Thank you for attending this public meeting and for your support of affordable housing.

**Date:** Monday, October 17, 2016

**Time:** 10:00 a.m.

**Chairperson:** JP Crowley

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**AGENDA ITEMS**

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. Please sign in on our attendance sheet.

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**Minutes**

- Approve Prior Board Meeting Minutes

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**Multifamily Program (Manager: Mary Bair)**

- 2017 Housing Credits
- Bond Resolutions – Big Sky Manor Kalispell, Vista Villa Great Falls,
- Multifamily Program Update
- Reverse Annuity Mortgage Exceptions (if needed)

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**Finance Program (Manager: Ginger Pfankuch)**

- Finance Update

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**Meeting Location:** Radisson Colonial Hotel
2301 Colonial Drive
Helena MT 59601
(406) 443-2100

**Board Offices:**
301 S Park Ave., Room 240
Helena MT  59601
(406) 841-2840

**Remote Attendance Information:**
You may join our meetings from your office or home via webinar and phone.
Dial (877) 273-4202
Access Code: 7233056#
Webinar: Click here to register
Homeownership Program (Manager: Vicki Bauer)

- Lender Approval
- Set-aside Request – CAPNM
- Down Payment Assistance Approval
- Homeownership Program Update

Mortgage Servicing Update (Mary Palkovich)

- Update

Executive Director (Bruce Brensdal)

- Update

Operations Update (Stacy Collette)

- Update

Marketing Update (Penny Cope)

- Update

Miscellaneous

Meeting Adjourns

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

*We make every effort to hold our meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the Housing Division at (406) 841-2840 or TDD (406) 841-2702 before the scheduled meeting to allow for arrangements.

Future Meeting Dates and Locations (subject to change)

- October 17, 2016: Helena
- January 23, 2017: Helena
- April 10, 2017: no meeting
- July 10, 2017: no meeting
- October (15) 16, 2017: Billings
- January 22, 2018: Helena
- November 14, 2016: no meeting
- February 13, 2017: webinar
- May 8, 2017: Great Falls
- August 14, 2017: Helena
- November 13, 2017: no meeting
- December 12, 2016: ???
- March (12)13, 2017: Bozeman
- June 12, 2017: webinar
- September 11, 2017: no meeting
- December 11, 2017: no meeting
ROLL CALL OF BOARD

MEMBERS:  J.P. Crowley, Chairman (Present)
Bob Gauthier (Present)
Doug Kaercher (Present)
Ingrid Firemoon (Present)
Jeanette McKee (Present)
Pat Melby (Present)
Sheila Rice (Excused)

STAFF:  Bruce Brensdal, Executive Director
Ginger Pfankuch, Accounting & Finance Manager
Vicki Bauer, Homeownership Program
Mary Bair, Multifamily Program
Stacy Collette, Operations Manager
Penny Cope, Marketing
Paula Loving, Executive Assistant
Todd Jackson, Multifamily
Mary Palkovich, Loan Servicing Manager
Angela Heffern, Accounting & Finance Program
Kellie Guariglia, Multifamily Program
Jeannene Maas, Homeownership Program
Charlie Brown, Homeownership Program
Laurel Fisher, Intern
Cindy Maxwell, Administrative Assistant
Bob Vanek, Multifamily Program
Rena Oliphant, Multifamily Program
Diana Collver-Vanek, Section 8 Program

COUNSEL:  Greg Gould, Luxan and Murfitt
John Wagner, Kutak Rock

UNDERWRITERS:  Mina Choo, RBC Capital

OTHERS:  Marney McCleary, CAPNM
Heather McMilin, Homeword, Inc.
Andrea Davis, Homeword, Inc.
Sam Long, Summit Housing
Rusty Snow, Summit Housing
Neil Fortier, NeighborWorks Great Falls
Trent Rogers, Travois
Alex Burkhalter, Housing Solutions, LLC
Robert Robinson, HRCXI
These written minutes, together with the audio recordings of this meeting, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., Tape 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussed occurred. The audio recordings of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings are available on the MBOH website at Meetings and Minutes.

CALL MEETING TO ORDER
Chairman J.P. Crowley called the Montana Board of Housing (MBOH) meeting to order at 8:35 a.m. (Tape 1 – 0:18). Introductions were made. Chairman Crowley asked for any public comment that is not listed on the agenda.

APPROVAL OF MINUTES
Bruce Brensdal notified the Board on the June 6, 2016 MBOH Board meeting minutes of an error in typing on page 3, second paragraph of Homeownership Program. (Tape 1 – 6:24) The motion by Pat Melby reads “Pat Melby moved to eliminate the expiration date on the 80% Combined setaside and all any non-profit organization to participate in the program”. This should read “80% Combined setaside and allow any”.

Pat Melby moved to approve the June 6, 2016 MBOH Board meeting minutes with the change mentioned and Doug Kaercher seconded the motion (Tape 1 – 7:05). Vice Chairperson McKee asked for comments. The amended June 6, 2016 MBOH Board minutes were approved with Bob Gauthier abstaining.
FINANCE PROGRAM
Ginger Pfankuch presented to the Board a request to consider the option of selecting a new trustee to serve as the Bond Trustee for the Single Family Bond program (Tape 1 – 7:47). Ginger and Bruce Brensdal explained the interest from other parties to become the Bond Trustee. Bob Gauthier moved to have Staff proceed with selection process of Bond Trustee services for Single Family Bond program and present a recommendation (Tape 1 – 11:55). Pat Melby seconded the motion. Chairman Crowley asked for comments. Sean Rau stated he looked forward to responding to the process. The motion was approved unanimously (Tape 1 – 12:25).

Ginger Pfankuch presented to the Board the Investment Policy for approval (Tape 1 – 12:51). Ginger stated the Investment Policy is to be reviewed annually and currently the Policy is up to date. Jeanette McKee moved to approve the Investment Policy and Doug Kaercher seconded the motion (Tape 1 – 13:28) J.P. Crowley asked for comments. The Investment Policy was approved unanimously.

Ginger Pfankuch provided the Board with the Finance update (Tape 1 – 13:53). Single Family Mortgage Bond, 2016 series A closed in May for a total amount of $64.6 million. $24.6 million was used to refund the 2007 series A bonds which had a higher interest rate. The remainder was issued in order to acquire more mortgage loans. Debt service was paid at the beginning of June for the Single Family Indentures.

HOMEOWNERSHIP PROGRAM
Vicki Bauer presented to the Board the Single Family Bond Resolution No. 16-0815-S3 (Tape 1 – 15:59). The Resolution approves the issuance of Single Family Bonds and authorizes the aggregate principal amount of $75,000,000 to finance loans or refund outstanding bonds or 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. John Wagner, Kutak Rock, provided input on the Bond issuance (Tape 1 – 17:40). Mina Choo, RBC Capital, provided input on the Market (Tape 1 – 18:04).

Bob Gauthier moved to approve Single Family Bond Resolution No. 16-0815-S3 and Pat Melby seconded the motion (Tape 1 – 18:39). Chairman Crowley asked for comments. The Bond Resolution No. 16-0815-S3 was approved unanimously.

Vicki Bauer provided the Board with the Homeownership update (Tape 1 – 19:19). Vicki reviewed the Portfolio Year to Year Comparison with the Board (Tape 1 – 20:45).

LOAN SERVICING PROGRAM
Mary Palkovich provided the Board with the Loan Servicing update (Tape 1 – 25:00). Borrowers are now receiving monthly statements on their loan history. Servicing staff received 68 payments by phone in its second month of service.

MULTIFAMILY PROGRAM
Bruce Brensdal informed the Board of the request from Fort Peck Housing Authority (Tape 1 – 28:30). The request is to reconsider the Letter of Intent for their project for the 2017 Housing Credits. The request was received on August 12, 2016, which
provided no time to be placed on agenda and provide the Board with information. No action was taken. Pat Melby made a comment of reviewing the QAP plan for specific language such as being postmarked by a date (Tape 1 – 33:28). Mary Bair stated the program is working on electronic payment submission.

Mary Bair brought to the Board the 2017 Housing Credit Letter of Intent (Tape 1 – 33:55). Bruce Brensdal and Mary Bair reviewed the process.

Mary Bair presented the 2017 Housing Credit Letter of Intent Presentations:


Bitter Creek Villas, Wolf Point-Culbertson – Acquisition/Rehabilitation, 16 family units – GL Development (Tape 1 – 50:40). Gene Leuwer, GL Development, presented the Bitter Creek Villas project (Tape 1 – 52:10). Chairman Crowley asked for public comment (Tape 1 – 54:40).


Aspen Place III, Butte – New Construction, 32 family units – Developer is Thomas Development and Butte Affordable Housing (Tape 1 – 1:00:08). Rvonda Stordahl, Butte Housing Authority and Butte Affordable Housing, presented the Aspen Place III project (Tape 1 – 1:01:07). Chairman Crowley asked for public comment (Tape 1 – 1:06:55).

Nicole Court/Stevensville Senior Apartments, Stevensville – New Construction, 16 senior units - Developer is HRC District XI and Missoula Housing Authority (Tape 1 – 1:07:10). Jim Morton, HRC District XI, presented the Stevensville Senior Apartments project (Tape 1 – 1:08:10). Bob Robertson provided architect input (Tape 1 – 1:10:00). Harlan Wells, Missoula Housing Authority, provided further information (Tape 1 – 1:12:40). Chairman Crowley asked for public comment (Tape 1 – 1:12:50).

Polson Landing, Polson – New Construction, 35 family units - Developer is Housing Solutions (Tape 1 – 1:13:00). Alex Burkharter, Housing Solutions, presented the Polson Landing project (Tape 1 – 1:13:54). Chairman Crowley asked for public comment (Tape 1 – 1:19:34). Kyle Roberts made comments (Tape 1 – 1:19:40).

American Square, Missoula – New Construction, 54 senior units - Developer is Housing Solutions (Tape 1 – 1:23:45). Alex Burkharter, Housing Solutions, presented the American Square project (Tape 1 – 1:24:45). Chairman Crowley asked for public comment (Tape 1 – 1:31:50).

North Stone Residences, Helena – New Construction, 24 senior units - Developer is Rocky Mountain Development Council (Tape 1 – 1:32:15). Liz Mogstad, Rocky
Mountain Development Council, presented the North Stone Residences project (Tape 1 – 1:32:50). Chairman Crowley asked for public comment (Tape 1 – 1:37:15).

**Blackfeet Homes VI, Browning** – New Construction, 30 family units - Developer is Blackfeet Housing and Travios (Tape 1 – 1:37:30). Chancy Kittson, Blackfeet Housing, presented the Blackfeet Homes VI project (Tape 1 – 1:38:25). Chairman Crowley asked for public comment (Tape 1 – 1:45:07).

**The Meadows Senior Apartments, Lewistown** – Acquisition/Rehabilitation, 35 senior units - Developer is Homeword, Inc. and Thies & Talle (Tape 1 – 1:45:30). Heather McMilin, Homeword, presented the The Meadows Senior Apartments project (Tape 1 – 1:46:30). Kent Mortimer, Theis & Talle, provided additional information (Tape 1 – 1:47:30). Chairman Crowley asked for public comment (Tape 1 – 1:55:08). Public comment was made by Babe Ayers, Louise Lanford and Micki Phillips (Tape 1 – 1:55:42).

**Gallatin Forks Senior Living, Bozeman** – New Construction, 42 senior units - Developer is Housing Summit Group (Tape 1 – 2:21:54). Sam Long, Housing Summit, presented the Gallatin Forks Senior Living project (Tape 1 – 2:22:40). Tracy Menuez, HRDC IX, provided additional comments (Tape 1 – 2:27:45). Rusty Snow, Housing Summit, provided additional information (Tape 1 – 2:29:35). Chairman Crowley asked for public comment (Tape 1 – 2:30:20).

**Old Joe Apartments, Missoula** – New Construction, 20 family units - Developer is Missoula Housing Authority (Tape 1 – 2:30:35). Andrea Davison, Missoula Housing Authority, presented the Old Joe Apartments project (Tape 1 – 2:32:25). Harlan Wells, Missoula Housing Authority, provided additional information (Tape 1 – 2:36:40). Chairman Crowley asked for public comment (Tape 1 – 2:37:20).

**Gateway Vista, Billings** – New Construction, 16 senior units - Developer is Billings YWCA and CR Builders (Tape 1 – 2:38:30). Mary Lee Olson, Billings YWCA, presented the Gateway Vista project (Tape 1 – 2:40:24). Chairman Crowley asked for public comment (Tape 1 – 2:48:20). Leslie Jensen, First Interstate Bank, provided comment (Tape 1 – 2:49:00). Don Sterhan, Mountain Plains Equity Group, provided comment (Tape 1 – 2:51:20).

**Missoula 4%/9%, Missoula** – New Construction, 30 senior units - Developer is Homeword, Inc. (Tape 2 – 8:42). Heather McMilin, Homeword, presented the Missoula 4%/9% project (Tape 2 – 9:40). Andrea Davis, Homeword, provided additional information (Tape 2 - 16:15). Chairman Crowley asked for public comment (Tape 2 – 22:40).


**Evergreen Commons, Evergreen** – New Construction, 24 family units - Developer is Housing Solutions (Tape 2 – 41:22). Alex Burkhalter, Housing Solutions, presented the
evergreen Commons project (Tape 2 – 42:15). Chairman Crowley asked for public comment (Tape 2 – 47:55).

**Alpine View Apartments, Columbia Falls** – New Construction, 24 family units - Developer is Housing Solutions (Tape 2 – 48:12). Alex Burkhhalter, Housing Solutions, presented the Alpine View Apartments project (Tape 2 – 48:55). Chairman Crowley asked for public comment (Tape 2 – 53:30).

**Courtyard Apartments, Kalispell** – Acquisition/Rehabilitation, 32 family units - Developer is Recapitalization Montana and Rural Integrity (Tape 2 – 53:49). Marney McCleary, CAPNM, presented the Courtyard Apartments project (Tape 2 – 54:48). Chairman Crowley asked for public comment (Tape 2 – 1:05:20).

**Livingston Memorial Hospital, Livingston** – New Construction, 32 family units - Developer is Homeword (Tape 2 – 1:06:53). Andrea Davis, Homeword, presented the Livingston Memorial Hospital project (Tape 2 – 1:07:35). Chairman Crowley asked for public comment (Tape 2 – 1:21:14). Tracy Menuez, HRDC IX, provided comment (Tape 2 – 1:21:20).

Mary Bair and Bruce Brensdal explained the process of the Letter of Intent and Board Selection of the Projects for Invitation to submit full application (Tape 2 – 1:22:43).

Doug Kaercher moved to invite The Meadows in Lewistown to submit full application and Bob Gauthier seconded the motion (Tape 2 – 1:27:48). Doug stated he liked this project last year and meets all the criteria and would help this area of the state. Chairman Crowley asked for comments (Tape 2 – 1:28:41). A roll call vote was taken and The Meadows was approved to submit full application for the 2017 Housing Credits unanimously.

Bob Gauthier moved to invite Blackfeet Homes VI in Browning to submit full application and Doug Kaercher seconded the motion (Tape 2 – 1:29:40). Bob stated this project’s costs are contained and a low developer’s fee. Chairman Crowley asked for comments (Tape 2 – 1:30:18). Ingrid Firemoon provided support of this project (Tape 2 – 1:30:25). A roll call vote was taken and Blackfeet Homes VI was approved to submit full application for the 2017 Housing Credits unanimously.

