
- Received HPG money to match AHP \$\$.
- Vol. group in from Canada to help with fall projects.

Bell-Whitley Community Action Agency

- 3 homes are complete and will be occupied by end of Nov.
- 2 homes underway, 6 acres getting ready to start.

Kentucky River Community Care (KRCC)

- Received Certificate of Occupancy for Hickory Hill Tax Credit project.
- 2 MF under construction in Powell Co.

Beattyville Housing Development Corp. (BHDC)

- Completed 3 NC; 1 demolition/rebuild completed.
- 4 Rehabs completed; 4 more underway.
- Have homeless issues, need a shelter in Beattyville.

KCEOC

- 1 Houseworks project. 9 projects pending at KHC.
- 1 home GAP Pool - rehabbing right now and will have another to do.
- LEED Assoc. and HERS Cert. Michael Swafford.
- MF Housing Preservation project in Somerset 144 units. Grant request in at USDA.

KY River Foothills Development Council

- Served 234 Veteran Households (472 people)
- 4 homes to be completed in the next 2 wks.
- TBRA wrapping up the year have been inundated w/ homelessness.
- USDA 1 application, 2 more going in next week.
- 24 WX, 60 active clients working on credit readiness.

Community Ventures Corp. (CVC)

- Closed 2 CHDO project contracts; on 2 more this week.
- Sold Manufactured home, 2 spec homes complete, one listed, one listed tomorrow.

Guest – Episcopal Retirement Homes (ERH) - Senior housing in Ohio - 10 locations, 3 under construction.

People's Self-Help Housing (PSHH)

- Started a couple of Sr. duplexes – ERH folk came to visit. AHTF funds, 4 units for 62 yrs. or over. 1.5 yrs. to get approved – waiting for final app. To proceed.
- Need a shorter process for rural rental, 2 yrs. to approve, 6 mos. to build. New sources of funding – LIHTC.
- Homelessness program Shelter, needed temporary housing, and permanent supportive.
- USDA – empty houses (3) 60 repair, Rehab to complete this year. Tapping into the inmate worker program to replace the other group, has worked out well.

Housing Development Alliance (HDA)

- 20 unit production goal; struggling to get the last 2 started.
- Pipeline of 150. One footer this week, one next.
- Lots of Rehabs probably over 700K (200K) more than ever before.
- Struggling to get below 55 on HERS – Alternating stud construction to get the extra points.
- Big Project - School bldg. already used 475 of 500 truckloads of dirt. 6 units will go there. City has another 46 units for them to look at.
- Created new CDFI – Redbud Financial Alternatives.

Frontier Housing

- Goal of 26 New Construction, may not hit it.
- FY completed 11, 11 under const. right now.
- NWA – review on site.
- Salt Lick, CDBG (Fahe Admin) moving along, sold the last lot there. Home will be complete in 60-90 days and then DONE.
- City of Morehead – project moving forward.
- 40th Anniv. gala this weekend. Some tickets/table sponsors for empty spots. Let Sherry know if you want to attend.

Partnership Housing

- 2 just completed, 3 more homes under const. Only 1 lot left in subdivision
- CDBG award to start Mill Creek project 11 homes, CDBG on first 5.
- 17 Rehabs going on right now. Hope to have 10 complete before the end of the year. 60 ppl on RH wait list. (20 on wait list for homeownership)
- Vartner home, worked w/BHDC lowest HERS rating ever – 37!
- Rachel certified as Homeownership Counselor. Will get a new AmeriCorps member
- Cale Turner is the new Judge Exec. (their board chair).
- Cassie won the 2014 Entrepreneurship w/Center for Rural Dev. at ECU.

Christian Outreach to Appalachian People (COAP)

- Strong fall - 4 closings in 7 days in Oct.
- Should have all HOME 2013 \$\$ committed by Fri. 50% through AHTF
- Optimistic about collaborations - working with Fahe, Bell-Whitley on purchase/Rehab. Working w/KHIC on Energy Star Auditing. Working with Kentuckians for the Commonwealth &

MACED for on bill financing for EE repairs through Benham Power Board. Grant Blue Moon 130K (some admin) 10 audits, seed money for the loan fund, KFTC found the \$. MACED (Justin) Comm. of Benham – 300 RH possible. Make sure that the EE Audits are right – new money. Working on money for Harlan water district.

4) Open Topics for Discussion

- **Change format of meeting?** More time available for “hot topics” pertinent discussion around what the members think is important. Looking for input from members for the agenda.
- **Overhead Rate Study** (*Dave Kreher*) – Morehead State Univ. was going to help us work on standardized calc. of overhead costs. Dead in the water right now as the prof. resigned. Want to create a scholarly piece on what overhead is/should be for our industry/work. SCOTT - NAHB Industry defined overhead – general conditions? Possibly available for small fee. MYRALEE - HUD Exchange online info about overhead rate – new OMB circular (goes into effect at the end of the year) publication – default rate of 10% if you don’t have an already established rate with the Federal gov’t. What should be included in “administrative” fees? What can go under “overhead”? SCOTT - Don’t confuse Fed. indirect rate with (true) overhead rate, general conditions. JIM – 1. Train across the membership, what the rate looks like, creates the high-water mark of what’s acceptable. 2. How we treat our own accounting, need some conformity across the caucus – Credibility – commissioned in a particular way – credentials (3rd party, research institution) TOM – we can’t have 16 diff. rates when going to FHLB with an adopted rate. SCOTT – construction co./developer/general contractor/admin/grant admin./financier - Struggle to articulate what role we’re playing in a project (list above) SHERRY – difficult work already – are we making it harder than we have too? Move forward – YES
- **PIPELINE** – WV/TN caucuses – pipelines slowing down SHERRY – pipeline down but better qualified people. Fewer ppl coming because they think they won’t qualify. SCOTT – pipeline strong, better value/deal than Manufactured housing. BLAKE – pipeline slowly improving because of marketing (direct mail 14K) more 30-50 AMI than 51-80. Foreclosed properties a possibility w/Rehab and offer at lower cost than New Construction for those unable to qualify for NC. KEN – CAP has 150-200 on waiting list.
- **USDA RPG/504** – HPG – 1/100 of what the previous funding level. Should we advocate for more HPG &/or 504 funds in – SHERRY – used to do a lot of rehab (RH) but folks weren’t willing to take on any debt. SCOTT – 504+houseworks. For those below 50% AMI. HouseWorks will go up to 60. ARP (FHLB) for above 60% AMI. BLAKE – making 5-10% on RH work. SETH – trying to make profit on RH but very difficult. AHTF committed - \$200K & HouseWorks – send other to USDA for 504 loans. RH is their largest demand. SCOTT – make money on RH – problem with “unknown” work eating away at profit. & allocating costs – need a careful look at overhead allocation, found out RH was taking more overhead than previously thought.
- **War on Poverty - Hard to Serve areas** SCOTT - So much of the money we can spend is tied to the AMI. TOM C – is there a way for these high need areas, can we go up to 100 or more% because compared to nationwide we are so far on the low end of AMI? JON -HOME hard to use for the same reason. TOM C – hope to move this forward at HAC – Jim/Bill Bynum working on agenda. Tax Credit possibilities – CRA – (more to those that work in hard to serve areas). It’s not a dead topic. KEN – Cost of Living plays into it SHERRY – Frontier has an absence of Low Income Census Tracts in their counties.

5) Fahe Updates

- **Fahe Consulting:** Con Plan: State of KY for the non-housing programs (CDBG) they have sent out a request for comments on what the priorities should be for the next 5 years). Jackie to send out the link to the survey monkey. 2nd question – WHAT IS THE GREATEST NEED IN YOUR COMMUNITY. Put out by the folks at DLG, due by end of Nov. Share w/staff and community for their comments as well. Likely that Bernice will be making a survey avail. at KHC for Con

Plan. VONDA – we don't have answers on preservation – we may send out a req. to the caucus to find time to talk about MF preservation so we can get comments to KHC. Benham – ARC, training \$\$ HERS Training \$\$ - KY HOME Performance w/Energy Star – certified as contractors KHIC, HOMES are interested. Blake – has gotten certified and is on their website, it's been a good thing for COAP. Tell Vonda if you're interested, would like to get the training scheduled in the winter, can host in Berea. MSC – RCDI App. Was submitted, super/omni circular from OMB – changes to audit thresholds, streamlining A102, A110...will let you know as they learn more. KY Affordable Housing Conf. Apr. 8-9

- **Jim Comments:** What are we working on and where are we going:
 1. POLICY – fighting and scrapping for the things that are important. Key Relationships - Hal Rogers, Mitch McConnell, Crit Luallen – on our minds. What is “smart” to ask for. Programmatically – keep us well aligned w/HOME \$\$, keep us all strong.
 2. Given the nature of where things are headed (URBAN) things are tough. Good possibilities for sustaining your future. Fahe thinking a couple steps ahead. Energy Efficiency (repair/rehab; align w/House Smart, DOE funds, etc.) AGING/HEALTH – healthy communities, investments, local hospital, laws around ACA, outcomes for hospitals, care centers, they have money they are required to invest in the community. REVOLVING LOAN FUNDS – training out there - \$\$ for training (CVC, Frontier, HDA) Wells Fargo Foundation to support this work. Persistent Poverty – short window to get this administration to buy it.
 3. SPRING MTG – Exec. Dir. Symposium – space to talk about what is really challenging us – what can Fahe do to help. Constructive time to discuss the issues. This is a critical time. 40% of what we use to get in HOME \$\$ - Urban focus in DC. What are WE prepared to do differently and what are the things we can't give up on? Are those are the things we'd like to talk about at the Symposium or not – please let Jim know.
- **Community Lending:** Product Sheet & Transition Plan (*David Howard* - POC for community lending requests – take a look at product sheet. Eric avail. for financial analysis) WILMA – Is it possible to get online access to our Comm. lending accounts?