Pat Melby moved to invite Livingston Memorial in Livingston to submit full application and Jeanette McKee seconded the motion (Tape 2 – 1:31:50) Pat stated he liked the use of an existing building and while it is a rural community it is a robust community. Chairman Crowley asked for comments (Tape 2 – 1:32:42). A roll call vote was taken and Livingston Memorial was approved to submit full application for the 2017 Housing Credits unanimously.

Jeanette McKee moved to invite Aspen Place III in Butte to submit full application and Doug Kaercher seconded the motion (Tape 2 – 1:33:40). Jeanette stated they have a proven track record and they tried everything to fit within the 4%. Chairman Crowley asked for comments (Tape 2 – 1:34:28). A roll call vote was taken and Aspen Place III was approved to submit full application for the 2017 Housing Credits unanimously.

Pat Melby to invite Rockcress Commons in Great Falls to submit full application and Bob Gauthier seconded the motion (Tape 2 – 1:34:49). Pat likes the cost of this project.
Chairman Crowley asked for comments (Tape 2 – 1:35:30). A roll call vote was taken and Rockcress Commons was approved to submit full application for the 2017 Housing Credits unanimously.

Ingrid Firemoon moved to invite Gateway Vista in Billings to submit full application and Pat Melby seconded the motion (Tape 2 – 1:35:53). Ingrid stated Billings has not had a lot of housing allocation. Chairman Crowley asked for comments (Tape 2 – 1:36:20). A roll call vote was taken and Gateway Vista was approved to submit full application for the 2017 Housing Credits unanimously.

Bob Gauthier moved to invite Polson Landing in Polson to submit full application and Jeanette McKee seconded the motion (Tape 2 – 1:37:10). Bob and Jeanette stated the growth in this area is outstanding. Chairman Crowley asked for comments (Tape 2 – 1:38:10). A roll call vote was taken and Polson Landing was approved to submit full application for the 2017 Housing Credits unanimously.

Ingrid Firemoon moved to invite Bitter Creek Villas in Wolf Point to submit full application and seconded the motion (Tape 2 – 1:38:35). Ingrid stated this area needs housing. Chairman Crowley asked for comments (Tape 2 – 1:39:18). A roll call vote was taken and Bitter Creek Villas was approved to submit full application for the 2017 Housing Credits unanimously.

J.P. Crowley thanked all the projects for the Letter of Intents (Tape 2 – 1:47:45). In particular, J.P. thanked Homeword for all the efforts on the Missoula4%/9% project in trying to utilize other types of funding to create housing. J.P. thanked the City of Bozeman for showing support for affordable housing as a community.

Bob Gauthier requested feedback on the Letter of Intent process (Tape 2 - 1:42:44). Bob stated there wasn’t a project he wouldn’t have been able to support and the developers have been doing work.

Mary Bair brought to the Board the Rockcress Commons Inducement Resolution No. 16-0815-MF1 (Tape 2 - 1:46:14). Pat Melby moved to approve Inducement Resolution No. 16-0815-MF1 and Jeanette McKee seconded the motion. Chairman Crowley asked for comments (Tape 2 – 1:47:50). The Rockcress Commons Inducement Resolution No. 16-0815-MF1 was approved unanimously.

Mary Bair brought to the Board the Valley Villas request for a permanent loan with RD 538 guarantee in the amount of $300,000 (Tape 2 – 1:48:40). Jeanette McKee moved to approve the loan and Doug Kaercher seconded the motion. Chairman Crowley asked for comments (Tape 2 – 1:49:32). The Valley Villa loan request in the amount of $300,000 was approved unanimously, contingent underwriting.

Mary Bair provided the Multifamily update (Tape 2 – 1:49:45).

**EXECUTIVE DIRECTOR UPDATE**

Stacy Collette provided the Operations update including the Strategic Planning (Tape 2 – 1:50:51). Job descriptions are continuing to be completed. Staff will be finalizing the Fannie Mae application within the upcoming week. Work continues on the Landlord engagement training which will take place in October.
Penny Cope provided a marketing update (Tape 2 – 1:58:33). There is a grand opening at Gallatin Forks in Manhattan on August 18, 2016. Rotunda Day is in January 2017.

Bruce Brensdal mentioned the next Board meeting is stated October 11, 2016 on the Agenda but the date will be October 17, 2016 at the Radisson Colonial Hotel.

Meeting adjourned at 2:12 p.m.

____________________
Sheila Rice, Secretary

____________________
Date
BOARD AGENDA ITEM

PROGRAM
Multifamily Program

AGENDA ITEM
2017 Housing Credit Applications

BACKGROUND
Mary will explain application packet items, the application spreadsheet

PROPOSAL
No proposal at this time, No action is scheduled at this time
TO: Chairman JP Crowley and Board members
FROM: Gene Leuwer, GL Development, Roosevelt Villas, LLLP
DATE: October 3, 2016
RE: Yellowstone Villas, the only application from east of Billings and the only small pool request at $2,680,000

The people we are talking about:
Six of the 16 residents have lived there over ten years, with one gal in Wolf Point for 28 years. An additional five have lived there over five years.
The tenants are:
- Working people (two teachers, a hotel desk clerk, pizza cook, a café cook, and a part-time postal worker).
- Semi-retired (another teacher who works part-time as a substitute Shop teacher).
- Two are single moms with teenagers.
- Two are single moms with tiny kids.
- One lady is a 75 year old retired LPN; another is a retired Navy serviceman living with Agent Orange poisoning.
- Numerous people have visible and invisible disabilities, with two people using walkers and one who uses two canes.
- Six of the 8 tenants in Culbertson receive SSI disability income, including a woman with recent brain surgery, and a 47 year old woman who has Fetal Alcohol Syndrome.
- Five pay less than $200 a month; ten tenants pay less than $300.
- All live in Yellowstone Villas safely, comfortably, and independently.

Plans to keep the Yellowstone Villas Apartments viable for another 30 years:

Safety and security
- Earthquake code update to the structural columns in the crawl space.
- Leveling of the sidewalks and entry ways, which are currently extremely irregular, including an 8" drop off the sidewalk adjacent to the parking area.
- Exterior lighting is wholly inadequate, and low level ground lighting is requested by the tenants. The nice lawn areas, while tranquil and large, are both pitch black after dark.
- Entry doors to the hallways, ground floors and second floor units are unsecured, without locks or key codes, and these doors are solid so upon entry or exit, there is no way to see if anyone is on the other side of the door, a deep concern according to the tenants. Ten of the 16 tenants are women – and the ones who visited with us requested a better sight-line.
- Dead bolt locks will be installed on all unit doors, another highly requested item.
- Mold mitigation and prevention with new bathroom and kitchen venting systems.
Accessibility for people with disabilities for today’s residents and the future aging of the Montana’s population
- **All 8 ground level units** will be fully renovated to both ICCA.117.1-2009 AND the Uniform Federal Accessibility Standards (UFAS), the gold standard that all our projects are becoming known for.
- Maneuverable space, lever door handles, 32" door widths, grab bars, 19" toilet heights, and more will transform these spaces for accessibility.

**Energy efficiency**
- 34-year old inoperable windows, and the outdated, inadequate insulation and doors will be replaced.
- Air source heat exchangers will replace inefficient electric base board heaters.
- Solar panels will be added to the roofs.  - Interior / exterior LED light fixtures.

**Longevity and durability** into the future, with the installation or replacement of:
- The roof in Wolf Point – and the gutters, currently leaking quite badly in Culbertson.
- Floors with long-wearing laminate floors.
- Sub-standard, flimsy kitchen cabinets with long-wearing updates.

**General comfort and quality of life features**
- The air source heat exchangers will provide air conditioning, and replace the wall units that are loud, poorly located, and present a forced-entry hazard.
- In-unit energy efficient washers and dryers, as well as microwave ovens.
- WiFi internet access.  - Benches and picnic tables.
- Sound-proofing between units.  - Carports over the parking area.

Thanks, in advance, from these community leaders and the YV residents!
~~ Tenants          ~~ Mayor of Culbertson
~~ Mayor and City Council of Wolf Point  ~~ Culbertson City Council member
~~ Roosevelt County Commissioners       ~~ Disability Rights Montana
~~ Great Northern Development Corporation  ~~ Roosevelt County Health Dept Director
~~ Wolf Point School District Superintendent  ~~ Culbertson Chamber of Commerce
~~ Superintendent of the Brockton School District
~~ Wolf Point Chamber of Commerce Board of Directors
~~ Local business leaders whose employees earn a rate of pay that qualify for living in the Yellowstone Villas

The only application from East of Billings!

Thank you for consideration of this application – and your hard work reviewing all of them!
September 30, 2016

Chairman Crowley & Members of the Board
Montana Board of Housing
301 S. Park Ave, Room 240
Helena, MT 59601

RE: Polson Landing
2017 MHTC Application

Dear Chairman Crowley & Members of the Board,

Housing Solutions LLC is pleased to again be championing Polson Landing before the Montana Board of Housing. As identified in the Mini Market study, and confirmed in the full Market Study, the time is right for this project. The tight rental market, growing Polson economy, project location and community support speak to the incredible need for Polson Landing and ensure its success.

Over the years we’ve commission several preliminary market studies for Polson. Each year they’ve revealed a great need but the difficulty in finding suitable land has made it impossible to bring an application forward. Our first full market study, completed in September 2015, showed a great need for rental housing across the board, both market rate and affordable. The Market Study completed in August 2016 showed progress in meeting the need for market rate rental housing with 14 new units coming online. Unfortunately, and is usually the case in a tight market, they are unaffordable to those we serve with rents at $1,100 for a three bedroom. With rental rates high it is not surprising to find the existing affordable rental housing stock is 100% occupied with waiting lists. Mr. Murphy, manager of the Lakeview Village Apartments, an all 1 bedroom project based rental assistance property, stated he receives a significant number of inquiries from families with children but is simply unable to help them. The Lake County Community Housing Office reported over 175 households waiting for affordable housing. With rents 13 – 53% below market, Polson Landing will meet an incredible need in this growing community.
As you may remember from our August presentation, the landscape is changing in Polson. Wal-Mart expanded to a “Supercenter” and Murdoch’s opened in Polson. In the last 24 months Walgreens, Red Lion Hotel, Mackenzie River Pizza, two new auto parts stores opened their doors. Polson Health Clinic, in partnership with Kalispell Regional Healthcare, expanded into a new facility in 2015. A Taco Bell, Copper Mountain Coffee, Edward Jones office, physical therapy clinic and several other businesses are just the latest additions to Polson. In talking with staff and managers of these businesses, the need for Polson Landing was affirmed. Many of their employees are forced to “commute in” from surrounding areas because they simply cannot afford to live in Polson.

One of Polson Landings greatest assets is it’s location. The project, located in the new Ridgewater Development, is close to everything. Walmart and Walgreens are less than a mile away. The new Polson Health Clinic is less than a half mile from the site. In fact, most of the new Polson amenities listed in the previous paragraph are also located in the Ridgewater development. The best neighbor, located just across the street, has to be the recently completed Mission Valley Aquatic Center, a year round indoor swimming. If swimming isn’t what residents desire, the Polson Youth Soccer Association fields, also just across the street, will give residents plenty of space to stretch their legs. Lastly, because the project is in a newly developed area the streets have sidewalks that connect to the Walk/Jog/Bike Path which takes you into the heart of Polson.

Finally, this project is well supported in the community. The first meeting between Housing Solutions LLC and the City of Polson was very timely, as they had been discussing the need for sometime but unsure of how to move forward. Multiple meetings with city staff and commission have resulted in this application being fully supported by the City of Polson. We are working with the Salish and Kootenai Housing Authority and the Lake County Housing Assistance office to market these units to those who need them most. New this year, and a first for Housing Solutions LLC, is the support of the project by the Confederated Tribes Salish and Kootenai Tribes of the Flathead Reservation. We are honored to be working to bring housing that will be affordable and available to tribal members.

It has been known for sometime that Polson was in great need of new affordable rental housing and the pieces of the puzzle are now in place. Polson, with no new affordable housing in the last 10 years, is ready for Housing Tax Credit supported community. We are proud to be working on this project and look forward continuing to meet Montana’s housing needs with the Montana Board of Housing.

Kindest Regards,

Alex Burkhalter
Housing Solutions LLC
October 3, 2016

Mary Bair
Montana Board of Housing
PO BOX 200528
Helena, MT 59620-0528

Dear Mary,

We are excited to present our tax credit application for preservation of the Meadows apartments in Lewistown, MT to the staff and Board of the Montana Board of Housing for consideration. The Meadows was originally built in 1978 and consists of 35 one and two bedroom apartments in nine (9) buildings. They are all single story apartments for seniors 62 years and older and persons with disabilities. This property is almost 40 years old and is in need of capital improvements. Thies & Talle, the current owner, intends to transfer ownership to a new entity and remain on as co-developers with Homeword to rehabilitate the project. Rehabilitation will include a new roof, new siding, a new parking lot and concrete work, new doors, insulation and unit upgrades. The hope is to put in enough improvements so that the project can serve seniors in Lewistown for another 46 years.

The Meadows currently has a Section 8 contract providing rental assistance to all 35 units and the transfer of this project will keep and secure this essential contract. These rental housing subsidies are not a precious resource for those living on fixed incomes and we need to ensure they do not go away. It would be a significant loss for Montana if the subsidy is lost and an even more significant loss for Lewistown and the surrounding counties if this affordable senior housing is lost.

This project is the preservation of much-needed affordable housing in the City of Lewistown, Montana. The expenses for operating the housing are fairly high due to its age and condition. The rents are limited through the HUD Mark-up-to Market program and can only be adjusted based on the OCAF during the initial 5 years of the contract and then a rent comp study every five years will reset them to the new comparable rents. Therefore, the size of a new mortgage on the property is somewhat limited. The developer will commit to restricting more than 10% of the units to 40% area income. All of these restrictions limit the size of the new debt on the property and therefore creates a need for the 110% boost.

Homeword and Thies and Talle are pleased to be working together on the rehabilitation and preservation of the Meadows. Thies and Talle, the current owner, has chosen a partner in which they are confident will take care of the property and its residents into the future. We both want to preserve an important Lewistown community housing asset, ensuring that the elderly and disabled of the community can find an affordable housing option in their hometown and not have to move elsewhere away from family and friends.

We are also pleased to express our intent to meet the goals of MBOH’s 2017 MHTC round. We are submitting two unique partnership projects. With the intent to “do more with less”, we intend on...
leveraging the scale of both projects for the most advantageous syndication. While both projects are appealing, we will be presenting the two opportunities together to present an attractive package to investors due to the size of the combined investment and geographic diversification within Montana. All indications are there will be additional efficiencies by working with the same financial partners in terms of streamlined legal documentation and underwriting since they are closing within six (6) months of each other.

Thank you for your continued support of our work! We look forward to hearing from you.

Sincerely,

Andrea Davis
Homeword Executive Director

Ken Talle
President of Thies and Talle Enterprises, Inc.
September 28, 2016

Ms. Mary Bair
Multifamily Program Manager
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

RE: LIHTC Application – Gateway Vista, LLLP

Dear Ms. Bair:

Enclosed you will find the Gateway Vista, LLLP 2017 Housing Credit application. If awarded, the tax credits will provide the financial resources necessary to construct Gateway Vista, a 24-unit affordable housing multifamily community in Billings, Montana.