6) ARC Updates – see report in packet

7) KHC Updates

- **ARC award** – (Davey King) moving ahead and should be available soon. Melissa Benton has improved the process. Next draw (Jan.) will be even smoother. Send in to Marj as you have them ready to go, don't wait until the end. KHC appreciates Fahe/member patience. C3 money. Pre-App goes in to DLG by the deadline in December, 2014.
- Next Round of **HOME Funding**, Request for comments sent out in Oct. Thresholds – good comments. No firm date yet on application opening. Continuation. App. Window will open and remain open so that folks can expend their money, become eligible to apply and get it done. Out by Jan. 1 (still making changes, waiting for approvals). If you currently have both types of funding, Application Dates, Estimated time for Contracts DAVEY – appreciates the comments – relationship w/Fahe and members. Expiring MF – want to preserve as much housing as they can w/avail. funds – as affordable housing. Feedback on decisions made on priorities, resources, they welcome our input. HOME/AHTF Funding round. TOM – ask for lead-time to adjust to potential changes – huge impact on lines of business. DAVEY – not their intention to put anyone out of business – want to take into consideration. Nat'l alliance to end homelessness – letter writing campaign – promote that. KHC will be meeting w/Sec. Cain on diff initiatives – Aging population – housing opportunities for aging in place. Con Plan-Rosemary – packaging/info gathering ongoing. Policy? Clarifying definitions Standard/sub-standard housing. On track to do public hearing in Jan. invited to Frankfort for comments. (4 programs). If you're unable to attend you can supply written comments. MF/SF – use of HUD \$\$ for the next 5 years. Have to make sure that they are on plan with their year-to-year plan.

Currently ESG & Continuum of Care (interim rule) both will be released again and will go out for public comment – 60 –day period. Those comments go to DC.

- 8) **USDA RD Updates** (*Tom*) Tony Hernandez here 16/17 Dec – will share the schedule once we have it. Better relationships with the USDA offices in the states we serve. We leverage HOME money with 502 loans which has helped us be successful with 502. **USDA Foreclosures WILMA** - How can we expedite the process of getting these homes back on the market? Redemption period of 1 year. Sherry to send something in this regard (2/3 appraised value hold) Right of Redemption.
- 9) **HUD Home Rules and Financial Capacity** (*Tom*) – Accessing Financial Soundness of developer. Fahe would like to make sure that there's dialogue w/KHC around this issue.
- 10) **Just Choice Lending** (*Jon Rogers*) **Quarterly Production Award!** Kelly Fleck winner for KY Licensing renewal time, make sure that your folks are renewing. Funding availability. 0 interest money (excess earnings) Special offerings for certain groups. Jon proposed – money would come to Fahe 30yr. fixed rate money at a low rate. Possibly under broader parameters, working on it with Wendy at KHC.
- 11) **Budget & Policy Updates** - Tom M-B – budget issues – before the end of the FY – CR – Balance of year CR – level fund programs at last year's level or the other option is an OMNIBUS budget hammered out by the lame duck session. In either case it looks like housing will come out OK. 1 positive in omnibus is expansion of the 502 demo. Final Rule for 502 Direct – sits for 60-day period then is enacted. TOM C. – committee structure will change but Hal Rogers still chairs appropriations. \$100M of 502 left on the table – rec'd a lot of grief about it – esp. letter published by HAC. The 502 Demo allowed that program to still be alive – it's an organizing tool. Host your legislative folks and let us know when you're doing it, we'll help make it happen.
- 12) **200 Donors - 200 Hours Challenge** (*Scott McReynolds*) – worked w/ their big donor to issue a challenge \$5000 matching gift. HDA ended up with 239 gifts – raised over \$6000 in addition to the match. Gained 179 new donors – easiest ask that they've ever had. They negotiated this challenge with their donor to leverage their support with new potential donors.
- 13) **Elderly – Knox Housing Partnership/KHIC/RCHA Collaboration Award** – linking w/state, Health & human services, plan to move the conversation to a collective to help SASH model - building partnerships to allow folks to age in place either at home or in a rental situation. New group in Berea for aging in place in Berea – meeting next week. KHC – Olmstead Housing Initiative funding – new unit development. Mix of applications was not what they were expecting so they changed to beef up the program providing rental assistance. 90 individuals aided/year. Community Mental Health Centers
- 14) **Fahe Energy Design Conference, January 14 & 15, Berea, KY** Pam & Tom working w/members from the other caucuses – folks on staff that design or specify EE homes – Trials and Tribulations of building EE Homes (humidity level – integration of 2020 code) planning team working on agenda later this month. Greg Miller, Josh Trent, KHIC
- 15) **Next Caucus Meeting** – Dates: February 11, Berea

UPCOMING EVENTS:

- HAC Conference: December 2-5 – Washington, DC (for details, see: www.ruralhome.org)
- National Rural Housing Coalition Annual Meeting: December 2, Washington, DC
- NTI – Washington, DC: December 8-12 • NTI – LA: February 23-27
- NNA Legislative Day: Tues. April 14th – Washington, DC
- Fahe Spring Retreat: Executive Director Symposium April 28-29 – Fahe Offices, Berea, KY

Jackie Weiss

To: Tom Carew
Subject: HUD Publishes 2013 HOME Final Rule Requirements Applicability Charts

From: HUD Exchange Mailing List [<mailto:news@mail.hudexchange.info>]
Sent: Friday, January 30, 2015 12:19 PM
To: Tom Carew
Subject: HUD Publishes 2013 HOME Final Rule Requirements Applicability Charts

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HUD Publishes 2013 HOME Final Rule Requirements Applicability Charts

HUD has published a series of checklists which summarize the changes and clarifications contained in the new HOME Final Rule, and clarify the applicability of these requirements to Participating Jurisdictions' (PJs') existing and/or new HOME projects. The provisions have been classified into one of three separate categories, based on the type and applicability of the requirements:

- Category #1: requirements to clarify or codify existing requirements (applicable to the PJ's entire HOME portfolio)
- Category #2: new project requirements applicable to new projects only (applicable only to new projects to which funds are committed on/after the effective date of the provision)
- Category #3: new program requirements applicable to the PJ's entire program and all projects

View the [2013 HOME Final Rule Requirements Applicability Charts](#).



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To: Tom Carew
Subject: HUD Announces Housing Trust Fund (HTF) Interim Rule and HUD Exchange Resource Page



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HUD Announces Housing Trust Fund (HTF) Interim Rule and HUD Exchange Resource Page

HUD has published an [interim Rule \(FR-5246-I-03\) Housing Trust Fund \(HTF\)](#) which provides the guidelines for States to implement the HTF.

The Housing and Economic Recovery Act of 2008 (HERA) established the National Affordable Housing Trust Fund (HTF) to be administered by HUD. The purpose of the HTF is to provide grants to State governments to increase and preserve the supply of rental housing for extremely low- and very low-income families, including homeless families, and to increase homeownership for extremely low- and very low-income families. This rule establishes the regulations that will govern the HTF. HUD is issuing this rule as an interim rule. It is HUD's intention to solicit public comment on the interim rule after HTF grantees and program participants gain experience working with the HTF interim rule.

HUD has also launched an [HTF resource page](#) on the HUD Exchange. This page contains the latest news and resources about the HTF.