YWCA Billings, the project sponsor, and Mountain Plains Equity Group have combined resources and expertise in an effort to address the ever growing affordable housing needs in Billings and the surrounding rural region YWCA serves.

YWCA Billings has been working for several years on a goal to provide affordable housing for low- to moderate income families – especially women and their children who are trying to break away from a life of violence and poverty. This project is well-suited to fulfilling both the YWCA mission and vision.

YWCA Mission
YWCA Billings is dedicated to saving and changing lives. We improve the lives of women and children through programs that create significant, positive impact for our community and support YWCA USA's mission to eliminate racism, empower women and promote peace, justice, freedom and dignity for all.

YWCA Vision
To reach beyond the short-term safe shelter provided by YWCA's Gateway House by offering affordable transitional housing that incorporates employment counseling, job training, child care, and other services so we can deliver meaningful support over a longer period for women and families striving to gain solid footing and break the cycles of violence and poverty.

The need for affordable housing in Billings is well documented. The Market Study and the Billings Five-Year Consolidated Plan FY 2015-2019 address the low vacancy rate, the increase in demand for affordable housing and the expanding population of Billings. The Five-Year Consolidated Plan also stresses that the most severe housing problem the City's residents experience is paying more than 30% of their household income for housing expenses. The Five-Year Consolidated Plan further identifies "affordable housing" as one of the five top needs as the City's population grows and therefore, the City of Billings placed the development of affordable housing into its priority strategies and objectives.
With the overall vacancy rate in Billings continuing to be very tight at 1.1%, rents in the city continue to increase and have raised an average of 10% – 12% over the past three years. The Housing Authority of Billings presently has a waitlist of 2,662 names for Section 8 vouchers and 1,678 for public housing. As Lucy Brown, Executive Director of Housing Authority of Billings states, "The Billings community is extremely short on affordable housing for the low income ...even when a household is issued a voucher they are unable to find a place to live. Only 47% of those looking for an affordable unit are able to find a unit. The current Section 8 waiting list is approximately 2,650 Households long".

YWCA Billings currently provides free emergency housing for victim of domestic and sexual violence, operating the only secured, 24-hour, 365 day-per-year shelter in more than an 18,000 square-mile region. Last year, YWCA Billings provided 7,857 nights of safe shelter and respite from violence to 143 women and 116 children. Presently victims can stay in the Gateway Shelter for up to 12 weeks during which they receive free housing, food, and meaningful support through YWCA’s Transitional Services Program.

They make progress during that 12 weeks, but need a longer time to truly get on their feet. And the biggest issue is—with the lack of affordable housing in Billings, many go back to their abusers just to have a roof over their heads—or they end up on the streets.

YWCA Billings’ affordable apartment project will offer housing that allows people to stay on our campus longer than their 12-week Gateway Shelter residency. Tenants will pay sliding scale rents which are income-based and will also be enrolled in YWCA programs giving them access to on-site, life-changing services at no additional charge. The Transitional Services incorporate employment counseling, job skills training, child care, legal services and other support to help people change their lives for the long term.

Nearly 98 percent of the women YWCA Billings assists are, disadvantaged, or under-served, and many are impoverished single females raising children. With the development of Gateway Vista, the YWCA Billings will be able to better change and improve the circumstance of these families. By offering affordable housing coupled with the life-changing services they need to succeed, Gateway Vista will enable these women to start a new life and have the skills and strength to meet their goals to become self-sustaining over the long term.

At this time, we respectfully request the Montana Board of Housing approve the housing tax credit allocation necessary to facilitate the development of Gateway Vista. Thank you in advance for your attention and consideration.

Sincerely,

YWCA Billings

Merry Lee Olson
CEO
September 28, 2016

Via email: mbair@mt.gov

Ms. Mary Bair  
Multifamily Program Manager  
Montana Board of Housing  
301 S Park Ave, #240  
Helena, Montana 59601

RE: Aspen Place Phase III Apartment Community – Butte, Montana

Dear Ms. Bair:

This letter accompanies our application for a 9% Low-Income Housing Tax Credit allocation, which is necessary to construct this affordable family apartment community. We need not obtain either HOME or CDBG funds to make this development economically viable.

Butte Affordable Housing, Inc. ("BAH") and Thomas Development Co. ("TDC") are the co-developers for Aspen Place Phase III. Affiliates of BAH (Butte Affordable Housing IV, LLC) and TDC (Pukalani Investments, LLC) are the co-owners of Aspen Place Phase III. Affiliates of these entities have also acquired Aspen Place Phase I and Aspen Place Phase II and have completed a $1,500,000 HOME-funded renovation. Butte Affordable Housing, Inc. and Thomas Development Co. were also the co-developers for Meadowlands Apartments.

Aspen Place Phase III will be distinctly different architecturally from Aspen Place Phase I and Phase II. The building design is one that TDC has constructed with much success in other locations, the most recent of which is Summerhill Apartments in Idaho Falls, Idaho.

The Market Study is very positive on the need for affordable housing in Butte. Vacancy in Tax credit and Low Income units is 0% and there is an immediate need for 223 additional rental units. See page 5 of the Market Study. Of particular interest to us is the notation contained in the Butte-Silver Bow County Growth Policy dated 2008 that 28% of the existing housing stock in Butte-Silver Bow County is substandard.

Please also note this proposed development is receiving support from the Human Resource Council District XII (HRC), a support service provider who offer case management, training, and other critical services for individuals and families in need.

Aspen Place Phase I, Phase II, and Meadowlands have all been well accepted in the Butte marketplace. The proximity to goods and services is very good. Subsequently, each property holds a significant waiting list. Construction of this development is wholeheartedly supported by the Butte-Silver Bow County, Chamber of Commerce, Public Housing Authority, and other Butte-Silver Bow organizations, as evidenced by the support letters we have included elsewhere in this application.
The following charts mine data from the Montana Board of Housing website and clearly demonstrate that Butte, when compared to all cities in Montana, has received significantly less Low-Income Housing Tax Credit resources than any of Montana's other cities.

<table>
<thead>
<tr>
<th>City</th>
<th># of Projects</th>
<th>Total Units</th>
<th>% of Total Units</th>
<th>% of Population</th>
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<tr>
<td>Bozeman</td>
<td>13</td>
<td>491</td>
<td>8.5%</td>
<td>4.2%</td>
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<tr>
<td>Butte*</td>
<td>3</td>
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<td>2.0%</td>
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<tr>
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</tr>
<tr>
<td>Helena</td>
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<tr>
<td>Kalispell</td>
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<tr>
<td>Missoula</td>
<td>27</td>
<td>866</td>
<td>15.0%</td>
<td>6.9%</td>
</tr>
</tbody>
</table>

*Under Served

While there is likely need shown in all the cities listed above, we hope the staff and the Board will carefully look at this imbalance and act favorably on this application.

Thank you for your consideration.

Sincerely,

Aspen Place III, LLC,

By: Butte Affordable Housing IV, LLC,
 Its: Co-Manager

By: Revonda Stordahl, Manager

By: Pukalani Investments, LLC,
 Its: Co-Manager

By: Thomas C. Mannscheck, Manager

TCM: dls/ams/rs/asf
C:\Users\jstordahl\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\Q93R4064\Aspen III-Bair-Cover Letter 09-25-16-Clean (3).doc
October 3, 2016

Mary Bair  
Montana Board of Housing  
PO BOX 200528  
Helena, MT 59620-0528

Dear Mary,

We are excited to present our tax credit application for adaptive reuse of the Livingston Memorial Hospital in Livingston, MT to the staff and Board of the Montana Board of Housing for consideration. Near the Yellowstone River in a well-established neighborhood in Livingston, this project will provide sustainably designed homes for households earning less than 60% Area Median Income. The former Livingston Memorial Hospital, as part of the Livingston Health Care Facility, was acquired with the intent to re-use the buildings for residential purposes. Livingston HealthCare opened its new facility with expanded services to the region. The existing owners of the former hospital and ancillary buildings are driven to help Livingston solve for challenging affordable housing issues the community faces. For this reason, they approached Homeward who has been assessing feasibility of converting the former hospital into affordable rental housing for the community. The building is located at 504 South 13th Avenue in the middle of a well-established walkable neighborhood near services, retail and entertainment.

Need in Livingston is evident. Local economic developers met with HRDC and MSU Extension services to discuss the impacts they are feeling due to the lack of available housing in Livingston and surrounding areas. Direct correspondence with a key business owner revealed details of these impacts.

“This issue is a high priority now in Livingston. There are several restaurants in town that cannot find help because the help doesn’t have anywhere to live. Rib & Chop House had to par down their menu from 5 pages to 2 pages just to make it through the summer. The Beanery can’t find line cook help. The new Feed Lot 49 restaurant cannot find a line cook and The Mustang cannot find kitchen help they are down 2 people. This is just the icing on the cake!"

The other piece of the puzzle here is the VRBO situation. As an example the house two doors down from mine has 5 rentals in it that are really nice. A guy bought the house, lives in one unit and rents the others through VRBO. All five renters had to move. This is super common and I hear it a lot from locals that come into the brewery. If you look at Craigslist where a majority of the housing is listed for rent and do a search under “Livingston” on most given days you may find 2 rentals a lot of times there are zero. Also due to the demand the rental prices far exceed the wages in town.

“There is also a Murdoch’s that is being built South of Alberton’s on your way to the Paradise Valley. Everyone in town is wondering where they are going to find workers and if they bring some over from Bozeman where will they live? People want to leave Bozeman because the cost of living is so high. In just the past 6 months Big Timber has been experiencing a boom of housing being sold because people from Livingston are moving there, houses are really inexpensive there.”

As part of Homeward’s feasibility, we asked Property Dynamics to assess both family and senior housing needs. Livingston has a clear need for both, so we are proposing a unique architectural solution. Part of
the building will be designed with through-unit designs with exterior entrances, no corridors. The other portion of the building will utilize the old emergency room entrance and convert it into a main entrance for the complex. This will be the main access for a portion of the units retaining the central corridors for interior entries for covered access as well as direct access to the community room, onsite laundry and other interior amenities. The apartments that are entered from the interior will be fully accessible or adaptable for accessibility for all. For flexibility, the project is deemed a “family” project, but we expect it will serve a wide range of household types including seniors. The market study states that the “new unit demand estimate” is 50 units to serve the family population and “although we have noted, we feel that the need is about double that amount” (see page A-38). The summary on page A-44 also notes the 50 new unit demand does not take into account senior households. With senior households considered, 75 units is the community demand.

This proposed adaptive reuse includes 35 apartments consisting of studio, one and two bedroom units. This range of unit size will help meet the wide range of housing needs in Livingston including housing for seniors, people living with disabilities, and families. Many, if not all, services are within easy walking distance from this site. The building located in the heart of one of Livingston’s most established neighborhoods and the community would like to see this building put back to good use soon, being utilized for a community benefit. This project qualifies for Rural Development funding, will serve restrict more than 10% of the units to 40% area income and is also located in a market with unusual market conditions. For all of these reasons, we are requesting a 110% basis boost.

The Livingston housing market is very tight; many units are sub-standard and market rents are much higher than tax credit rents overall. The desirability of this location in Montana is compounded by the large percentage of the housing stock being used for VRBO and AirBnB purposes. Bozeman is the closest community, but struggles to provide housing that can be afforded as well. There are limited options and the community is feeling that impact.

Homeward is thrilled to be working closely with the HRDC Bozeman on this project. Their experience and equally strong mission and programmatic solutions will pair well for this and future projects. Their knowledge of the market and expertise in all things housing will add immense value and credibility to the project overall.

We are also pleased to express our intent to meet the goals of MBOH’s 2017 MHTC round. We are submitting two unique partnership projects. With the intent to “do more with less”, we intend on leveraging the scale of both projects for the most advantageous syndication. While both projects are appealing, we will be presenting the two opportunities together to present an attractive package to investors due to the size of the combined investment and geographic diversification within Montana. All indications are there will be additional efficiencies by working with the same financial partners in terms of streamlined legal documentation and underwriting since they are closing within six (6) months of each other.

Thank you for your continued support of our work! We look forward to hearing from you.

Sincerely,

Andrea Davis  
Homeward Executive Director

Heather McMilin  
Homeward Housing Development Director
August 29th, 2016

Ms. Mary Bair
Montana Board of Housing
PO Box 200528
Helena, MT 59620-0528

Dear Ms. Bair,

We are pleased to submit this tax credit application for our 30-unit new construction project known as Blackfeet Homes VI. The project is located within the boundaries of the Blackfeet Indian Reservation in the town of Browning. Our goal is to develop a highly energy efficient and affordable low-income housing project on the reservation. The application presented to the Board will highlight how the project benefits our community and features innovative design and operational concepts, while at the same time is aligned with the state’s mission of providing affordable housing to low-income families.

- Unit Types
  - 20 three-bedroom and two bath single family units
  - 10 four-bedroom and two bath single family units

- Income Targeting
  - 4 units at or below 40% AMI
  - 19 units at or below 50% AMI
  - 7 units at or below 60% AMI

Several financing and operating aspects of this application make our project unique when compared to non-tribal applications. First and foremost, the project will be financed with no hard debt. The source of financing will be a combination of investor equity and Blackfeet Housing funds, with the funding provided by Housing structured as soft debt payable only from available cash flow.

Second, because the rents listed in the application are essentially breakeven rents and some tenants may pay more or less based on their actual incomes, Housing will execute an “Operating Deficit Agreement” to ensure that units occupied by tenants with incomes not high enough to pay the contract rent will nonetheless be managed and maintained as if sufficient income were generated. This project-based subsidy will be in effect for the entire compliance period and is therefore more stable than a tenant-based subsidy subject to appropriation. At no time will the rents and utilities exceed the maximum allowable rents per targeted income set-aside.

Third, Housing has also committed to paying an operating subsidy, as needed, of up to $250 per unit per month to cover all operating expenses not covered by tenant-paid rent (please see the Housing Assistance Payments agreement in the miscellaneous folder). HUD and IRS regulations allow tribes to use NAHASDA funds to subsidize units receiving funding through the LIHTC program.
The need for this housing is undeniable. Blackfeet Housing maintains a waiting list which supports the addition of the new low-income rental units, and the need for new units is clearly documented in our IHP and the independent third-party market study. Moving families into new homes financed through the LIHTC program would help us better meet our mission of providing affordable housing to our community members. Blackfeet Housing has proven that it is a capable developer and housing management entity with five previous LIHTC projects and hundreds of other low-rent homes in its inventory. We are confident in our ability to succeed.

As you know, it is extremely difficult to develop housing on the reservation. With the funds we can generate from the tax credit program, we can stretch our resources and build safe, decent, and energy efficient houses for our families. We are excited about embarking on our sixth tax credit project and look forward to working with MBOH on this project. If at any time you have any questions, please do not hesitate to contact my office.

Sincerely,

Chancy Kittson
Executive Director
October 3, 2016

Board of Directors
Mary Bair – Multifamily Program Officer
Montana Board of Housing
301 S. Park Avenue, Room 240
Helena, MT 59601

Re: Rockcress Commons Apartments, Great Falls, MT – 9% LIHTC Application

Dear Ms. Bair and Board Members,

On behalf of the housing development staffs of NeighborWorks Great Falls and GMD Development, we are pleased to submit for your consideration our application for 9% low income housing tax credits for the construction of a 124 unit family apartment project.

An annual allocation of $670,250 in 9% credits now would allow for a needed expansion in the number of affordable housing units serving this high demand rental market with a high quality housing community.