Subscribe to the HTF mailing list to receive updates regarding the HTF. To subscribe to the mailing list:

1. Click Update Subscription in the footer of this message. You will be taken to your HUD Exchange Mailing List Preferences page.
2. Under I'd like to receive email updates about, check HTF - Housing Trust Fund if it is not checked yet.
3. Click Update Profile.

Federal Housing and Community Development Programs HUD Appropriations – Selected Programs, FY 15 Final, FY 16 Budget, House, Senate and Final					
HUD	FY 15 Final	FY 16 Budget	FY 16 House	FY 16 Senate	FY 16 Final
Neighborhood Reinvestment Corporation	135	136			
Mortgage Foreclosure Mitigation	50	47.5			
HOME	900	1060			
Capacity Building	0	0			
Transformation Initiative	0	0			
Housing Counseling	47	60			
Community Development Fund	3,066	2880			
CDBG Formula funding	3,000	2800			
Choice Neighborhoods Initiative	80	250			
Housing Trust Fund	0	120			
SHOP (set aside from HOME)	50	50			
Section 108 Program Level	500	300			
Section 108 Budget Authority	0	0			
Section 202 Housing for Elderly	420	455			
EPA	FY 15 Final	FY 16 Budget	FY 16 House	FY 16 Senate	FY 16 Final
Clean Water SRF	1448	1116			
Safe Drinking Water SRF	906	1186			

Agriculture Appropriations -- Selected Programs
(\$ in millions) FY 15 Final, FY 16 Budget, House,
Senate, and Final

RHS/RUS Programs	FY 15 Final	FY 16 Budget	FY 16 House	FY 16 Senate	FY 16 Final
502 Single Family Direct	900	900			
502 Single Family Guaranteed	24,000	24,000			
504 Loans	26.3	26			
504 Grants	28.7	25			
514 Farm Labor Housing Loans	23.6	23.9			
515 Rural Rental Housing	28.4	42			
516 Farm Labor Housing Grants	8.3	8.3			
521 Rural Rental Assistance	1,089	1172			
523 Self-Help TA	27.5	10			
533 Housing Preservation Grants	3.5	0			
538 Rental Housing Guaranteed	150	200			
Multi-Family Restructuring* (BA)	24	34			
Housing Preservation Demonstration	0	0			
Voucher Demonstration	(7)	15			
Supervisory TA Grants	0	0			
Community Facility Loans	2,200	2,200			
Community Facility Grants	13	53			
Community Facility Guarantee	73.2	62			
Water-Wastewater Loans	1200	918			
Water-Wastewater Grants	347	473			
Water-Wastewater Guarantee	50	0			
Solid Waste Grants	4	4			
Small Systems Revolver	1	1			
Rural Business Enterprise Grants	24	34			
Intermediary Re-lending	18.9	10			
RCDI	4	4			
B&I	74	61			
Rural Microenterprise Investment BA	0	4.7			

ROBERT A. RAPOZA ASSOCIATES

Overview

The FY 2016 budget request includes the first substantial increase in discretionary spending since 2010. The FY 16 increase of \$74 billion is equally divided between defense and non-defense discretionary programs. The budget proposes to bring to an end the spending caps but in place by the Budget Control Act of 2011.

HUD

The budget proposes \$6.2 billion additional funding for expiring vouchers and homeless aid. However, the budget provides little in the way of new resources for community development at HUD. There is a slight decrease in CDBG formula funding and a small bump for HOME. Section 108 is again requested as a fee based with program without a request for budget authority to support \$300 million guarantees. The budget includes a request of \$120 million in discretionary (as opposed to mandatory) funding for the Housing Trust Fund and Section 202 receives a mode increase.

The budget proposes \$250 million for Choice Neighborhoods that will fund about 8 implementation grants and 5-10 planning grants. Elsewhere in the budget Education has \$150 million for Promise Neighborhoods and Justice has \$29.5 million that will be used for Promise Zones, along with yet to enacted tax incentives.

CDFI Fund

Total request: \$233,523,000; \$ 3 million above current rate.

Highlights:

- \$157,593,000 for FA/TA - match waived for SECA;
- \$ 16 M for NACA with match waiver ;
- \$ 35 M for HFFI with match and cap waived ; and
- \$24,930,000 for Admin including administrative support for the Capital Magnet Fund

Bank Enterprise Act (BEA) funding was not included in the budget requested by President.

The 2016 Budget provides funding for the CDFI Program (including the Healthy Food Financing Initiative) and the Native American CDFI Assistance Program. In addition, the Budget proposes to permanently reauthorize the NMTC Program in 2016 and requests \$5 billion of allocation authority per year, as well as authority to offset Alternative Minimum Tax liability.

The CDFI Fund's Bond Guarantee Program, established in the Small Business Jobs Act of 2010 (Public Law 111–240), supports CDFI lending and investment activity by providing a source of long-term capital in low-income and underserved communities. The proceeds of guaranteed bonds spur job creation among small businesses and entrepreneurs, and provide needed financing for infrastructure development projects

such as community facilities and affordable housing. The Budget proposes to extend the program's authorization, with an annual guarantee level not to exceed \$1 billion.

The Budget also proposes reforms to the Bond Guarantee program to increase participation and ensure credit-worthy CDFIs have access to this important source of capital while continuing to maintain strong protections against credit risk. The CDFI Bond Guarantee program will continue to operate at no budgetary cost for new issuances.

The 2016 Budget proposes an increase of \$2 million in the administrative budget to support a second round of award funding for the Capital Magnet Fund pursuant to the direction by the Federal Housing Finance Agency for Fannie Mae and Freddie to begin allocating funds for the program as authorized by the Housing and Economic Recovery Act of 2008 (P.L. 110–289).

SBA

The President requested \$28.3 million for the SBA Microloan Program in his FY 2016 Budget – representing a 14% increase over current funding (FY '15) and the largest funding request this program has seen in over 5 years.

The President's budget is the opening bid that kicks off FY 2016 budget negotiations with the House and Senate. It's good to be going into what promises to be another tough budget year with such a strong opening bid.

Direct Microloans - The President's budget requests \$3.3 million in budget authority for direct Microloans and this subsidy would support \$35 million in new lending under the Microloan Program. We are pleased to see the budget request additional authority for Microloans.

The President's budget again reduced the subsidy for direct Microloans - from 10.1% in FY 2015 to 8.8% in FY 2016. In short, this means the White House's Office of Management and Budget (OMB) projects it will cost the federal government approximately \$0.088 to make a \$1 loan to an Intermediary Lender under the SBA Microloan Program. The Friends network has lobbied OMB and the SBA to reduce the subsidy rate based on the successful track record of Intermediary Lenders paying back loans to SBA.

Microloan Technical Assistance Grants – The President requested \$25 million for Microloan TA which is well above any budget request over the last 5 years.

SBA Microloan Program - Appropriations History FY 2011- FY 2016

(\$ in millions)

	FY '11	FY' 12	FY 13	FY 14	FY 15	FY 16 Budget Request	FY 16 House	FY 16 Senate
SBA Microloan Program Appropriation	25.8	23.7	23.7	24.6	24.8	28.3		
<i>Direct Loans*</i> <i>Budget Authority /Loan Level</i>	3.8 / 25	3.7 / 25	3.7 / 25	4.6 / 25	2.5/25	3.3 /35		
<i>Technical Assistance Funds</i>	22.0	20.0	20.0	20.0	22.3	25		

*the subsidy rate for direct loans is determined annually by OMB and has varied over the years.

USDA

USDA's proposed FY16 Budget Request decreases the Budget Authority for USDA Rural Housing programs by more than \$27 million.

For FY 16 the subsidy cost for Section 502 Direct Loans decreased by more than \$5 million from \$66.4 million to \$61 million. Instead of reinvesting this savings back into the program, USDA proposed to freeze program levels at \$900 million. USDA proposes to slash the Section 523 Mutual Self-Help Housing program by \$17.5 million from \$27.5 million to just \$10 million. This is especially concerning given that USDA recently authorized up to nine additional Self-Help Housing grantees.

Both programs have proven track records. Since inception, Section 502 Direct Loans have helped more than 2.1 million rural families become homeowners. This year, the Self-Help Housing program will celebrate the construction of its 50,000th home.

Other USDA program saw modest increases in funding. The Section 515 Rural Rental Housing Loan program was increased from \$28.4 million to \$42 million, the Section 538 Rural Rental Guaranteed Program went up from \$150 million to \$200 million, and the Multifamily Preservation and Revitalization from was increased from \$24 million to \$34 million. However, it should be noted that USDA proposes to eliminate Section 533 Housing Preservation Grants, arguing that the agency's housing preservation activities are already being carried out by the MPR program. Section 521 Rural Rental Assistance increased from \$1.089 billion to \$1.172 billion as well. USDA also proposed legislative language that would allow the agency to provide less-than-12-month contracts, to collect \$50 minimum rent on all tenants (while providing a hardship exemption), and to selectively renew contracts at the Secretary's discretion.