Some additional highlights of our application:

- Rockcress Commons is planned as a 124 unit new construction, family affordable community with 1, 2 and 3 bedroom units with competitive amenities on approximately 10 acres.
- Rockcress Commons will serve 10% @40% AMI; 41% @ 50% AMI and 49% @ 60% AMI.
- 80% of all units will be one- and two-bedroom units which are in great demand in the market.
- Rockcress Commons will be financed using a relatively new approach combining competitive 9% and non-competitive 4% tax credits. Approximately 3-4 times the number of new construction units created with 9% credits when combined with 4% credits.
- Rockcress Commons is located near several large employers including Great Falls College MSU and Benefis Hospital, as well as many smaller, service employers.
- Renewable energy systems, such as solar photovoltaic, and solar-thermal hot water are planned to be incorporated to offset utility costs for the residents and the common areas.
• Per the Market Study (folder “Threshold Item #7”), the Great Falls rental market, the vacancy rate at Great Falls’ 1.2% for both conventional and tax credit communities, with waiting lists at multiple properties. The number of new units needed is 331. Proposed rents at this property are 13-33% below market rents.

• The City of Great Falls 2015-2019 Consolidate Plan (folder “Community Revitalization Plan”) has ranked the creation of affordable housing as a top goal and indicates that 38.7% of renters are cost burdened and paying over 30% on housing.

• The Letters of Intent (folder “Threshold Item #12) for the purchase of the 9% and 4% tax credits results in a total projected equity investment of over $10.9 million which will heavily leverage the use of this limited resource.

The attached LIHTC application demonstrates the urgent need to develop new housing units in a high demand market, a wide range and depth of local support, an innovative financing plan, a construction scope that utilizes alternative energies and green building practices, all carefully managed by a highly experienced affordable housing development team with an outstanding track record in Montana.

If you have any questions, please do not hesitate to contact Steve at 206-745-6464 or Steve@gmddev.net or Neil at (406) 761-5861, Nfortier@nwgf.org.

Regards,

Steve Dymoke
GMD Development, LLC

Neil Fortier
NeighborWorks Great Falls, Inc.
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<tr>
<th>County</th>
<th>Roosevelt</th>
<th>Polson/Flath</th>
<th>Montana</th>
<th>Yellowstone</th>
<th>Silver Bow</th>
<th>Park</th>
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<td>Polson Landing</td>
<td>The Meadows</td>
<td>Gateway Vista</td>
<td>Aspen Place III</td>
<td>Memorial Hospital</td>
<td>Blackfeet Homes VI</td>
<td>Rockcress Commons</td>
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<td>GL Dev</td>
<td>Solutions LLC</td>
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<td>Soft Cost 30.00%</td>
<td>33.38%</td>
<td>18.86%</td>
<td>29.22%</td>
<td>34.01%</td>
<td>28.26%</td>
<td>22.27%</td>
<td>11.36%</td>
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<tr>
<td>Per Unit Comparison</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cost per unit</td>
<td>$222,250</td>
<td>$197,144</td>
<td>$145,111</td>
<td>$193,265</td>
<td>$210,817</td>
<td>$229,626</td>
<td>$229,162</td>
<td>$153,829</td>
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<td>Credits per unit</td>
<td>$16,750</td>
<td>$17,571</td>
<td>$10,019</td>
<td>$15,906</td>
<td>$16,426</td>
<td>$16,686</td>
<td>$22,333</td>
<td>$5,405</td>
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<tr>
<td>Operating Cost per unit</td>
<td>$4,883</td>
<td>$4,164</td>
<td>$5,411</td>
<td>$5,080</td>
<td>$4,947</td>
<td>$4,753</td>
<td>$2,281</td>
<td>$3,449</td>
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<tr>
<td>Replacement Reserves</td>
<td>$3,438</td>
<td>$300</td>
<td>$4,395</td>
<td>$4,101</td>
<td>$3,188</td>
<td>$3,571</td>
<td>$760</td>
<td>$3,599</td>
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<tr>
<td>Per Square Foot Comparison</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction / Rehab per sq ft</td>
<td>$172.86</td>
<td>$133.80</td>
<td>$123.04</td>
<td>$111.01</td>
<td>$132.19</td>
<td>$174.62</td>
<td>$145.04</td>
<td>$121.76</td>
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<tr>
<td>Total Project Cost per sq ft</td>
<td>$283.48</td>
<td>$187.60</td>
<td>$218.11</td>
<td>$183.06</td>
<td>$207.47</td>
<td>$278.91</td>
<td>$161.76</td>
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<tr>
<td>Credits per sq ft</td>
<td>$213.65</td>
<td>$167.21</td>
<td>$150.58</td>
<td>$150.66</td>
<td>$161.66</td>
<td>$202.67</td>
<td>$157.65</td>
<td>$72.52</td>
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</tbody>
</table>
PROGRAM
Multifamily Program

AGENDA ITEM
Vista Villa – Great Falls, MT – Tax Exempt Bond resolution request.

BACKGROUND
Vista Villa located in Great Falls Montana is a 96 unit family at 715 Third Ave. NW. 92 of the units have PBS8 subsidy. This will be an estimated $9,000,000 tax exempt bond transaction. There is also a Housing Credit request for $4,641,370 4% credits which go along with the T. E. Bond.

PROPOSAL
Staff has reviewed the application.

Staff requests the Board consider the request for the Bond Resolution

If the Board decides to move forward staff recommends:

Approving the attached Bond Resolution
August 25, 2016

Ms. Mary Bair
Montana Board of Housing
301 S Park Avenue
Helena, MT 59601

Re: Vista Villa Apartments – Low Income Housing Tax Credit Application

Dear Ms. Bair:

We are pleased to submit our tax credit application for Vista Villa Apartments (the Project). Below is a summary of the Project, Project Team and Management Company, and Improvements. We have included our Development Evaluation Criteria Scoring and comments on an excel sheet that was uploaded with our Uniform Application.

The Project
Vista Villa Apartments is a 96-unit scattered site family housing development. It was developed in the early 1970s and financed under the Section 236 program. Through one and two bedroom apartments it serves low- and moderate-income families in Great Falls. In 1994, the project entered into the Low Income Housing Preservation and Resident Homeownership Act (LIHPRHA) program and a new Use Agreement was put into place. This Use Agreement placed certain restrictions on the property regarding income limits, rent adjustments, and annual distributions. This Use Agreement restricts income as follows: Very-low Income (50% AMI) 63 households; Low Income (60% AMI) 29 households; Moderate Income (80% AMI) 4 households.1

These targeting requirements were annotated to indicate that at any time the property owner may increase the number of Very-low income residents at the property, and the Project currently has a Housing Assistance Payment (HAP) Contract, which covers 92 of the 96 units. This HAP Contract was renewed on June 1, 2013, for a twenty-year term and expires May 31, 2033. In February 2016, the current owner of the Project submitted a request to the Denver HUD Multifamily Hub, to add the four non-HAP units to the current HAP contract, and therefore, the four moderate income (80% AMI) units will be restricted to very-low income (50% AMI) units. This request was made because HUD had existing project based vouchers to transfer to Vista Villa and this transfer is allowed under Section 8bb. It is expected that these units will be added to the HAP contract prior the sale of the Proposed Owner. The Proposed Owner has also submitted a request to mark up the rents to the levels set forth in this application and renew the HAP contract for another 20 year term and agrees to a 15 year Extended Use Period after the initial 15 year tax credit compliance period.

Today, the Property continues to function as an important community asset but suffers from dated living spaces, inadequate unit amenities and a lack of community resources. The Proposed Owner is proposing to substantially renovate the Property using a combination of a HUD 221d4 loan, tax-exempt bonds issued by the Montana Board of Housing, 4% LIHTC, and a $700,000 award from the Federal Home Loan Bank of Des Moines. Together, these funds will provide the resources to perform a top-notch renovation that will address the current needs of the

1 The income restrictions in the Use Agreement are more restrictive than the income restrictions on the tax credit application, which designate 50% of the units at 50% AMI and 50% at 60% AMI. These income restrictions were made on the tax credit application to satisfy the requirements under MCA 15-6-221 for the real estate tax exemption, and to ensure that the tax credit restrictions were less restrictive than the Use Agreement in order to mitigate risk in the event that the Use Agreement was eliminated due to inadequate funding for the HAP.
property and position it for years of success in the future. Following renovations, the property will contain 16 one-bedroom units and 80 two-bedroom units, and 100% of the units will be covered the HAP contract.

Project Team and Management
Wishrock Investment Group II LLC (WRG) is a national developer of affordable housing that specializes in the preservation of federally subsidized housing. WRG has formed a Montana limited liability limited partnership called Vista Villa Housing Associates LLLP (VVHA) to acquire the Vista Villa Apartments. Boston Financial Investment Management LP will be admitted as the limited partner at closing. Vista Villa Developers LLC will serve as the project developer. Within this application, VVHA is requesting $464,137 in annual LIHTCs. This allocation of credits will help to fund the acquisition and renovation of the property, and to preserve its affordability. Assuming this request is approved in October 2016, closing is expected to occur in November 2016. The Proposed Owner plans to continue using Tamarack Management Company (“Tamarack”) as Management Agent at the Property. Tamarack is experienced in managing Section 8 properties and knows the Property well. Headwaters Construction will be performing the renovation and Encompassv2 will be the design and supervisory architects.

Financial and Physical Improvements
The Proposed Owner plans to perform a substantial renovation of the Property using 4% LIHTCs, a FHLB award and a HUD loan. Together, these resources will allow over $5,700,000 in renovations to take place. They will also allow the property to have a properly funded operating reserve and to maintain the 1 month GPR funding of the replacement reserve. The proposed loan will be in the approximate amount of $8,353,000, with an estimated interest rate of 3.5% and MIP of 0.25%. In addition, there will be a $700,000 FHLB loan from NWGF. It will be a soft loan, payable after maturity of the HUD mortgage. The scope of the renovation includes, but is not limited to, the following:

- Roof replacement
- Window replacement
- Siding replacement
- Exterior door replacement
- Landscaping
- Air-sealing/insulation
- Unit entry door replacement
- Painting
- New flooring
- Window blinds
- Kitchen cabinet replacement
- EnergyStar appliances
- Safe removal of select ACMs
- Installation of A/C systems
- New heating system
- New hot water system
- Laundry room renovations
- Low-flow water fixtures
- 0.8 gpf toilets
- Unit, site and property signage

The renovation will take place on a building-by-building basis and will involve the on-site relocation of residents. This relocation will be fully paid for by the Proposed Owner. By doing the renovation in this manner, we will be able to maintain occupancy at approximately 80% throughout construction and accelerate the final lease-up of the Property. This will also ensure that we are continuing to maintain as much affordable housing stock to the Great Falls community as possible while minimizing disruptions to existing residents. The total duration of the construction contract is expected to be one year and should start in the fall of 2016.

The renovation will also earn Vista Villa the coveted Enterprise Green Communities certification – an indication that the Property has been designed, renovated and operated in a manner that is sensitive to the environment, resident health and community health. This certification is key to substantially all of Wishrock’s development work now that we are a part of the President’s Better Building’s Challenge.

Sincerely yours,

Tyson Radley O’Connell
Vice President
tyson.oconnell@wishrockgroup.com
August 18, 2016

Vista Villa Housing Associates LLLP
Attn: Lauren Moore
PO Box 5123
Missoula, MT 59806

RE: Vista Villa Apartments
Great Falls, Montana

Dear Ms. Moore,

I am writing you in regards to the acquisition and rehabilitation of the Vista Villa Apartments in Great Falls, MT. It is my understanding that through the efficient use of low-income housing tax credits (LIHTCs) and debt financing, the 96-unit multifamily affordable scattered-site housing project will undergo substantial rehabilitation totaling approximately $60,000 per unit.

I appreciate your efforts to provide clean, safe and affordable housing in Great Falls. The renovation will provide a boost to the quality of affordable housing in Great Falls. It is my pleasure to state my support for the renovation of Vista Villa Apartments.

Sincerely,

Kevin Hager
Executive Director
Great Falls Housing Authority
<table>
<thead>
<tr>
<th><strong>City / County</strong></th>
<th>Great Falls/Cascade</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Name</strong></td>
<td>Vista Villa</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Developer / General Ptnr</strong></th>
<th>G-Funk/NWGF</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GP Organizational Type</strong></td>
<td>For-Profit</td>
</tr>
<tr>
<td><strong>Set-aside</strong></td>
<td>General</td>
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<tr>
<td><strong>HC Requested</strong></td>
<td>$ 464,137</td>
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<tr>
<td><strong>Project Type</strong></td>
<td>Sr</td>
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<tr>
<td><strong>Construction Type</strong></td>
<td>Acq/Rehab</td>
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<tr>
<td><strong>Projected Construction Start</strong></td>
<td>Jan-17</td>
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<tr>
<td><strong>Projected Completion</strong></td>
<td>Oct-17</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Unit Numbers</strong></th>
<th><strong>Target</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>0-bdrm</td>
<td>40% 0</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>60% 0</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>40% 0</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>60% 0</td>
</tr>
<tr>
<td>2-bdrm</td>
<td>40% 0</td>
</tr>
<tr>
<td>2-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>2-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>2-bdrm</td>
<td>60% 0</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>40% 0</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>50% 0</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>60% 0</td>
</tr>
<tr>
<td>other mgt</td>
<td>0</td>
</tr>
<tr>
<td>other mkt</td>
<td>0</td>
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</tbody>
</table>

| **Total Units** | 96         |

<table>
<thead>
<tr>
<th><strong>Square Footage</strong></th>
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<tbody>
<tr>
<td>Low Income/Common</td>
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<tr>
<td>Market/Commercial</td>
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<tr>
<td><strong>Total</strong></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Unit Rents</strong></th>
<th><strong>Target</strong></th>
<th><strong>Monthly Rent</strong></th>
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<tbody>
<tr>
<td>0-bdrm</td>
<td>40%</td>
<td>$ -</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>50%</td>
<td>$ -</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>50%</td>
<td>$ -</td>
</tr>
<tr>
<td>0-bdrm</td>
<td>60%</td>
<td>$ -</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>40%</td>
<td>$ -</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>50%</td>
<td>$ 811</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>50%</td>
<td>$ -</td>
</tr>
<tr>
<td>1-bdrm</td>
<td>60%</td>
<td>$ 811</td>
</tr>
<tr>
<td>2-bdrm</td>
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<td>$ -</td>
</tr>
<tr>
<td>2-bdrm</td>
<td>50%</td>
<td>$ 948</td>
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<td>$ -</td>
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<tr>
<td>2-bdrm</td>
<td>60%</td>
<td>$ 948</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>40%</td>
<td>$ -</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>50%</td>
<td>$ -</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>50%</td>
<td>$ -</td>
</tr>
<tr>
<td>3-bdrm</td>
<td>60%</td>
<td>$ -</td>
</tr>
<tr>
<td>other mgt</td>
<td>0</td>
<td>$ -</td>
</tr>
<tr>
<td>other mkt</td>
<td>0</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total Monthly Rents</strong></td>
<td>$ 88,816</td>
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<tr>
<td><strong>vacancy factor</strong></td>
<td>5.00%</td>
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<tr>
<td><strong>Adjusted Rent</strong></td>
<td>$ 84,375</td>
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<tr>
<td>City / County</td>
<td>Great Falls/Cascade</td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------</td>
<td></td>
</tr>
<tr>
<td><strong>Project Name</strong></td>
<td><strong>Vista Villa</strong></td>
<td></td>
</tr>
<tr>
<td>Developer / General Ptnr</td>
<td>G-Funk/NWGF</td>
<td></td>
</tr>
<tr>
<td>other/commercial income</td>
<td>$1,375</td>
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<tr>
<td>total rent</td>
<td>$85,750</td>
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<tr>
<td>x 12 months</td>
<td>12</td>
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<tr>
<td>Total Annual Income</td>
<td>$1,029,002</td>
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</table>
### City / County
Great Falls/Cascade