The budget includes \$2.2 billion for rural community facilities programs including \$4 million for RCDI. Rural Community Facilities grants are proposed for an increase to \$50 million for initiatives aimed at child poverty.

The budget proposes reduction both to the IRP and B&I programs. Both are rehashed from past proposals and unlikely to get very far with Congress. The budget again proposes reinvigorating the Rural Business Investment Program and rural micro loans.

Rural Water Waste included \$507 million in total budget authority including \$26 million to support \$1.2 billion loans and \$452 million in grants.

Federal Program Reorganization

“ The President is again asking Congress to revive an authority enabling him to submit fast-track proposals to reorganize or consolidate Federal programs and agencies in order to reduce the size of Government or cut costs. The Budget includes a variety of proposed reforms across government designed to drive efficiency and accountability, prevent duplication, and make government work better and smarter for the American people. One of these reorganizations the President would propose with this authority reiterates his previous proposal to consolidate Federal business and trade programs into one more efficient and effective department dedicated to promoting U.S. competitiveness, exports, and American businesses and jobs. The proposal would integrate the six Federal agencies that focus primarily on business and trade, along with other related programs. These include the Department of Commerce's core business and trade functions, the Small Business Administration, the Office of the U.S. Trade Representative, the Export-Import Bank, the Overseas Private Investment Corporation, and the U.S. Trade and Development Agency, as well as rural business programs at the Department of Agriculture, Treasury's Community Development Financial Institution Program, and statistical agencies at the Department of Labor and National Science Foundation. To strengthen the new department's focus on business and economic growth, the National Oceanic and Atmospheric Administration would be consolidated into the Department of Interior, strengthening stewardship and conservation efforts and enhancing scientific resources. The Budget schedules for these agencies and programs continue to reflect them in their current alignment.”

Interagency Initiatives included in the Budget

Supporting Innovative Projects to Improve Upward Mobility – Building on Promise Zones, the budget also includes a new initiative, the Upward Mobility Project, that will allow up to ten communities, States or consortia of States and communities to combine funds from four existing block grant programs designed to promote opportunity and economic development and reduce poverty to test and validate promising approaches to help families become more self-sufficient, improve children's outcomes, and revitalize communities so they can provide more opportunities for their residents. Projects must utilize evidence-based strategies, track program performance, and evaluate intervention effectiveness. The funding streams that States and communities can apply to use – including the Department of Health and Human Services' Social Services Block Grant and Community Services Block Grant, and the Department of Housing and Urban Development's Community Development Block Grant, and HOME Investment Partnerships Program – share a common goal of promoting opportunity and reducing poverty. In addition to these funds, participating communities will be eligible to receive a total of \$1.5 billion in new funding over five years, to combine with the added flexibility with currently provided resources.

February 2, 2015

Investing in Coal Communities, Workers, and Technology: The POWER+ Plan

This Budget shows what we can do if we invest in America's future and commit to an economy that rewards hard work, generates rising incomes, and allows everyone to share in the prosperity of a growing America. It lays out a strategy to strengthen our middle class and help America's hard-working families get ahead in a time of relentless economic and technological change. And it makes the critical investments needed to accelerate and sustain economic growth in the long run, including in research, education, training, and infrastructure.

The President's 2016 Budget is designed to bring middle class economics into the 21st Century. These proposals will help working families feel more secure with paychecks that go further, help American workers upgrade their skills so they can compete for higher-paying jobs, and help create the conditions for our businesses to keep generating good new jobs for our workers to fill, while also fulfilling our most basic responsibility to keep Americans safe. We will make these investments, and end the harmful spending cuts known as sequestration, by cutting inefficient spending and reforming our broken tax code to make sure everyone pays their fair share. We can do all this while also putting our nation on a more sustainable fiscal path. The Budget achieves about \$1.8 trillion in deficit reduction, primarily from reforms to health programs, our tax code, and immigration.

The United States is undergoing a rapid energy transformation, particularly in the power sector. Booming natural gas production, declining costs for renewable energy, increases in energy efficiency, flattening electricity demand, and updated clean air standards are changing the way electricity is generated and used across the country. These trends are producing cleaner air and healthier communities, and spurring new jobs and industries. At the same time, they are impacting workers and communities who have relied on the coal industry as a source of good jobs and economic prosperity, particularly in Appalachia, where competition with other coal basins provides additional pressure.

To help these communities adapt to the changing energy landscape and build a better future the President's FY 2016 Budget is proposing the **POWER Plus (POWER+) Plan**. The **POWER+ Plan** invests in workers and jobs, addresses important legacy costs in coal country, and drives development of coal technology:

- The Plan provides dedicated new resources for economic diversification, job creation, job training and other employment services for workers and communities impacted by layoffs at coal mines and coal-fired power plants.
- The Plan includes unprecedented investments in the health and retirement security of mineworkers and their families and the accelerated clean-up of hazardous coal abandoned mine lands, because a better future must rest on a

foundation that addresses the legacy costs of coal mining on lands and on coal miners, who have helped keep the lights on in this nation for generations.

- And because coal will continue to be a critical part of the energy mix in this country and around the world, the Plan provides new tax incentives to support continued technology development and deployment of carbon capture, utilization and sequestration technologies.

SUPPORTING ECONOMIC DIVERSIFICATION AND JOB CREATION

The Budget provides over **\$55 million** for the implementation of targeted economic and workforce development strategies across a number of federal programs. These funds will be aligned and leveraged through the POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) initiative that will begin in FY2015 and be expanded in FY2016, utilizing the federal resources summarized below, to target assistance through competitively awarded grants to partnerships anchored in communities impacted by changes in the power sector and coal industry. These funds will help communities to: diversify their economies; create good jobs in existing or new industries; attract new sources of job-creating investment; and provide reemployment services and job training to dislocated workers in order to connect them to high-quality, in-demand jobs. These investments include:

- Department of Labor (DOL), Dislocated Workers National Reserve: Using National Reserve funds, DOL provides grants to states that have recently experienced a significant dislocation event, such as a mass layoff or plant closing. These funds supplement job training formula grants to temporarily expand the capacity of states and local communities to provide reemployment services, job training, subsidized employment, and supportive services to help unemployed workers get back on the job.

The Budget provides **\$20 million** specifically to support workers dislocated from coal mines and coal-fired power plants. Along with funding already provided through the National Reserve, this will allow states and local areas to provide reemployment, training, and supportive services to these transitioning coal economy workers to help them get back to work in good jobs and careers.

- Appalachian Regional Commission (ARC): The ARC is a regional development agency created to assist economic growth in Appalachian communities. Funds are awarded through a cooperative process with the governors of the 13 states that make up Appalachia.

The Budget provides **\$25 million for the ARC** which will be directed specifically to those Appalachian communities most affected by coal economy transition and will support a range of economic development planning and implementation activities, including developing entrepreneurial ecosystems, facilitating access to

capital investments and new markets, and addressing barriers related to adequate water, sewer, and telecommunication infrastructure.

- Department of Commerce, Economic Development Assistance Programs (EDAP): The Economic Development Administration (EDA) leads the federal economic development agenda by promoting regional and national innovation, collaboration and competitiveness. EDA disburses grants to assist economically distressed communities by fostering an environment conducive to job creation and economic growth.

The Budget increases funding for EDA operations support in FY 2016 by more than \$8 million over FY 2015, including **\$6 million** targeted to advancing and coordinating the federal government's place-based regional innovation efforts. In addition to serving in a coordinating capacity for federal economic development funds government-wide, the agency will take a leadership role in the POWER initiative by providing planning and coordination to communities and federal agencies.

- Environmental Protection Agency (EPA) Brownfields Program: EPA provides grants to communities to assess and cleanup brownfield sites. EPA awards grants for Area-Wide Planning (AWP) when a comprehensive strategy – that may involve developing market studies, analyzing approaches for securing implementation resources, defining viable new end uses, prioritizing sites, and engaging a range of community stakeholders – is needed to address multiple brownfield sites in a single community.

The Budget includes increased funding for the Brownfields Program, of which **\$5 million** is designated exclusively for AWP grants targeted to communities affected by the retirement of coal-fired power plants.

- USDA Rural Development (RD): RD offers technical assistance and grants and loans to rural communities for essential public facilities and services. Within RD, the Rural Economic Development (RED) Loan and Grant program supports projects through rural utilities that will create and retain employment in rural areas and capitalizes revolving loan funds toward that end.

The Budget provides \$12 million for RED grants and \$85 million in loans. The programs will provide targeted funding for job creating projects in rural areas where changes in the coal industry are causing economic distress.

ENSURING THE HEALTH AND RETIREMENT OF COAL MINERS AND THEIR FAMILIES

The Budget includes legislative reforms to strengthen the health care and pension plans that provide for the health and retirement security of over 100,000 retired coal miners and their families. Currently, the Department of Interior's Office of Surface Mining

Reclamation and Enforcement (OSMRE) makes annual transfers to three health plans administered by the United Mine Workers of America (UMWA) Health and Retirement Funds to provide benefits for retired coal miners and their families whose employers no longer contribute to their plans.

The Budget revises the formula for transfers of funds to the UMWA 1993 Health Benefit Plan by taking into account all beneficiaries enrolled in that health care plan as of this proposal's enactment. The Budget further accounts for those retirees whose health benefits were denied or reduced as the result of a bituminous coal industry bankruptcy proceeding commenced in 2012. Additionally, the Budget would transfer funds to the Pension Benefit Guaranty Corporation (PBGC) for the purpose of protecting the long-term solvency of the 1974 UMWA Pension Plan and Trust (1974 Pension Plan). The 1974 Pension Plan is significantly underfunded and approaching insolvency. Transfers would continue until that Plan is fully funded. The 1974 Pension Plan covers approximately 100,000 mineworkers and their families. The UMWA Health and Retirement Funds collectively pay about \$1 billion per year in health and retirement benefits to health care providers and families in all 50 states, with the majority of benefits flowing to Appalachian states where coal mining job loss has been most severe.

BUILDING NEW DEVELOPMENT OPPORTUNITIES AND NEW JOBS IN ABANDONED MINE LAND COMMUNITIES

In order to address the continuing legacy of coal abandoned mine lands (AML) on the health, safety, environment and economic development potential of communities, the Budget makes available to States and Tribes **\$1 billion**, over 5 years, from the unappropriated balance of the Abandoned Mine Reclamation Fund, administered by OSMRE. The AML funding would be used for the reclamation of abandoned coal mine land sites and associated polluted waters in a manner that promotes sustainable redevelopment in economically distressed coal country communities. The majority of unreclaimed coal mine lands are concentrated in Appalachian states that have experienced coal mining job loss. The proposal will provide \$200 million per year for five years to States and Tribes based on economic factors, such as the unemployment rate of coal mining regions, and remaining abandoned coal mine land and water problems where reclamation linked to job-creating economic development strategies would help revitalize impacted communities. OSMRE will seek input from States, Tribes and other stakeholders as it finalizes details of this proposal.

DEPLOYING CARBON CAPTURE, UTILIZATION, AND SEQUESTRATION TECHNOLOGIES

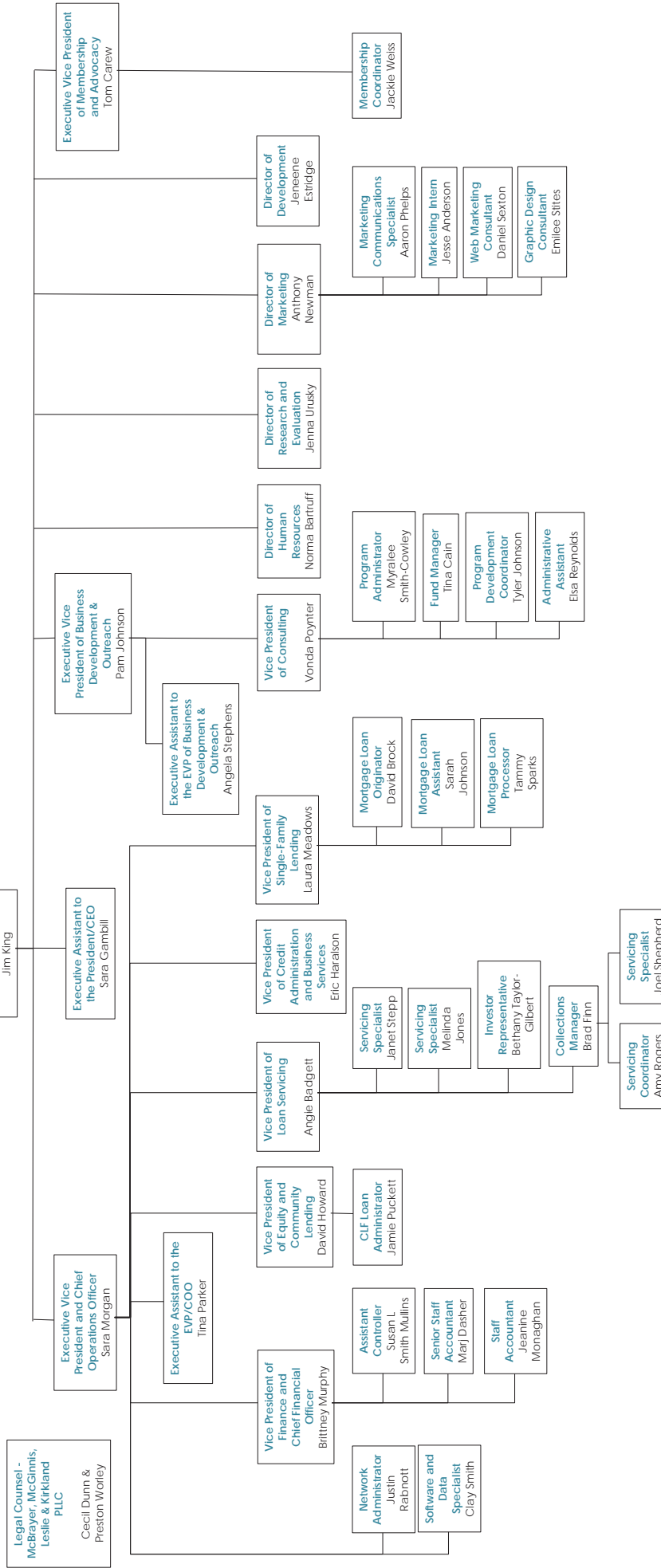
The Budget provides two new tax incentives that will complement each other in driving the deployment of carbon capture, utilization and sequestration (CCUS) technologies, which will enable additional technology improvements and drive down the costs of follow-on CCUS deployment.

The Budget provides **\$2 billion** in refundable investment tax credits to new and retrofitted electric generating units (EGUs) that deploy carbon capture technology. New plants must capture more than 75 percent of their carbon dioxide (CO₂) emissions, and retrofits must capture more than 75 percent of the CO₂ emissions from the set of units to which the eligible investment is applied. Retrofits to existing plants must apply to units that have capacities greater than 250 megawatts and that capture and store more than 1 million metric tons of CO₂ per year. In order to incent the deployment of different kinds of technology, no more than 60 percent of the total credits may go to either new or retrofit projects, and no more than 40 percent may flow to any single technology sub-category (e.g., liquid solvents, gas-separation membranes). A minimum of 70 percent of the credits must go to projects fueled by greater than 75 percent coal. The credits would be available for 30 percent of the installed cost of eligible property, which would include CO₂ transportation and storage infrastructure in addition to EGUs.

The Budget also provides a refundable sequestration tax credit of (1) \$50 per metric ton of CO₂ permanently sequestered and not beneficially reused (e.g., for enhanced oil recovery); or (2) \$10 per metric ton for CO₂ that is permanently sequestered and beneficially reused. The credit would be allowed for a maximum of 20 years of production.