### Project Name
Vista Villa

### Developer / General Ptnr
G-Funk/NWGF

<table>
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<tr>
<th>Expenses</th>
<th></th>
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<tbody>
<tr>
<td>Administration</td>
<td>$ 72,022</td>
</tr>
<tr>
<td>Management</td>
<td>$ 66,325</td>
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<tr>
<td>Maintenance</td>
<td>$ 225,665</td>
</tr>
<tr>
<td>Operating</td>
<td>$ 123,883</td>
</tr>
<tr>
<td>Taxes</td>
<td>$ 6,171</td>
</tr>
<tr>
<td>Replacement Reserve</td>
<td>$ 29,631</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$ 523,697</strong></td>
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</table>

Net Income Before Debt Service $ 505,305

### Financing Sources

<table>
<thead>
<tr>
<th>Source</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Loan</td>
<td>$ 8,353,000</td>
</tr>
<tr>
<td>Soft Loan</td>
<td>$ 590,000</td>
</tr>
<tr>
<td>HOME Program</td>
<td>$ -</td>
</tr>
<tr>
<td>CDBG Program</td>
<td>$ -</td>
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<tr>
<td>Deferred Dev Fee</td>
<td>$ 148,575</td>
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<tr>
<td>Tax Credits</td>
<td>$ 4,455,303</td>
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<tr>
<td>Other</td>
<td>$ 123,400</td>
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<tr>
<td><strong>Total Sources:</strong></td>
<td><strong>$ 14,537,338</strong></td>
</tr>
</tbody>
</table>

% of Project Financed by HC: 30.65%

### Return on Sale of HTC

- HTC Requested $ 464,137
- HTC Taken over 10 yrs $ 4,641,370
- HTC Equity $ 4,455,303
- HTC Return on Sale $ 0.960

### Debt Coverage Ratio (DCR)

- Net Income Before Debt Service $ 505,305
- Total Debt Service $ 388,305
- Debt Coverage Ratio 1.30

### Project Costs

<table>
<thead>
<tr>
<th>Component</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Land/Building/Acquisition</td>
<td>$ 3,390,000</td>
</tr>
<tr>
<td>Site Work</td>
<td>$ -</td>
</tr>
<tr>
<td>Construction / Rehab</td>
<td>$ 6,679,462</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$ 1,905,051</td>
</tr>
<tr>
<td>Developer Fees</td>
<td>$ 1,805,814</td>
</tr>
<tr>
<td>Reserves</td>
<td>$ 757,011</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td><strong>$ 14,537,338</strong></td>
</tr>
</tbody>
</table>

### Costs versus Sources

- **Total Project Costs** $ 14,537,338
- **Total Financing Sources** $ 14,537,338
- **Difference** $ -
<table>
<thead>
<tr>
<th>Project Name</th>
<th>Vista Villa</th>
</tr>
</thead>
<tbody>
<tr>
<td>City / County</td>
<td>Great Falls/Cascade</td>
</tr>
<tr>
<td>Developer / General Ptnr</td>
<td>G-Funk/NWGF</td>
</tr>
</tbody>
</table>

**Project Cost Limitations**

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Limits</th>
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<tbody>
<tr>
<td>General Requirements</td>
<td>6.00%</td>
</tr>
<tr>
<td>Contractor Overhead</td>
<td>2.00%</td>
</tr>
<tr>
<td>Contractor Profit</td>
<td>6.00%</td>
</tr>
<tr>
<td>Developer Fees</td>
<td>15.00%</td>
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<tr>
<td>Soft Cost</td>
<td>30.00%</td>
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</table>

**Per Unit Comparison**

<table>
<thead>
<tr>
<th>Cost Item</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Cost per unit</td>
<td>$151,431</td>
</tr>
<tr>
<td>Operating Cost per unit</td>
<td>$483.780417</td>
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<tr>
<td>Replacement Reserves</td>
<td>$306.66</td>
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</table>

**Per Square Foot Comparison**

<table>
<thead>
<tr>
<th>Cost Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per sq ft</td>
<td>$187.30</td>
</tr>
<tr>
<td>Operating Cost per sq ft</td>
<td>$5.98</td>
</tr>
</tbody>
</table>

**Tenant Paid Utilities**

- Heat
- Air Conditioning
- Cooking
- Other Electric
- Hot Water
- Water, Sewer, Trash

**Owner Paid Utilities**

- Heat: X
- Air Conditioning: X
- Cooking: X
- Other Electric: X
- Hot Water: X
- Water, Sewer, Trash: X

**Market Study Data:**

- Vacancy Rates: 1.4%
- Absorption Rate: 3+ mths
- % of Mkt Rents: pay 30% of income
- Units needed: 487

**Market Rents**

<table>
<thead>
<tr>
<th>Bedroom</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-bdrms</td>
<td>$700</td>
</tr>
<tr>
<td>1-bdrms</td>
<td></td>
</tr>
<tr>
<td>2-bdrms</td>
<td>$815</td>
</tr>
<tr>
<td>3-bdrms</td>
<td></td>
</tr>
<tr>
<td>Evaluation Scoring</td>
<td>Points Available</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>1 Extended Low Income Use</td>
<td>100</td>
</tr>
<tr>
<td>2 Lower Income Tenants</td>
<td>220</td>
</tr>
<tr>
<td>3 Project Location</td>
<td></td>
</tr>
</tbody>
</table>
|                                                       | Grocery Store    | 20  
|                                                       | Other            | 80  
| Total                                                  |                  | 100 |
| 4 Housing Needs Characteristics                        |                  |
| Community Input                                        | 40               |
| Appropriate Size                                       | 50               |
| Appropriate Development Type                           | 40               |
| Market Need - Vacancy                                  | 20               |
| Market Need - Absorption Rate                          | 20               |
| Market Need - Rents below Mkt                          | 20               |
| Total                                                  |                  | 190 |
| 5 Project Characteristics                              |                  |
| Preservation of or Increase                            | 20               |
| QCT or Revitalization Plan                             | 10               |
| Preservation of Aff Hsing                              | 20               |
| Project Based Rent Subsidy                             | 50               |
| Green & Energy                                         | 100              |
| Total                                                  |                  | 200 |
| 6 Development Team Characteristics                     |                  |
| Demonstrated Track Record                              | 180              |
| Trained & Cert Dev Team                                | 60               |
| Cold Weather Dev Experience                            | 90               |
| Total                                                  |                  | 330 |
| 7 Participation of Local Entity                        |                  |
| 8 Tenant Populations                                   | 100              |
| 9 Developer Knowledge and Response                     |                  |
| Management past performances                          | -                |
| Late responses to MBOH                                 | -                |
| Management Weaknesses                                  | -                |
| Total Points Available                                 | 1,290            |

City / County: Great Falls/Cascade  
Project Name: Vista Villa  
Developer / General Ptnr: G-Funk/NWGF
RESOLUTION NO. 16-1017-MF02

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING THE ISSUANCE OF ITS MULTIFAMILY HOUSING REVENUE BONDS (VISTA VILLA APARTMENTS PROJECT) SERIES 2016, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $9,000,000; APPROVING THE SALE OF SAID BONDS PURSUANT TO A PURCHASE CONTRACT; APPROVING THE TRUST INDENTURE, FINANCING AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT, CONTINUING DISCLOSURE AGREEMENT AND OTHER RELATED DOCUMENTS; 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 its bonds to purchase and make mortgage loans in order to finance housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana; and

WHEREAS, the Board intends to issue its Multifamily Housing Revenue Bonds (Vista Villa Apartments Project) Series 2016 in an aggregate principal amount not to exceed $9,000,000 (the “Bonds”), the proceeds of which will be used to finance a mortgage loan for the acquisition, rehabilitation and equipping of the Vista Villa Apartments, an affordable housing development consisting of 96 scattered site units (92 of which benefit from project-based Section 8 rental assistance contracts) located in Great Falls, Montana (the “Project”); and

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture, between the Board and Wells Fargo Bank, National Association as trustee (the “Trustee”) (the “Indenture”), which will be in substantially the form as the Trust Indenture approved by the Board with respect to its Multifamily Housing Revenue Bonds (Sage Tower Apartments Project) Series 2007A subject to the terms, conditions and limitations established herein and in the Indenture; and

WHEREAS, the proceeds of the Bonds will be used to finance a loan (the “Mortgage Loan”) to MT Vista Villa Housing Associates LLLP, a Montana registered limited liability limited partnership, or another affiliate of Wishrock Investment Group (the “Borrower”), pursuant to a Financing Agreement, by and among the Board, the Borrower and the Trustee (the “Financing Agreement”), which will be in substantially the form as such agreement approved by the Board with respect to its Multifamily Housing Revenue Bonds (Sage Tower Apartments Project) Series 2007A; and
WHEREAS, the interest on the Bonds is intended to qualify for a federal tax exemption under Section 142 of the Internal Revenue Code of 1986 (the “Code”), and to ensure that the Bonds maintain their tax exempt status, the Borrower will enter into a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), which will be in substantially the same form as such agreement approved by the Board with respect to its Multifamily Housing Revenue Bonds (Sage Tower Apartments Project) Series 2007A; and

WHEREAS, a Bond Purchase Agreement (the “Purchase Contract”) to be dated the date of sale of the Bonds between the Board, the Borrower and US Bancorp, as initial purchaser (the “Purchaser”), will be prepared in substantially the same form as such agreement approved by the Board with respect to its Multifamily Housing Revenue Bonds (Sage Tower Apartments Project) Series 2007A, pursuant to which the Board would agree to sell, and the Purchaser would agree to purchase, the Bonds at the prices and upon the terms and conditions therein set forth; and

WHEREAS, a draft of a Preliminary Official Statement (the “Preliminary Official Statement”) has been presented to the Board, containing certain information relating to the Board, the Indenture and the Bonds, and which is to be used by the Purchaser in connection with the sale of the Bonds to investors; and

WHEREAS, a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) will be prepared in substantially the same form as such document previously approved by the Board and used in connection with the sale of each series of Single Family Mortgage Bonds, 2016 Series A 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

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING AS FOLLOWS:

Section 1. Public Hearing and Findings.

(a) The Board hereby finds and determines that the Project financed through the issuance of the Bonds constitutes a “housing development” within the meaning of Section 90-6-103(8) of the Act; and

(b) In accordance with Section 90-6-109 of the Act, following a public hearing, the Board finds:

(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 Indenture and contained in the program documents relating to the mortgage loan financed thereby and to be financed are sufficient to ensure that the Project 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 Project to be financed which is 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 Project to be financed with the proceeds of the Bonds does 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 if the Mortgage Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board loaning the Bond proceeds to the Borrower pursuant to the Mortgage Loan, the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

Section 2. Approval of Indenture. The Indenture is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board is hereby authorized and directed to execute and deliver the Indenture, with such changes, insertions or omissions therein as may be approved by such signatory, such approval to be evidenced conclusively by such execution of the Indenture, and the Treasurer, the Secretary, the Finance Officer, the Multifamily Program Manager or any other member of the Board is hereby authorized and directed to attest thereto.

Section 3. Authorization of the Bonds. The execution and delivery of the Board’s Bonds are hereby authorized and approved. The final amount and terms of the Bonds shall be determined by the Chairman, Vice Chairman or Executive Director and Treasurer of the Board, consistent with the terms of the Indenture and subject to the following conditions. The Bonds shall not be general obligations of the Board but shall be a limited obligation payable solely and only from Mortgage Loan payments and any other moneys pledged under the Indenture by the Borrower as required by the Indenture. The Bonds mature no later than 2056, bear interest at a fixed rate or rates no greater than 7% per annum, be in a principal amount not to exceed $9,000,000, be subject to optional, special optional, mandatory, and sinking fund redemption and have the other terms and provisions as described to the Board, and definitively set forth in the Indenture upon execution and delivery as aforesaid in Section 2 hereof. The Bonds shall be executed and delivered substantially in the form set forth in the Indenture, with such additions, omissions and changes as are required or permitted by the Indenture and approved by the signatories thereto. The Bonds shall be executed in the name of the Board by the Chairman or the Vice Chairman 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 Indenture) for
purposes of executing and attesting the Bonds, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such 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 Financing Agreement. The Financing Agreement is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board is hereby authorized to execute and deliver the Financing Agreement, 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 Financing Agreement.

Section 5. Approval of Regulatory Agreement. The Regulatory Agreement is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board 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 Regulatory Agreement.

Section 6. Approval of Preliminary Official Statement and Official Statement. A Preliminary Official Statement for the Bonds is hereby approved in the form described above, with such changes, insertions or omissions therein as may be approved by the Chairman, the Vice Chairman and the Executive Director and Treasurer 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 such person, such approval to be evidenced conclusively by such execution of the final Official Statement.

Section 7. Approval of Purchase Contract and Sale of the Bonds. A Purchase Contract for the Bonds is hereby approved in the form described above and the execution of the Purchase Contract by the Chairman, the Vice Chairman or Executive Director and Treasurer of the Board is hereby authorized and directed in order to effectuate the sale of the 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 8. Approval of Continuing Disclosure Agreement. A Continuing Disclosure Agreement for the Bonds is hereby approved in the form described above, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board 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 9. Ratification of Prior Actions. All action previously taken by the officers, members or staff of the Board within the authority granted herein, with respect to the Indenture, the Financing Agreement, the Regulatory Agreement, the Preliminary Official Statement, the Purchase Contract, the Continuing Disclosure Agreement and the Bonds is hereby approved, confirmed and ratified.
Section 10. Execution of Documents. In the event of the absence or disability of the Chairman, the Vice Chairman or the Executive Director and 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 Multifamily Program Manager or the Accounting and Finance Manager, with the same effect as if done by the Chairman, the Vice Chairman or the Executive Director and 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 No-Arbitrage Certificate. The Chairman, the Vice Chairman or the Executive Director and Treasurer 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 Bonds as described in Section 148 of the Internal Revenue Code of 1986, as amended.

Section 12. Additional Actions Authorized. The Chairman, the Vice Chairman, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Multifamily 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 Indenture, the Financing Agreement or the Purchase Contract and to take such other action 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.

[Remainder of Page Intentionally Left Blank]
ADOPTED by the Montana Board of Housing this 17th day of October, 2016.

MONTANA BOARD OF HOUSING

By

Attest: John P. Crowley, Chairman

By

Bruce Brensdal, Executive Director
PROGRAM
Multifamily Program

AGENDA ITEM
Big Sky Manor – Kalispell, MT – Inducement resolution request.

BACKGROUND
Big Sky Manor located in Kalispell Montana is a 60 unit elderly property at 110 Second Ave W. All of the units have PBS8 subsidy. This will be an estimated $4,500,000 tax exempt bond transaction.

PROPOSAL
Staff has reviewed the request for an Inducement Resolution.