Staff Chart
Updated 01/20/2015



STAFF CONTACTS



Member Services

Hi, my name is...	Email me at...	Call me at...	I can help you with...
Tom Carew Executive Vice President of Membership and Advocacy	tomc@fahe.org	606.669.0053	*Caucuses *Becoming a member *Berea Performance Compacts *Questions about Advocacy
Jackie Weiss Membership Coordinator	jackie@fahe.org	859.248.6076	*Caucus and membership meetings *Membership renewals *NeighborWorks training slots *Quarterly Reporting
Pam Johnson Executive Vice President of Business Development and Outreach	pam@fahe.org	859.986.2321 ext. 2102	*Questions about connection to and utilization of FAHE products (Consulting, Loan Servicing) *Energy efficient/Green initiatives *Regional Initiatives
Angela Stephens Executive Assistant to the EVP of Business Development and Outreach	astephens@fahe.org	859.986.2321 ext. 2118	*Contacting or setting up meetings/appointments with Pam Johnson
Anthony Newman Director of Marketing	anthony@fahe.org	859.986.2321 ext. 2130	*Website contact *Promotions and publications *Marketing Consultant Services
Aaron Phelps Marketing Communications Specialist	aphelps@fahe.org	859.986.2321 ext. 2115	*Social media *Success stories
Eric Haralson Vice President of Credit Administration and Business Services	eric@fahe.org	859.986.2321 ext. 2135	*Business Development Services for Member or Affiliate Organizations *Business model evaluation *Non-Profit Financial Analysis
Norma Bartruff Director of Human Resources	norma@fahe.org	859.986.2321 ext. 2140	*Available positions *HR issues or questions
Sara Gambill Executive Assistant to the President	sgambill@fahe.org	859.986.2321 ext. 2144	*Contacting or setting up meetings/appointments with Jim King

STAFF CONTACTS



Loan Servicing

Hi, my name is...	Email me at...	Call me at...	I can help you with...
Angie Badgett Vice President of Loan Servicing	angie@fahe.org	859.986.2321 ext. 2122	*Loan Set Up Issues *Commercial Loan Billing & Questions
Brad Finn Collections Manager	brad@fahe.org	859.986.2321 ext. 2126	*Delinquent mortgage accounts *Homes that have entered foreclosure
Melinda Jones Servicing Specialist	melinda@fahe.org	859.986.2321 ext. 2124	*Bankruptcy questions *Setting up automatic payments
Janet Stepp Servicing Specialist	janet@fahe.org	859.986.2321 ext. 2125	*Escrows, taxes, and insurance questions *Payment of taxes and insurance *Escrow analysis questions
Joel Shepherd Servicing Specialist	jshepherd@fahe.org	859.986.2321 ext. 2136	*Delinquent mortgage accounts *Homes that have entered foreclosure
Amy Rogers Loan Servicing Coordinator	arogers@fahe.org	859.986.2321 ext. 2146	*Delinquent mortgage accounts *Homes that have entered foreclosure
Bethany Taylor-Gilbert Investor Representative	btaylor-gilbert@fahe.org	859.986.2321 ext. 2120	*Questions about Portfolio Performance and Remittances *Notice of financial/remittance outage

STAFF CONTACTS



Consulting

Hi, my name is...	Email me at...	Call me at...	I can help you with...
Vonda Poynter Vice President of Consulting	vonda@fahe.org	859.986.2321 ext. 2131	<ul style="list-style-type: none"> *Potential Housing and Community Development projects *Applying for federal or state funding *Structuring your project and blending appropriate funding resources
Myraleee Smith-Cowley Program Administrator	myraleee@fahe.org	859.986.2321 ext. 2128	<ul style="list-style-type: none"> *Procurement procedures for local governments and non-profits *Federal funding available from CDBG, HOME, ARC *HUD regulations and federal statutes
Tina Cain Fund Manager	tina@fahe.org	859.986.2321 ext. 2121	<ul style="list-style-type: none"> *Developing a new tax credit project *Asset management questions *KY low income housing tax credit projects *Project related financial management
Tyler Johnson Program Development Coordinator	tjohnson@fahe.org	859.986.2321 ext. 2133	<ul style="list-style-type: none"> *Environmental questions and assessments *Research & Data questions/requirements
Elsa Reynolds Administrative Assistant	ereynolds@fahe.org	859.986.2321 ext. 2141	<ul style="list-style-type: none"> *HOME Implementation *Contacting or setting up meetings/appointments with Vonda Poynter

Finance

Hi, my name is...	Email me at...	Call me at...	I can help you with...
Brittney Murphy Vice President of Finance	bmurphy@fahe.org	859.986.2321 ext. 2104	<ul style="list-style-type: none"> *Audit requests *Financial Statements *Reporting to Investors
Susan L. Smith Mullins Assistant Controller	susan@fahe.org	859.986.2321 ext. 2105	<ul style="list-style-type: none"> *Principle and interest payments
Marj Dasher Senior Staff Accountant	marj@fahe.org	859.986.2321 ext. 2106	<ul style="list-style-type: none"> *Pass-through grant payments *Billing and invoicing/Accounts Payable
Jeanine Corbitt Staff Accountant	jeanine@fahe.org	859.986.2321 ext. 2123	<ul style="list-style-type: none"> *Client invoicing

STAFF CONTACTS



JustChoice Lending™

Hi, my name is...	Email me at...	Call me at...	I can help you with...
Laura Meadows Vice President of Single-Family Lending	laura@fahe.org	859.986.2321 ext. 2113	*New loan products *Becoming an broker
David Brock Mortgage Loan Originator	david@fahe.org	859.986.2321 ext. 2111	*Prequalification *Choosing the right loan product *Referring potential clients *Current rates and terms
Tammy Sparks Mortgage Loan Processor	tsparks@fahe.org	859.986.2321 ext. 2114	*Loans in process *Gathering loan documentation *Closing issues
Sarah Johnson Mortgage Loan Assistant	sjohnson@fahe.org	859.986.2321 ext. 2117	*USDA 502 loan packaging *General questions about Just Choice Lending

Equity, Community Loans and Grants

Hi, my name is...	Email me at...	Call me at...	I can help you with...
David Howard, Jr. Vice President of Equity and Community Lending	dhoward@fahe.org	502.438.0833	*Capital raising to fund LIHTC/HTC/NMTC projects *Debt and Equity needs of Non-profit Partners
Jamie Puckett CLF Loan Administrator	jpuckett@fahe.org	859.986.2321 ext. 2112	*Processing and closing CLF loans *Draw requests, insurance, and document updates *Scheduling loan closings
Tina Parker Executive Assistant to COO	tparker@fahe.org	859.986.2321 ext. 2108	*Buying properties FAHE has listed for sale *Contacting or setting up meetings/appointments with Sara Morgan

Paul Weech



President and CEO

The NeighborWorks America board of directors has named Paul Weech the new president and CEO for the organization. Weech brings to the position more than 25 years of leadership experience in housing, community development, and financial services.

“I am very excited to take on the stewardship of such a strong and historic organization that has been a major force for progress in housing and community for more than 35 years,” says Weech. “I believe my role is to support and continue to grow what is already a preeminent organization with the reach, resources and the commitment to truly make a difference.”

Weech comes to NeighborWorks America from the Housing Partnership Network, a business alliance of the nation’s top performing nonprofit development organizations. As the Housing Partnership Network’s executive vice president for policy and external affairs, Weech was responsible for policy development and advocacy leadership for the organization, including producing its policy treatise, “Toward a Housing Policy Reform Agenda.” In the two years before joining the organization full time, he provided policy leadership for both the Housing Partnership Network and the Stewards of Affordable Housing for the Future.

Weech has served as chief of staff at the United States Small Business Administration, staff director for the Subcommittee on Housing and Community Development for the U.S. Senate Committee on Banking, Housing and Urban Affairs, and senior analyst for Housing and Credit for the U.S. Senate Committee on Budget. He also worked in various mission-related roles in the National Community Lending Center and the office of corporate strategy at Fannie Mae.

Whether in the public or private sector, Weech has made service to others the cornerstone of his career. “I believe that by working together we have the opportunity to lift people up, to increase their opportunities and outcomes and help them to provide a better life for their children,” says Weech. “I have been blessed to have a career where I wake up every day with meaning in my life.”

Weech serves on the boards of several organizations, including the National Low Income Housing Coalition, the National Housing Conference, the Bollinger Foundation, the Housing Association of Nonprofit Developers, and the Ford School of Public Policy's Alumni Board. He received a Master of Public Policy degree from the Ford School for Public Policy Studies at the University of Michigan and a Bachelor of Arts in Political Science at Duke University.

Fahe Proud Employee Lending Program

Fahe is rolling out a benefit program for employees and their families, as well as those of our member organizations! This lending program will offer the following benefits:

- Free Credit Pull for Qualification
- Quarter Percent Rate Reduction Based on Current Pricing for Loan Type

For example, on a \$120,000 loan at a 5% interest rate, a reduction of a quarter percent would save the borrower a minimum of \$18.21 a month. This is a total savings of \$218.52 annually, or approximately \$6,600 over the life of the loan!

AND to kick this off, FAHE will be offering a free appraisal to the first 10 loans submitted and closed!

To be eligible, the loan must meet the following criteria:

- Loan Must be Secondary Market (Rural Development Guaranteed, FHA, Conventional)
 - Current Fahe Employee
 - Current Member Group Employee
- Family Member Referred by Employee (Letter of Relationship Required)




Welcome Home

JustChoice Lending and the Federal Home Loan Bank of Cincinnati have partnered to offer a \$5000 grant for down payment and closing cost assistance to qualified buyers.

- Applicants must contribute no less than \$500 towards the closing but up to \$300 of that may be a gift
- Applicants need not be a 1st time homebuyer; 1st time buyers must complete a Homebuyers Education Course
- 5 year deed restriction
- Allow 4–6 weeks for approval
- Subject to restrictions and funds availability


For more information, contact David Brock, Mortgage Loan Originator - #NMLS 51115, at 866.367.0855 x2111 or 859.779.3404, or visit us at 444 Chestnut Street in Berea.

Brought to you by:

JustChoice Lending

Do Good for Yourself
Do Better for Your Community



 Equal Housing Opportunity

JustChoice Lending is an Equal Housing Opportunity Provider and does not discriminate on the basis of handicap, race, color, national origin, religion, sex, familial status, or age.



Come Work with Fahe as a Broker!

Something to Think About...

- Provides your organization the opportunity to earn up to 2.5 points per file
(eg: \$120,000.00 Loan at 2.5 points=\$3,000.00!!)
- Gives your office the opportunity to have some control over the speed of transaction
- Puts our organizations performance level at the industry standard

What does a Broker Do?

In simple terms, a mortgage broker is someone who works with an applicant to determine eligibility, discusses and decides upon rates, prepares an initial loan application as well as document package, and submits an underwriting ready file to a lender (Fahe) for approval.

What Will Brokering with Fahe Look Like?

- Brokers will choose rate for client based on Fahe rate sheets and submit for rate lock (basic example of how to determine what rate you may choose below)

Rate	3.625%	3.750%	3.875%	4.000%	4.125%
Term	360	360	360	360	360
Points Paid	1.5	2.0	2.5	2.5	2.5

- Fahe credit will still be required to be utilized
- Fahe will order appraisal at Brokers request as well as run GUS
- Broker will send fully processed file to Fahe for underwriting
- At underwriting approval, as well as Rural Development approval, Fahe orders title work and closes loan in Fahe's name
- Broker is paid out post-closing versus quarterly

We look forward to working with you in this new capacity!



DOCUMENTATION CHECKLIST

Contact Name: _____
Email: _____
Borrower: _____
Interest Rate: _____

Phone: _____
Fax: _____
Property Address: _____

****PLEASE INCLUDE ALL ITEMS IN THE FOLLOWING ORDER****

_____ Lock Confirmation
_____ Final 1003
_____ 1008
_____ Initial Disclosures
_____ 3555-21
_____ FAHE GUS Findings
_____ *(If Refer, need LOE explaining why we should approve)

CREDIT

_____ FAHE Tri-Merge Credit Report
_____ Credit Inquiry Letter (Inquiries within the last 120 Days)
_____ Proof of Payoff/Balance on any uncounted debts
_____ Bankruptcy Discharge Papers (If Applicable)
_____ Explanation of Bankruptcy (If Applicable)
_____ Verification of rent (If file is Refer or GUS required)
_____ Divorce Decree (If applicable)

IDENTITY

_____ Copy of Drivers License
_____ Copy of Social Security Card (If required by Fraud Detection)
_____ Copy of Green Card if not US Citizen
_____ Copy of Passport and Visa if not Permanent Resident

INCOME DOCUMENTATION

_____ Most recent 30 days paystubs
_____ Verification of Employment for all current employers
_____ Proof of Pension/Annuity payments stating payable for at least the following 3 years
_____ Current year awards letters (Social Security, SSI)
_____ Verification of Prior employment for all former employers of the last 2 years
_____ 2 Years W2's
_____ 2 Years 4506T Results
_____ 2 Years Full Tax Returns (If Self Employed)
_____ YTD Profit and Loss Statement (If Self Employed)

****CONTINUED ON NEXT PAGE**

- _____ Transcript of School records if borrower has entered the work force within a 2 year period
- _____ Explanation of employment gaps if over 30 days
- _____ Paystubs and VOE's for non-borrowing occupants (If Applicable)
- _____ No income letter (If Applicable)
- _____ Proof of receipt of Court ordered child support

ASSET DOCUMENTATION

- _____ 2 months bank statements for all accounts OR Verification of Deposit
- _____ Most recent copy of retirement statements if using for qualification or as source of down payment (Must send proof of withdrawal and terms. If funds are borrowed against, schedule of repayment and terms)
- _____ Copy of cancelled check for earnest deposits
- _____ Gift Letter (If Applicable)
- _____ Copy of Official Check for gift (If applicable)

PROPERTY

- _____ Fully executed sales contract with riders
- _____ Appraisal

NEW CONSTRUCTION

- _____ Certificate of Occupancy
- *If Certificate of Occupancy is not available, then send the following:
 - _____ 3 Inspections
 - _____ Plan Certification
 - _____ 1 Year Builders Warranty
- _____ Thermal Standards Document



MORTGAGE BROKER APPLICATION

Company: _____
Contact : _____
Email: _____

Phone: _____
Fax: _____

****PLEASE INCLUDE ALL ITEMS IN THE FOLLOWING ORDER****

- _____ Fully executed broker agreement
- _____ Signed and notarized Endorsement and Authorization Agreement
- _____ Articles of Incorporation/Organization or memo to prove still current
- _____ Certificate of Existence or equivalent from SOS office
- _____ IRS 501(c)3 letter
- _____ Resumes of all principal officers and key staff
- _____ Copies of all applicable licenses or exempt status
- _____ Certified balance sheet and profit and loss statement (less than 90 days old) indicating minimum net assets of \$25,000
- _____ List of all employees that will be involved in loan origination, processing, and closing
*include NMLS numbers
- _____ Most recent 3 years IRS 990
- _____ 4506-T form executed
- _____ Quality control plan
- _____ Corporate Resolution
- _____ Fidelity Bond with FAHE named certificate holder. Minimum coverage to conform to state requirements.
- _____ Loan Origination Software? Y _____ OR N _____
Name of Software: _____

Effective 1/26/15

USDA Report

Highlights of the December 2014 Pipeline Report include a new feature. We are now identifying loans that are for Purchase and loans that are for Construction (newly constructed homes).

There are 76 loans in the pipeline valued at \$9.83 Million; 50 for purchase and 26 for construction.

During the Calendar Year 2014 we closed 190 Loans valued at \$23 Million.

Top Producing States for CY 2014

- 1) Indiana (88)
- 2) Kentucky (26)
- 3) Tennessee (25)
- 4) Virginia (18)
- 5) Ohio (18)
- 6) West Virginia (15)
- 7) Michigan (2)
- 8) Alabama (0)

Top Packagers for CY 2014

- 1) Pathfinder (88)
- 2) Fahe (14)
- 3) NDS (13)
- 4) Hope (9)
- 5) Foothills (9)
- 6) E-8 (8)
- 7) Frontier (7)

Loan Application Packaging - Pipeline Report

Purchase Average Days at USDA: 98.02

Total Average Days at USDA: 116.87

Construction Average Days as USDA: 155.32

This is a compilation report. Intermediary will update the report as outlined in the MOU or as mutually agreed in any modifications. Agency will update their segment for each applicable entry within 5 business days of receiving the intermediary's report.

This section must be completed by intermediary.