Staff requests the Board consider the request for the Inducement Resolution

If the Board decides to move forward staff recommends:

        Approving the attached Inducement Resolution
Ms. Mary Bair, Multifamily Program Manager
Montana Board of Housing
301 South Park Avenue, Suite 240
Helena, Montana 59601

Re: Big Sky Manor Inducement Request

Ms. Bair,

Respectfully requested is a tax-exempt bond inducement to support the preservation of Big Sky Manor in Kalispell, Montana.

The requested amount of inducement is $4,500,000.

As you know, we have submitted an application for tax-exempt bonds and low-income housing tax credits. The amount of tax-exempt debt contemplated by the application is approximately $4M, but we feel it is prudent to request a higher inducement to allow a larger amount of debt, if feasible based on final negotiations with the bond buyer.

Please advise if you require anything further in this regard.

Thank you for your time and consideration.

Best regards,

BIG SKY PRESERVATION, LP

[Signature]

Courtney D. Allen
Member of General Partner
RESOLUTION 16-1017-MF03

RESOLUTION OF THE MONTANA BOARD OF HOUSING GRANTING PRELIMINARY APPROVAL TO THE ISSUANCE OF ITS MULTIFAMILY HOUSING REVENUE BONDS OR NOTES IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $4,500,000 TO FINANCE A MULTIFAMILY HOUSING PROJECT

WHEREAS, the Montana Board of Housing (the “Board”) is authorized by the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended, to issue its revenue bonds or notes and to make or purchase mortgage loans in order to provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana (the “State”);

WHEREAS, Montway Partners, LLC (“Montway”) has requested that the Board indicate its willingness to issue its revenue bonds or notes in an amount not to exceed $4,500,000 (the “Bonds”) and use the proceeds thereof to finance one or more loans to Big Sky Preservation, LP or another affiliate of Montway (the “Borrower”) for the purpose of acquiring and substantially rehabilitating a multifamily residential rental project containing approximately 60 units (60 of which benefit from project-based Section 8 rental assistance contracts), named Big Sky Manor Apartments, in Kalispell, Montana (the “Project”);

WHEREAS, in furtherance of the purposes of the Act, the Board is preliminarily considering the issuance of the Bonds, the proceeds of which will be used to finance one or more loans to the Borrower to assist the Borrower in the acquisition, substantial rehabilitation and equipping of the Project; and

WHEREAS, it is intended that the Board take “official action” within the meaning of the applicable provisions of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder for the purpose of issuing the Bonds in an amount not to exceed $4,500,000 for the purpose of acquiring, rehabilitating and equipping the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Montana Board of Housing that:

Section 1. Preliminary Approval. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower to allow the Borrower to acquire, substantially rehabilitate and equip the Project is hereby preliminarily approved, and, pursuant to Section 1.150-2 of the Internal Revenue Code Regulations, the Board hereby states its intention to reimburse itself or the Borrower from Bond proceeds for any advances of funds prior to the issuance of any such Bonds.

Section 2. Conditions. The preliminary approval of Section 1 does not obligate the Board to finally approve the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by subsequent Board action, which may contain such conditions thereto as the Board may deem appropriate. The Board in its absolute discretion may refuse to finally
authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.

Section 3. **Prior Resolutions.** All provisions of prior resolutions, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflicts, hereby repealed.

Section 4. **Effectiveness.** This Resolution shall be effective immediately.

ADOPTED by the Montana Board of Housing this 17th day of October, 2016.

MONTANA BOARD OF HOUSING

______________________________
Chairman

Attest:

______________________________
Treasurer/Executive Director
PROGRAM
Multifamily Program

AGENDA ITEM
Big Sky Manor – Kalispell, MT – Tax Exempt Bond resolution request.

BACKGROUND
Big Sky Manor (currently a housing credit property) located in Kalispell Montana is a 60 unit elderly at 110 Second Ave W. All of the units have PBS8 subsidy. This will be an estimated $4,500,000 tax exempt bond transaction.

PROPOSAL
Staff has reviewed the application.

Staff requests the Board consider the request for the Bond Resolution

If the Board decides to move forward staff recommends:

  Approving the attached Bond Resolution
September 26, 2016

Ms. Mary Bair, Multifamily Program Manager
Montana Board of Housing
301 South Park Avenue, Suite 240
Helena, Montana 59601

Re: Big Sky Manor – 4% Credit Application for Tax Exempt Bond Financed Projects

Ms. Bair:

Thank you for the opportunity to submit the enclosed application for Tax-Exempt Bonds and Low Income Housing Tax Credits in support of the preservation of the Big Sky Manor community. While we are submitting our application assuming full issuer fee & trustee fees, we have made a formal request for a reduction in both. We would appreciate these be considered as part of this submission.

We are respectfully requesting an allocation of Tax Exempt Bonds in the amount of approximately $4.5 Million and 4% Low-Income Housing Tax Credits in the amount of $261,801 per annum to support this effort to address all required rehab and achieve financial feasibility. Please note: our Investors LOI was created before the correction to the developer fee calculations which made our request higher. The figure indicated above is accurate per the new calculation.

Big Sky Manor is a 60-unit Section 8 HUD-subsidized elderly apartment community located in the City of Kalispell, Montana. The project was originally constructed in 1971 and is in dire need of substantial rehabilitation and long-term affordable preservation. The proposed project provides for affordable preservation including the long-term extension of the HAP subsidy, substantial rehabilitation including repair and replacement of all building systems, appliances, unit interiors, and major upgrades to energy efficiency.

The development team represents a group of highly specialized firms with the requisite experience and demonstrated track record to manage the complexities of preserving HUD-subsidized properties. The team is led by the Principals of Monfric Group and Treadstone Housing, making available the significant resources and experience of a nationally recognized management firm and development company. The involvement of United Way, Inc., expands on the team’s experience in preservation with a local presence.

The project is well-positioned to move forward on an immediate basis, with full financing commitments for both debt and tax credit equity. The only missing element to the success of the Big Sky Manor project is the critical support of the Montana Board of Housing in the form of an allocation of Bonds and 4% low-income housing tax credits.

We look forward to working with you in making this important Affordable Preservation Development a success, and appreciate the support of the Montana Board of Housing.

Thank you for your time and consideration.

Best regards,

BIG SKY PRESERVATION, LP

Courtney D. Allen
Member of General Partner
September 20, 2016

Mr. Steven Huynh  
Assistant Project Manager  
Treadstone Companies  
1635 Rosecrans Street, Suite C  
San Diego, CA 92106

RE: Big Sky Manor – 2016 Application for Low Income Housing Tax Credits

Dear Mr. Huynh:

Thank you for the opportunity to discuss with you the need for the Big Sky Manor Senior Housing project here in Kalispell. For 18 straight years, between 1990 and 2008, housing costs, on average, have increased 10% per year in Kalispell. During the following 5 years, housing prices in the city stabilized and declined as an adjustment to the Great Recession. However, since 2014, prices are again on the rise and are on the verge of exceeding the historic 2008 values. The urgency of this trend is magnified when compared to the disparity in wages paid in this valley. The Big Sky Manor 60-unit housing project is critical to meet the needs of our affordable housing inventory.

The introduction of Chapter 3 of the City of Kalispell’s Growth Policy states: “Affordable housing within the Kalispell area is an important issue for the community. Inflation of housing prices, increased demand due to population increases (38% last decade) and an expansion of service related jobs have resulted in a need for significantly more moderate to low income housing units, as demand has hit those markets the hardest.” In addition, Kalispell is expected to grow an additional 38% over the next two decades increasing housing demand by as many as 3,000 units by 2030. In light of that growth, the senior population in Kalispell continues to grow at an ever increasing rate. Since 1980, the number of seniors has increased by 72%. This is further amplified by the fact that the median age in Flathead County has risen from 29.7 to 41.4 years during this same time.

The following growth policy plan policies speak to the need of and support for affordable housing:

- Policy 4 - Encourage the provision of an adequate supply of affordable housing to meet the needs of the low and moderate income residents.
- Policy 5 – Give special consideration to housing that address and accommodate seniors and disabled residents who have various special needs regarding housing, transportation and services.
- Policy 6 – High-density housing and senior housing should be located in close proximity to other necessary services.

The Big Sky Manor housing complex is in an area that has immediate access to a host of services. It is adjacent to the Kalispell Downtown and within three blocks of a host of major commercial services including a major grocery/ pharmacy, several restaurants, gas stations, tire and auto repair shops, hardware store, etc. It is also within walking distance of the Flathead County Courthouse, the Flathead County Senior Center and Council on Aging Offices.
In closing, there is a tremendous need for this type of project, the Kalispell Growth policy supports this project, and it is located in an area that is ideally suited for senior housing. If you have any questions, do not hesitate to contact this office.

Sincerely,

Thomas R. Jentz
Director
9/23/2016

Mary S. Bair, Multifamily Program Manager
Montana Board of Housing
301 South Park
Suite 240
Helena, MT 59601

Re: Support letter for preservation and rehabilitation of Big Sky Manor

Ms. Bair:

This letter is written in support of the preservation and rehabilitation of Big Sky Manor Apartments by Big Sky Preservation, L.P.

The City of Kalispell looks favorably upon the redevelopment plans presented by this group and supports the preservation of affordable housing in the community of Kalispell.

The redevelopment of Big Sky Manor is an important project to our City, improving the provision of quality affordable housing to our citizens.

Thank you for your time and consideration.

Best regards,

Mark Johnson
Mayor
City of Kalispell
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<td>Project Name</td>
<td>Big Sky Manor</td>
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<tr>
<td>Developer / General Ptnr</td>
<td>Treadstone/John Grady</td>
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| GP Organizational Type      | For-Profit                  |
| Set-aside                   | General                     |
| HC Requested                | $244,387                    |
| Project Type                | Sr                          |
| Construction Type           | Acq/Rehab                   |
| Projected Construction Start | Jan-17                      |
| Projected Completion        | Oct-17                      |

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### Expenses

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Net Income Before Debt Service $261,019

### Financing Sources

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<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Loan</td>
<td>$3,966,844</td>
</tr>
<tr>
<td>Soft Loan</td>
<td>-</td>
</tr>
<tr>
<td>HOME Program</td>
<td>-</td>
</tr>
<tr>
<td>CDBG Program</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Dev Fee</td>
<td>$214,767</td>
</tr>
<tr>
<td>Tax Credits</td>
<td>$2,394,758</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>$7,380,052</strong></td>
</tr>
</tbody>
</table>

% of Project Financed by HC: 32.45%

### Return on Sale of HTC

- HTC Requested $244,387
- HTC Taken over 10 yrs $2,443,870
- HTC Equity $2,394,758
- HTC Return on Sale $0.980

### Debt Coverage Ratio (DCR)

- Net Income Before Debt Service $261,019
- Total Debt Service $223,163
- Debt Coverage Ratio 1.17

### Project Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land/Building/Acquisition</td>
<td>$2,850,000</td>
</tr>
<tr>
<td>Site Work</td>
<td>$210,000</td>
</tr>
<tr>
<td>Construction / Rehab</td>
<td>$2,385,285</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$644,274</td>
</tr>
<tr>
<td>Developer Fees</td>
<td>$936,493</td>
</tr>
<tr>
<td>Reserves</td>
<td>$154,000</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td><strong>$7,380,052</strong></td>
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</table>

### Costs versus Sources

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project Costs</td>
<td>$7,380,052</td>
</tr>
<tr>
<td>Total Financing Sources</td>
<td>$7,380,052</td>
</tr>
<tr>
<td>Difference</td>
<td>$-</td>
</tr>
<tr>
<td>Developer / General Ptnr</td>
<td>Treadstone/John Grady</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Project Name</td>
<td>Big Sky Manor</td>
</tr>
<tr>
<td>City / County</td>
<td></td>
</tr>
</tbody>
</table>

### Project Cost Limitations

<table>
<thead>
<tr>
<th></th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Requirements</td>
<td>6.00%</td>
</tr>
<tr>
<td>Contractor Overhead</td>
<td>2.00%</td>
</tr>
<tr>
<td>Contractor Profit</td>
<td>6.00%</td>
</tr>
<tr>
<td>Developer Fees</td>
<td>15.00%</td>
</tr>
<tr>
<td>Soft Cost</td>
<td>30.00%</td>
</tr>
</tbody>
</table>

### Per Unit Comparison

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per unit</td>
<td>$123,001</td>
</tr>
<tr>
<td>Credits per unit</td>
<td>4073.116667</td>
</tr>
<tr>
<td>Operating Cost per unit</td>
<td>$4,005</td>
</tr>
<tr>
<td>Replacement Reserves</td>
<td>$300.00</td>
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</table>

### Per Square Foot Comparison

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost per sq ft</td>
<td>$190.72</td>
</tr>
<tr>
<td>Credits per sq ft</td>
<td>$6.32</td>
</tr>
<tr>
<td>Operating Cost per sq ft</td>
<td>$6.21</td>
</tr>
</tbody>
</table>

### Tenant Paid Utilities

- Heat
- Air Conditioning
- Cooking
- Other Electric
- Hot Water
- Water, Sewer, Trash

### Owner Paid Utilities

- Heat: x
- Air Conditioning: x
- Cooking: x
- Other Electric: x
- Hot Water: x
- Water, Sewer, Trash: x

### Market Study Data:

- Vacancy Rates: 1.0%
- Absorption Rate: 2 mo
- % of Mkt Rents: pay 30% of income
- Units needed: 572

### Market Rents:

- 0-bdrms: $610
- 1-bdrm: $690
<table>
<thead>
<tr>
<th>Evaluation Scoring</th>
<th>Points Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Extended Low Income Use</td>
<td>100 100</td>
</tr>
<tr>
<td>2. Lower Income Tenants</td>
<td>220 220</td>
</tr>
<tr>
<td>3. Project Location</td>
<td></td>
</tr>
<tr>
<td>Grocery Store</td>
<td>20 20</td>
</tr>
<tr>
<td>Other</td>
<td>80 80</td>
</tr>
<tr>
<td>Total</td>
<td>100 100</td>
</tr>
<tr>
<td>4. Housing Needs Characteristics</td>
<td></td>
</tr>
<tr>
<td>Community Input</td>
<td>40 -</td>
</tr>
<tr>
<td>Appropriate Size</td>
<td>50 50</td>
</tr>
<tr>
<td>Appropriate Development Type</td>
<td>40 40</td>
</tr>
<tr>
<td>Market Need - Vacancy</td>
<td>20 20</td>
</tr>
<tr>
<td>Market Need - Absorption Rate</td>
<td>20 20</td>
</tr>
<tr>
<td>Market Need - Rents below Mkt</td>
<td>20 20</td>
</tr>
<tr>
<td>Total</td>
<td>190 150</td>
</tr>
<tr>
<td>5. Project Characteristics</td>
<td></td>
</tr>
<tr>
<td>Preservation of or Increase</td>
<td>20 20</td>
</tr>
<tr>
<td>QCT or Revitalization Plan</td>
<td>10 10</td>
</tr>
<tr>
<td>Preservation of Aff Hsing</td>
<td>20 20</td>
</tr>
<tr>
<td>Project Based Rent Subsidy</td>
<td>50 50</td>
</tr>
<tr>
<td>Green &amp; Energy</td>
<td>100 90</td>
</tr>
<tr>
<td>Total</td>
<td>200 190</td>
</tr>
<tr>
<td>6. Development Team Characteristics</td>
<td></td>
</tr>
<tr>
<td>Demonstrated Track Record</td>
<td>180 180</td>
</tr>
<tr>
<td>Trained &amp; Cert Dev Team</td>
<td>60 30</td>
</tr>
<tr>
<td>Cold Weather Dev Experience</td>
<td>90 90</td>
</tr>
<tr>
<td>Total</td>
<td>330 300</td>
</tr>
<tr>
<td>7. Participation of Local Entity</td>
<td>50 50</td>
</tr>
<tr>
<td>8. Tenant Populations</td>
<td>100 100</td>
</tr>
<tr>
<td>9. Developer Knowledge and Response</td>
<td></td>
</tr>
<tr>
<td>Management past performances</td>
<td>-</td>
</tr>
<tr>
<td>Late responses to MBOH</td>
<td>-</td>
</tr>
<tr>
<td>Management Weaknesses</td>
<td>-</td>
</tr>
<tr>
<td>Total Points Available</td>
<td>1,290 1,210</td>
</tr>
</tbody>
</table>
RESOLUTION NO. 16-1017-MF04