Gender	HMDA Applicant Race 1	HMDA Applicant Ethnicity	Date Intermediary received package from Affiliate	Submitter State	Sub Pop County	Persistent Poverty Country?	Requested Loan Amount	Referral Company	Days at USDA	Seq	Loan Purpose
Female	White	Not Hispanic Or	10/1/14	AL	Hale		\$61,000	Hero Housing	108	1	Purchase
Female	White	Not Hispanic Or	11/6/13	AL	Hale		\$87,000	Hero	442	2	Construction
Female	White	Not Hispanic Or	12/12/14	IN	De Kalb		\$85,530	Pathfinder	50	3	Purchase
Female	White	Not Hispanic Or	12/18/14	IN	Allen		\$152,000	Pathfinder	44	4	Purchase
Female	White	Not Hispanic Or	11/17/14	IN	Marshall		\$165,527	Pathfinder	75	5	Purchase
Male	White	Not Hispanic Or	11/26/14	IN	Whitley		\$67,527	Pathfinder	66	6	Purchase
Female	White	Not Hispanic Or	12/18/14	IN	Whitley		\$135,530	Pathfinder	44	7	Purchase
Male	White	Not Hispanic Or	1/5/15	IN	Elkhart		\$165,527	Pathfinder	26	8	Purchase
Male	White	Not Hispanic Or	1/5/15	IN	Elkhart		\$165,530	Pathfinder	26	9	Purchase
Male	White	Hispanic Or	12/23/14	IN	Noble		\$151,953	Pathfinder	39	10	Purchase
Female	White	Not Hispanic Or	1/5/15	IN	Allen		\$152,527	Pathfinder	26	11	Purchase
Female	White	Not Hispanic Or	1/6/14	IN	Elkhart		\$109,000	Pathfinder	86	12	Purchase
Male	White	Not Hispanic Or	7/2/14	IN	Jay		\$70,527	Pathfinder	213	13	Purchase
Female	White	Not Hispanic Or	5/8/14	IN	Noble		\$55,000	Pathfinder	268	14	Purchase
Male	White	Not Hispanic Or	1/30/14	IN	Huntington		\$145,000	Pathfinder	366	15	Purchase
Female	White	Not Hispanic Or	6/25/14	IN	Wabash		\$70,527	Pathfinder	220	16	Purchase
Female	White	Not Hispanic Or	7/30/14	IN	St. Joseph		\$165,000	Pathfinder	185	17	Purchase
Female	White	Not Hispanic Or	9/17/14	IN	Wells		\$120,527	Pathfinder	136	18	Purchase
Female	White	Not Hispanic Or	9/19/14	IN	Allen		\$140,000	Pathfinder	134	19	Purchase
Female	White	Not Hispanic Or	8/7/14	IN	Whitley		\$152,000	Pathfinder	177	20	Purchase
Female	White	Not Hispanic Or	8/4/14	IN	Elkhart		\$145,400	Pathfinder	180	21	Purchase
Female	White	Not Hispanic Or	9/9/14	IN	Allen		\$152,000	Pathfinder	144	22	Construction
Female	White	Not Hispanic Or	8/1/14	IN	Elkhart		\$165,000	Pathfinder	183	23	Construction
Female	White	Not Hispanic Or	9/17/14	IN	Allen		\$152,000	Pathfinder	136	24	Construction
Female	White	Not Hispanic Or	10/9/14	IN	Elkhart		\$165,000	Pathfinder	114	25	Construction
Female	White	Not Hispanic Or	10/13/14	IN	De Kalb		\$152,000	Pathfinder	110	26	Construction
Male	White	Not Hispanic Or	8/4/14	IN	Allen		\$152,000	Pathfinder	180	27	Construction
Female	Not		4/21/14	IN	Elkhart		\$145,400	Pathfinder	285	28	Construction
Female	White	Not Hispanic Or	5/1/14	IN	Huntington		\$140,000	Pathfinder	275	29	Construction
Female	White	Not Hispanic Or	4/16/14	IN	Allen		\$152,000	Pathfinder	290	30	Construction
Female	White	Not Hispanic Or	6/12/14	IN	La Porte		\$160,527	Pathfinder	233	31	Construction
Female	White	Hispanic Or	6/24/14	IN	Elkhart		\$156,561	Pathfinder	221	32	Construction
Male	White	Not Hispanic Or	12/15/14	IN	Elkhart		\$165,000	Pathfinder	47	33	Construction
Male	White	Not Hispanic Or	12/1/14	IN	Elkhart		\$165,527	Pathfinder	61	34	Construction

Female	White	Not Hispanic Or	12/18/14	12/18/14	IN	Allen		\$152,000	Pathfinder	44	35	Construction
Female	White	Not Hispanic Or	1/5/15	1/5/15	IN	Lagrange		\$152,527	Pathfinder	26	36	Construction
Female	White	Not Hispanic Or	12/19/14	12/19/14	IN	Eikhart		\$165,000	Pathfinder	43	37	Construction
Female	White	Not Hispanic Or	12/3/14	12/3/14	IN	Kosciusko		\$175,527	Pathfinder	59	38	Construction
Female	White	Not Hispanic Or	11/6/14	11/6/14	IN	Eikhart		\$165,000	Pathfinder	86	39	Construction
Male	White	Not Hispanic Or	10/28/14	10/28/14	IN	Kosciusko		\$175,000	Pathfinder	95	40	Construction
Female	White	Not Hispanic Or	11/17/14	11/17/14	IN	Eikhart		\$165,000	Pathfinder	75	41	Construction
Male	White	Not Hispanic Or	11/24/14	11/24/14	IN	Allen		\$152,527	Pathfinder	68	42	Construction
Male	White	Not Hispanic Or	11/14/14	11/14/14	IN	Eikhart		\$165,527	Pathfinder	78	43	Construction
Male	White	Not Hispanic Or	10/27/14	10/28/14	KY	Madison		\$118,000	FAHE, Inc.-	95	44	Purchase
Male	White	Not Hispanic Or	9/24/14	9/29/14	KY	Rowan		\$72,000	Frontier	124	45	Purchase
Female	White	Not Hispanic Or	10/31/14	11/17/14	KY	Clark		\$122,500	FAHE, Inc.-	75	46	Purchase
Male	Asian	Not Hispanic Or	12/19/14	12/23/14	KY	Madison		\$127,800	FAHE, Inc.-	39	47	Purchase
Female	White	Not Hispanic Or	10/20/14	11/11/14	KY	Montgomery		\$110,000	Frontier	81	48	Purchase
Male	White	Not Hispanic Or	8/28/14	9/10/14	KY	Madison		\$100,000	FAHE, Inc.-	143	49	Purchase
Male	White	Hispanic Or	11/20/14		KY	Madison		\$150,000	FAHE, Inc.-		50	Purchase
Female	White	Not Hispanic Or	11/11/14	11/19/14	KY	Madison		\$130,000	FAHE, Inc.-	73	51	Purchase
Female		Not Hispanic Or	11/21/14		KY	Pulaski		\$79,900	FAHE, Inc.-		52	Purchase
Male	White	Not Hispanic Or	11/4/14	11/20/14	KY	Madison		\$124,900	FAHE, Inc.-	72	53	Purchase
Female	White	Not Hispanic Or	12/15/14		KY	Bath		\$110,000	Frontier		54	Purchase
Female	White	Not Hispanic Or	12/29/14		OH	Lake		\$124,500	NDS		55	Purchase
Female	Black	Not Hispanic Or	12/10/14	12/12/14	OH	Clark		\$97,900	Neighborhood	50	56	Purchase
Female	White	Not Hispanic Or	4/15/14	4/15/14	OH	Warren		\$152,000	wccs	291	57	Purchase
Male	Black	Not Hispanic Or	6/3/14	6/20/14	TN	Madison		\$140,000	Better Future	225	58	Purchase
Female	Black	Not Hispanic Or	12/30/14		TN	Madison		\$140,000	Better Future		59	Purchase
Female	Black	Not Hispanic Or	9/10/14	9/12/14	TN	Fayette		\$148,000	Better Future	141	60	Purchase
Female	White	Not Hispanic Or	10/29/14	11/20/14	TN	Blount		\$150,600	Footfills	72	61	Purchase
Female	White	Not Hispanic Or	11/17/14	11/24/14	TN			\$150,600	Footfills	68	62	Purchase
Male	White	Not Hispanic Or	2/12/14	4/16/14	TN	Hawkins		\$143,600	Eastern Eight	290	63	Construction
Male	White	Not Hispanic Or	2/24/14	3/28/14	TN	Sullivan		\$143,600	Eastern Eight	309	64	Construction
Female	White	Not Hispanic Or	11/18/14		VA			\$40,000	Community		65	Purchase
Male	White	Not Hispanic Or	11/25/14		VA	Washington		\$141,000	People, Inc		66	Purchase
Female	White	Not Hispanic Or	6/12/14	7/1/14	VA	Louisa		\$81,000	Piedmont	214	67	Purchase
Female	White	Not Hispanic Or	10/14/14	10/24/14	VA	Washington		\$90,331	People, Inc	99	68	Purchase
Female	White	Not Hispanic Or	9/30/14	11/18/14	WV	Barbour		\$104,000	NCWVCAA	74	69	Purchase
Male	White	Not Hispanic Or	12/8/14	1/5/15	WV			\$123,000	Community	26	70	Purchase
Female	White	Not Hispanic Or	8/6/14	9/5/14	WV	Greenbrier		\$109,500	FAHE, Inc.-	148	71	Purchase
Male	White	Not Hispanic Or	10/6/14	10/13/14	WV	Mercer		\$65,000	Case	110	72	Purchase
Female	White	Not Hispanic Or	10/22/14	10/28/14	WV	Greenbrier		\$65,000	Greenbrier	95	73	Purchase
Female	White	Not Hispanic Or	11/4/14	12/3/14	WV	Fayette		\$100,000	SALS	59	74	Purchase
Female	White	Not Hispanic Or	11/11/14	11/17/14	WV	Kanawha		\$150,000	RCCR	75	75	Purchase
Male	White	Not Hispanic Or	10/17/14	10/23/14	WV	Randolph		\$81,000	Homeownersh	100	76	Purchase