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING A BORROWING, AND REPAYMENT THEREOF, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $4,500,000; APPROVING A FUNDING LOAN AGREEMENT, BORROWER LOAN AGREEMENT AND OTHER RELATED DOCUMENTS; 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 borrow and issue evidences of indebtedness concerning repayment thereof and to make loans and purchase mortgage loans in order to finance housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana; and

WHEREAS, the Board intends to borrow on a non-recourse limited obligation basis from Citibank, N.A. (the “Lender”) an aggregate principal amount not to exceed $4,500,000, the proceeds of which will be used to finance a mortgage loan for the acquisition, rehabilitation, and equipping of the Big Sky Manor Apartments, an affordable housing development consisting of 60 units (60 of which benefit from project-based Section 8 rental assistance contracts) located in Kalispell, Montana (the “Project”); and

WHEREAS, the borrowing by the Board will be pursuant to a Funding Loan Agreement, among the Board, the Lender and a fiscal agent to be determined by the Board (the “Fiscal Agent”) (the “Funding Loan Agreement”), and the agreement to repay such borrowing shall be reflected in a non-recourse revenue debt obligation (the “Obligation”) to be issued to the Lender pursuant thereto, which Agreement and Obligation will be in substantially the form as such documents approved by the Board with respect to its Multifamily Housing Revenue Bonds (Larkspur Commons Apartments Project) Series 2015, subject to the terms, conditions and limitations established herein and in the Funding Loan Agreement; and

WHEREAS, the proceeds of the borrowing will be used to finance a loan (the “Mortgage Loan”) to Big Sky Preservation, LP, a Montana registered limited partnership, or another affiliate of Montway Partners, LLC. (the “Borrower”), pursuant to a Borrower Loan Agreement, by and among the Board, the Borrower and the Funding Lender (the “Borrower Loan Agreement”), which will be in substantially the form as such agreement approved by the Board with respect to its Multifamily Housing Revenue Bonds (Larkspur Commons Apartments Project) Series 2015; and
WHEREAS, the interest on the Obligation is intended to qualify for a federal tax exemption under Section 142 of the Internal Revenue Code of 1986 (the “Code”), and to ensure that the Obligation maintains its tax exempt status, the Borrower will enter into a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), which will be in substantially the same form as such agreement approved by the Board with respect to its Multifamily Housing Revenue Bonds (Larkspr Commons Apartments Project) Series 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING AS FOLLOWS:

Section 1. Public Hearing and Findings.

(a) The Board hereby finds and determines that the Project financed through the above described borrowing and issuance of the Obligation constitutes a “housing development” within the meaning of Section 90-6-103(8) of the Act; and

(b) In accordance with Section 90-6-109 of the Act, following a public hearing, the Board finds:

(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 Funding Loan Agreement and contained in the program documents relating to the mortgage loan financed thereby and to be financed are sufficient to ensure that the Project 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 Project to be financed which is 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 Project to be financed with the proceeds of the Obligation does 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 if the Mortgage Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board effectuating the loan of the Obligation proceeds to the Borrower pursuant to the Borrower Loan Agreement, the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

Section 2. Approval of Funding Loan Agreement. The Funding Loan Agreement is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board is hereby authorized and directed to select a Fiscal Agent and to execute and deliver the Funding Loan Agreement, with such changes, insertions or omissions therein as may be approved by such signatory, such approval to be evidenced conclusively by such execution of the Funding Loan Agreement, and the Treasurer, the Secretary, the Finance Officer, the Multifamily Program Manager or any other member of the Board is hereby authorized and directed to attest thereto.

Section 3. Authorization and Execution of the Obligation. The execution and delivery of the Board’s Obligation to the Lender is hereby authorized and approved. The final amount and terms of the Obligation shall be determined by the Chairman, Vice Chairman or Executive Director and Treasurer of the Board, consistent with the terms of the Funding Loan Agreement and subject to the following conditions. The Obligation shall not be a general obligation of the Board but shall be a limited non-recourse obligation payable solely and only from Mortgage Loan payments and any other moneys pledged under the Funding Loan Agreement by the Borrower as required by the Borrower Loan Agreement. The Obligation shall mature no later than 2056, bear interest at a fixed or floating rate no greater than the net rate paid on the Mortgage Loan (i.e., net of fees due the Board and any other parties), be in a principal amount not to exceed $4,500,000, be subject to prepayment and have the other terms and provisions as described to the Board, reflective of and consistent with the Mortgage Loan terms described in the term sheet with respect thereto which is on file with the Board, and definitively set forth in the Funding Loan Agreement upon execution and delivery as aforesaid in Section 2 hereof. The Obligation shall be executed and delivered substantially in the form set forth in the Funding Loan Agreement, with such additions, omissions and changes as are required or permitted by the Funding Loan Agreement and approved by the signatories thereto. The Obligation shall be executed in the name of the Board by the Chairman or the Vice Chairman of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Governmental Lender Representative (as such term is defined in the Funding Loan Agreement) for purposes of executing and attesting the Obligation, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such Obligation shall not be valid or obligatory for any purpose unless the attestation by the authorized officer of the Board shall be a manual signature or the Obligation is authenticated by the manual signature of an authorized officer of the Fiscal Agent.

Section 4. Approval of Borrower Loan Agreement. The Borrower Loan Agreement is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board is hereby authorized to execute and deliver the Borrower Loan Agreement, 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 Borrower Loan Agreement.
Section 5. Approval of Regulatory Agreement. The Regulatory Agreement is hereby approved in the form hereinabove described, and the Chairman, the Vice Chairman or the Executive Director and Treasurer of the Board 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 Regulatory Agreement.

Section 6. Ratification of Prior Actions. All action previously taken by the officers, members or staff of the Board within the authority granted herein, with respect to the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Obligation is hereby approved, confirmed and ratified.

Section 7. Execution of Documents. In the event of the absence or disability of the Chairman, the Vice Chairman or the Executive Director and 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 Multifamily Program Manager or the Accounting and Finance Manager, with the same effect as if done by the Chairman, the Vice Chairman or the Executive Director and 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 8. Execution of No-Arbitrage Certificate. The Chairman, the Vice Chairman or the Executive Director and Treasurer 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 Obligation as described in Section 148 of the Internal Revenue Code of 1986, as amended.

Section 9. Additional Actions Authorized. The Chairman, the Vice Chairman, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Multifamily 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 Funding Loan Agreement and the Borrower Loan Agreement, and to take such other action 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 Governmental Lender Representatives for such purposes.

Section 10. Effective Date. This Resolution shall become effective immediately.
ADOPTED by the Montana Board of Housing this ____ day of October, 2016.

MONTANA BOARD OF HOUSING

By

Attest: John P. Crowley, Chairman

By

Bruce Brensdal, Executive Director
## Multifamily & RAM Program Dashboard

**October 12, 2016**

### Loan Programs

<table>
<thead>
<tr>
<th>Applications</th>
<th>Active Loans:</th>
<th>Outstanding Bal</th>
<th>Balance Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reverse Annuity (RAM)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RAM</td>
<td>76</td>
<td>3,718,033</td>
<td></td>
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<tr>
<td><strong>Housing Montana Fund</strong></td>
<td></td>
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<tr>
<td>TANF</td>
<td>62</td>
<td>429,772</td>
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<tr>
<td>Revolving Loans</td>
<td>3</td>
<td>460,822</td>
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<td>AHP</td>
<td>8</td>
<td>1,526,839</td>
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<tr>
<td><strong>Bond Programs</strong></td>
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<tr>
<td>Regular Program</td>
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<td>-</td>
<td>11 1,387,687</td>
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<tr>
<td>Conduit</td>
<td>5</td>
<td>17,250,000</td>
<td>2006-2016</td>
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<tr>
<td>Risk Share</td>
<td>-</td>
<td>-</td>
<td>8 7,858,296</td>
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### Housing Credits (HCs) Allocation

<table>
<thead>
<tr>
<th>City</th>
<th>Award</th>
<th>HC Year</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fort Peck Sust Village</td>
<td>Poplar</td>
<td>13-Apr</td>
<td>2013 waiting for 8609 paperwork</td>
</tr>
<tr>
<td>Sunset Village</td>
<td>Sidney</td>
<td>13-Dec</td>
<td>2014 received 8609 paperwork</td>
</tr>
<tr>
<td>Voyageur Apartments</td>
<td>Great Falls</td>
<td>13-Dec</td>
<td>2014 Leased up; waiting on 8609 paperwork</td>
</tr>
<tr>
<td>Chippewa Cree Homes I</td>
<td>Box Elder</td>
<td>13-Dec</td>
<td>2014 rehab finish target to be late October</td>
</tr>
<tr>
<td>Antelope Court</td>
<td>Havre</td>
<td>14-Nov</td>
<td>2015 construction is about 50% complete</td>
</tr>
<tr>
<td>Cascade Ridge II</td>
<td>Great Falls</td>
<td>14-Nov</td>
<td>2015 received 8609 paperwork</td>
</tr>
<tr>
<td>Guardian Apartments</td>
<td>Helena</td>
<td>14-Nov</td>
<td>2015 rehab75-80% complete, HOME app submitted</td>
</tr>
<tr>
<td>Stoneridge Apartments</td>
<td>Bozeman</td>
<td>14-Nov</td>
<td>2015 construction is 84.3% complete</td>
</tr>
<tr>
<td>Sweet Grass Commons</td>
<td>Missoula</td>
<td>14-Nov</td>
<td>2015 construction is approx 60%</td>
</tr>
<tr>
<td>Larkspur</td>
<td>Bozeman</td>
<td>15-Dec</td>
<td>bond deal on track 6 weeks ahead of schedule</td>
</tr>
<tr>
<td>Big Sky Villas</td>
<td>Belgrade</td>
<td>16-Jan</td>
<td>2016 waiting on RD for ownership transfer</td>
</tr>
</tbody>
</table>
Valley Villas, Hamilton 16-Jan 2016 waiting on RD for ownership transfer
NorthStar, Wolf Point 16-Jan 2016 closing later this year
Little Jons, Big Fork 16-Jan 2016 waiting on RD for ownership transfer
Red Fox, Billings 16-Jan 2016 close with US Bank week of 21st
Freedoms Path, Fort Harrison 16-Jan 2016 waiting for Historic TC

**Housing Credits (HCs) Compliance**

<table>
<thead>
<tr>
<th>Year to Date</th>
<th>Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Site Visits</td>
<td>81</td>
</tr>
<tr>
<td>Units Inspected</td>
<td>2,357</td>
</tr>
</tbody>
</table>

**Projects w/Comp**

<table>
<thead>
<tr>
<th>Owner</th>
<th>Management</th>
<th>audit done</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>See attached</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PROJECT 00040 Fort Belknap Agency 1 MANAGER 81-0216424 FORT BELKnap HOUSING
OWNER 81-0535190 Fort Belknap Housing Development Agency LP CONTACT John Allen (406) 353-2601
CONTACT Mark Azure (406) 353-2205 ON-SITE Kathy Wing (406) 353-2602
# BLDGS PIS 11 LAST BUILDING PIS DATE 02/08/2002

AUDIT DATE 05/31/2016 BY TODD JACKSON OWNER RESPONSE DATE 08/26/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
Files-Make sure all files have signed move in TIC's. Most of the 515 original move in TICs were not in the files or signed and must be there.
Most units need lawn mowed
Most units have gopher holes that creates large tripping hazards
Replace all damaged or missing window screens
Remove foundation vent covers for summer

BUILDING ID MT-00-00026 236 Middle Rodeo Ave
CRD START 2002

UNIT 51501 File-See Property Wide Findings
Site-Repair bedroom blinds
Repair cracked floor tile
Repair kitchen exsaust fan
Exterior siding lower trim panel loose in several areas

BUILDING ID MT-00-00027 231 Middle Rodeo Ave
CRD START 2002

UNIT 51502 File-See Property Wide Findings
Site-Repair kitchen floor
Replace front outside light cover
Repair master bedroom wall hole
Rear door (exterior) brick mold damaged; hole in exterior rear siding; exterior siding (right side) needs paint in areas

BUILDING ID MT-00-00028 269 Middle Rodeo Ave
CRD START 2002

UNIT 51503 File-See Property Wide Findings
Site-Repair tub molding
Clean and adjust master bathroom fan
Repair range hood light and fan
Replace missing bedroom light cover
Right/rear gutter down spout missing

BUILDING ID   MT-00-00029 291 Middle Rodeo Ave
CRD START     2002

UNIT 51504  File-See Property Wide Findings
Site-Unit off line and vacant since March due to a water heater leak. Mold found all throughout unit and window seals. Crawl space shows mild signs. Professional mold mitigation must be used to repair this unit.
Repair master bath toilet seat
Repair all doors and walls with holes
Repair all broken windows
Replace all missing light covers for inside and out of the unit
Repair flooring
Rear siding bottom trim board damaged
Replace water heater
Replace all broken cabinets, cabinet doors that have holes or missing doors and drawers

BUILDING ID   MT-00-00030 391 Lower Rodeo Ave
CRD START     2002

UNIT 51505  File-See Property Wide Findings
Site-Lawn needs mowed

BUILDING ID   MT-00-00031 411 Lower Rodeo Ave
CRD START     2002

UNIT 51506  File-See Property Wide Findings
Site-Replace rear door
Replace kitchen cabinet lower door
gutter down spout disconnected

BUILDING ID   MT-00-00032 427 Lower Rodeo Ave
CRD START     2002

UNIT 51507  File-See Property Wide Findings
Site-Repair kitchen stove

BUILDING ID   MT-00-00033 447 Lower Rodeo Ave
CRD START     2002

UNIT 51508  File-See Property Wide Findings
Site-Replace missing outside front light cover
Remove clutter by water heater
Repair damaged vanity in bathroom

BUILDING ID   MT-00-00034 465 Lower Rodeo Ave
CRD START     2002

UNIT 51509  File-See Property Wide Findings
Site-Repair address sign
Replace missing outside front and back light covers
Repair front railing
Repair master bath ceiling heat vent
Repair kitchen island drawers

BUILDING ID  MT-00-00035  481 Lower Rodeo Ave
CRD START  2002

UNIT 51510  File-See Property Wide Findings
Site-Repair master shower
Repair front door frame
Repair kitchen island
Left/rear gutter down spout damaged; hole in exterior siding
- right side of home

BUILDING ID  MT-00-00036  306 Middle Rodeo Ave
CRD START  2002

UNIT 51511  File-See Property Wide Findings
Site-Repair all broken windows
Repair kitchen island
Repair kitchen drawers
Repalce missing stove burners
Repair all wall holes in unit
Remove wax in bath tub drain
Replace damaged kitchen outlet cover
Exterior lower trim board damaged/missing in several areas

INSPECTION RATINGS HISTORY:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>DATE</th>
<th>RATING</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

PROJECT 00050  Fort Belknap Southern 1  MANAGER 81-0216424  FORT
BELKNAP HOUSING
OWNER  81-0535191  Fort Belknap Housing Development Southern LP  CONTACT  John
Allen  (406) 353-2601
CONTACT  Mark Azure  (406) 353-2205  ON-SITE  Kathy Wing
# BLDGS PIS  11  LAST BUILDING PIS DATE  02/08/2002

AUDIT DATE  05/31/2016  BY TODD JACKSON  OWNER RESPONSE DATE
08/26/2016  CLOSE OUT LETTER DATE  00/00/0000

PROJECT LEVEL FINDINGS
Files-Make sure all files have signed move in TIC's. Most
of the 515 original move in TICs were not in the files or
signed and must be there.
Most units need lawn mowed
Most units have gopher holes that creates large tripping
hazards
Replace all damaged or missing window screens

BUILDING ID  MT-00-00037  181 Old Hays Road
CRD START  2002

UNIT 51512  File-See Property Wide Findings
Site-Replace back outside light cover
Replace missing cabinet door
UNIT 51513
File-See Property Wide Findings
Site-Repair front rain gutter
Repair kitchen cabinet door
Replace front outside light cover

UNIT 51514
File-See Property Wide Findings
Site-Replace missing outside front light cover
Repair back door
Repair trim on back of building

UNIT 51515
File-See Property Wide Findings
Site-Repair tub molding

UNIT 51516
File-See Property Wide Findings
Site-Replace missing kitchen drawer
Tighten kitchen hood vent

UNIT 51517
File-See Property Wide Findings
Site-Siding damaged/settling exterior front door area, front bedroom door damaged, bathroom sink drain plug lever missing, dining room window cracked, exterior rear door light fixture damaged
Tubs need caulking

UNIT 51518
File-See Property Wide Findings
Site-Replace missing toilet seat
Replace missing shower curtain

UNIT 51519
File-See Property Wide Findings
Site-Replace missing towel bar
Tighten bathroom sink faucet

UNIT 51520
File-See Property Wide Findings
Site-Repair leaky exterior back door
Replace missing door stop

UNIT 51521
File-See Property Wide Findings
Site-Repair job not completed
Tighten sink faucet

UNIT 51522
File-See Property Wide Findings
Site-Repair missing front door
Replacement of missing door

UNIT 51523
File-See Property Wide Findings
Site-Repair missing bathroom sink
Replace missing handle

UNIT 51519  
File-See Property Wide Findings  
Site-Front exterior light lens missing; evidence of water/moisture in crawl space

BUILDING ID MT-00-00045 397 Leggins Road  
CRD START 2002

UNIT 51520  
File-See Property Wide Findings  
Site-Exterior front siding damaged/dented; exterior siding missing/damaged (lower trim panel - right side of home); rear window screen torn; flooring metal transition strip (kitchen to living room) needs to be secured down (same condition in master bath to master bedroom); abandoned car?

BUILDING ID MT-00-00046 425 Leggins Road  
CRD START 2002

UNIT 51521  
File-See Property Wide Findings  
Site-Check smoke detectors for possible issue (weak sound)

BUILDING ID MT-00-00047 439 Leggins Road  
CRD START 2002

UNIT 51522  
File-See Property Wide Findings  
Site-Tub needs caulking. Crawl space has evidence of prior water/flooding - soil very soft under plastic moisture barrier; exterior siding damage (front); exterior siding has graffiti (left side of home); abandoned vehicle?

INSPECTION RATINGS HISTORY: TYPE DATE RATING

====================================

PROJECT 01010  Acre Lawn Apartments II  MANAGER 81-0536842 Luedtke
Homes and Real Estate
OWNER 81-0544010 Acre Lawn Apts II  CONTACT Bev Luedtke
(406) 676-7653
CONTACT Bev Luedtke  (406) 676-7653
# BLDGS PIS 1 LAST BUILDING PIS DATE 04/01/2002

AUDIT DATE 08/01/2016 BY ROBERT VANEK  OWNER RESPONSE DATE
08/26/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS Exterior siding has evidence of cracks/damage - management told MBOH representative there is a plan in place to address the issue as required (this year).

BUILDING ID MT-01-00001 311 11th Avenue NW  Exterior siding outside the front entrance of Unit 3 has evidence of heat/melting.

UNIT 1  File - No Findings  Unit - Kitchen GFI test inop
UNIT 6 - No Findings
Unit - Two bedrooms are missing smoke detectors

INSPECTION RATINGS HISTORY:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>DATE</th>
<th>RATING</th>
</tr>
</thead>
</table>

PROJECT 01020 South Flat Iron
OWNER 81-0542111 Blackfeet Housing Limited Partnership
CONTACT Chancy Kittson (406) 338-5031
ON-SITE Lillian Kay Reed (406) 338-5031
# BLDGS PIS 20 LAST BUILDING PIS DATE 12/15/2002

AUDIT DATE 08/24/2016 BY ROBERT VANEK
OWNER RESPONSE DATE 09/23/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
At Project Level Findings: (1) Roof shingles in need of repair/replacement - as required; (2) Windows and/or seals in need of repair/replacement - as required

BUILDING ID MT-01-00002 5701 S. Flat Iron
CRD START 2003
Door bell push button missing; Window seal issue

BUILDING ID MT-01-00003 5702 S. Flat Iron
CRD START 2003
Roof issue; Window issue

BUILDING ID MT-01-00004 5703 S. Flat Iron
outside
CRD START 2003
Window issue; Excessive personal effects

BUILDING ID MT-01-00005 5704 S. Flat Iron
CRD START 2003
See Project Level Findings

BUILDING ID MT-01-00006 5705 S. Flat Iron
CRD START 2003
Roof issue

BUILDING ID MT-01-00007 5706 S. Flat Iron
CRD START 2003
See Project Level Findings
<table>
<thead>
<tr>
<th>Building ID</th>
<th>CRD Start</th>
<th>Findings</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT-01-00008 5707 S. Flat Iron</td>
<td>2003</td>
<td>Roof issue</td>
<td></td>
</tr>
<tr>
<td>MT-01-00009 5708 S. Flat Iron</td>
<td>2003</td>
<td>Roof and Window issue</td>
<td></td>
</tr>
<tr>
<td>MT-01-00010 5709 S. Flat Iron</td>
<td>2002</td>
<td>Roof issue</td>
<td></td>
</tr>
<tr>
<td>MT-01-00011 5710 S. Flat Iron</td>
<td>2002</td>
<td>See Project Level Findings</td>
<td></td>
</tr>
<tr>
<td>MT-01-00012 5711 S. Flat Iron</td>
<td>2003</td>
<td>Front fence damaged; See Project Level Findings</td>
<td></td>
</tr>
<tr>
<td>MT-01-00013 5712 S. Flat Iron</td>
<td>2002</td>
<td>See Project Level Findings</td>
<td></td>
</tr>
<tr>
<td>MT-01-00014 5713 S. Flat Iron</td>
<td>2003</td>
<td>Check rear/outside GFI for proper operation;</td>
<td></td>
</tr>
<tr>
<td>MT-01-00015 5714 S. Flat Iron</td>
<td>2002</td>
<td>Main water shut-off cover missing (by driveway/sidewalk);</td>
<td>See Project Level Findings</td>
</tr>
<tr>
<td>MT-01-00016 5715 S. Flat Iron</td>
<td>2002</td>
<td>See Project Level Findings</td>
<td></td>
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<tr>
<td>MT-01-00017 5716 S. Flat Iron</td>
<td>2002</td>
<td>Lawn in need of mowing; See Project Level Findings</td>
<td></td>
</tr>
<tr>
<td>MT-01-00018 5717 S. Flat Iron</td>
<td>2003</td>
<td>See Project Level Findings</td>
<td></td>
</tr>
<tr>
<td>MT-01-00019 5718 S. Flat Iron</td>
<td>2002</td>
<td>Roof issue</td>
<td></td>
</tr>
</tbody>
</table>
BUILDING ID MT-01-00020 5719 S. Flat Iron  Roof issue
CRD START 2002

BUILDING ID MT-01-00021 5720 S. Flat Iron  See Project Level Findings
CRD START 2002

INSPECTION RATINGS HISTORY:

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<tbody>
<tr>
<td>Roof issue</td>
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</tbody>
</table>

See Project Level Findings

PROJECT 02100  Pheasant Glen  MANAGER 81-0296548  Rocky Mountain Development Council
OWNER 82-0558612  Pheasant Glen LP  CONTACT  Liz Mogstad
(406) 447-1680
CONTACT  Lori Ladas  (406) 447-1680
(406) 461-9849  ON-SITE  Sue Skinner
# BLDGS PIS 5  LAST BUILDING PIS DATE 08/01/2003

AUDIT DATE 08/29/2016  BY MBOH Management  OWNER RESPONSE DATE 00/00/0000
CLOSE OUT LETTER DATE 00/00/0000

INSPECTION RATINGS HISTORY:

Project Level Findings  No issues noted.

BUILDING ID MT-02-00078 3440 Ptarmigan Lane  No issues noted.
CRD START 2003

PROJECT All Projects  Montana Board of Housing  PAGE # 25
# COR408  REPORT OF ANNUAL AUDIT FINDINGS  REPORT
AUDIT DATES 01/01/2016 - 09/05/2016  DATE RUN 09/09/16

PROJECT 02100  Pheasant Glen  MANAGER 81-0296548  Rocky Mountain Development Council
OWNER 82-0558612  Pheasant Glen LP  CONTACT  Liz Mogstad
(406) 447-1680
CONTACT  Lori Ladas  (406) 447-1680
(406) 461-9849  ON-SITE  Sue Skinner
# BLDGS PIS 5  LAST BUILDING PIS DATE 08/01/2003
### REPORT OF ANNUAL AUDIT FINDINGS

**PROJECT ALL PROJECTS**

- **CRD START**: 2003
- **UNIT B3**: Bathroom faucet leaks
- **FILE**: No issues noted.
- **UNIT B5**: Porch light canister falling out
- **FILE**: No issues noted.

---

<table>
<thead>
<tr>
<th>BUILDING ID</th>
<th>MT-02-00079 3440 Ptarmigan Lane</th>
<th>No issues noted.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRD START</td>
<td>2003</td>
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</table>

<table>
<thead>
<tr>
<th>UNIT</th>
<th>AUDIT FINDINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>B3</td>
<td>Bathroom faucet leaks</td>
</tr>
<tr>
<td></td>
<td>No issues noted.</td>
</tr>
<tr>
<td>B5</td>
<td>Porch light canister falling out</td>
</tr>
<tr>
<td></td>
<td>No issues noted.</td>
</tr>
</tbody>
</table>

---

**PROJECT 05020** Fort Belknap Rehabilitation  
**OWNER** 20-2960652 Fort Belknap TC Rehab LP  
**CONTACT** Mark Azure (406) 353-2205  
**ON-SITE** Kathy Wing (406) 353-2601  
**# BLDGS** 49  
**PIS DATE** 10/31/2007  
**AUDIT DATE** 05/31/2016  
**CLOSE OUT LETTER DATE** 00/00/0000  

**PROJECT LEVEL FINDINGS**  
- Most units need lawn mowed  
- Most units have gopher holes that creates large tripping hazards  
- Replace all damaged or missing window screens  
- Remove foundation vent covers for summer  

---

**BUILDING ID** MT-05-00026 201 Apache Street  
**CRD START** 2007  
**UNIT 50414** File-No issue found  
**Site**-Repair holes in back bedroom and hallways

**BUILDING ID** MT-05-00027 185 Apache Street  
**CRD START** 2007  
**UNIT 50404** File-No issue found  
**Site**-Replace missing outside light cover front and back of house  
Replace all light covers that are missing in unit  
Repair bedroom door hole  
Repair holes in back room  
Replace missing towel bar in bathroom  
Repair front door  
Front door needs weather stripping  
Replace broken window in middle bedroom
UNIT 50704  
Site-Replace front door  
Repair front door frame  

BUILDING ID MT-05-00029  
CRD START 2007  

UNIT 51605  
Site-Replace missing front and back outside light covers  

BUILDING ID MT-05-00030  
CRD START 2007  

UNIT 52504  
Site-Replace missing front light cover  
Back door needs weather stripping  
Repair toilet  
Replace bathroom light cover  
Repair screen door  
Replace floor vent covers that are missing or damaged  

BUILDING ID MT-05-00031  
CRD START 2006  

UNIT 52609  
Site-No issue found  

BUILDING ID MT-05-00032  
CRD START 2007  

UNIT 53208  
Site-Replace missing bedroom light covers  
Replace missing bathroom towel bar  
Replace bathroom tub handle  

BUILDING ID MT-05-00033  
CRD START 2007  

UNIT 53912  
Site-Repair front screen door  

BUILDING ID MT-05-00034  
CRD START 2007  

UNIT 54407  
Site-Repair screen door  

BUILDING ID MT-05-00035  
CRD START 2007  

UNIT 54605  
Site-Repair front and back doors  
Replace living room light cover  
Repair holes in back bedroom
Replace broken hall closet door

BUILDING ID MT-05-00036 183 Arapaho Street
CRD START 2007
UNIT 55006 File-No issue found
Site-Vacant in turnin...needs a lot of work

BUILDING ID MT-05-00037 141 White Eagle Road
CRD START 2006
UNIT LOT41 File-No issue found
Site-Yard needs mowing; front gutter down spout damaged; window screens torn; excessive clutter in hall and home throughout

BUILDING ID MT-05-00039 121 Blackbird Trail
UNIT LOT54 File-No issue found
Site-Yard needs mowing; check smoke detectors for proper operation - possible problem; window screens damaged/missing

BUILDING ID MT-05-00040 126 Blackbird Trail
CRD START 2006
UNIT LOT55 File-No issue found
Site-Window screens torn; evidence of water leak - ceiling in utility room; check smoke detectors for proper operation - possible issues

BUILDING ID MT-05-00041 244 Walks Slow Drive
CRD START 2007
UNIT LOT72 File-No issue found
Site-Bedroom #4 door coming apart

BUILDING ID MT-05-00042 160 First Chief Court
CRD START 2007
UNIT LOT75 File-No issue found
Site-Bathroom vent needs cleaning

BUILDING ID MT-05-00043 295 Walks Slow Drive
CRD START 2006
UNIT LOT76 File-No issue found
Site-Missing kitchen pullout drawer; front window loose - needs hardware; hall light switch cover missing; living room and front bedroom have holes in walls

BUILDING ID MT-05-00044 249 Walks Slow Drive
CRD START 2007
UNIT LOT 78
File-No issue found
Site-Bathroom ceiling has crack; yard needs mowing;
housekeeping issue with much clutter; front yard sewer
  clean-out cap missing

BUILDING ID MT-05-00045 661 Rodeo Drive
CRD START 2006

UNIT LOT 6B
File-No issue found
Site-Utility room has excessive personal effects close to
  water heater;

BUILDING ID MT-05-00046 483 Rodeo Drive
CRD START 2006

UNIT LOT 5
File-No issue found
Site-Front cement entrance steps damaged; front sidewalk -
  water shutoff cap missing

BUILDING ID MT-05-00047 625 Pine Grove Road
CRD START 2007

UNIT 93904
File-No issue found
Site-Lawn needs mowing; kitchen door damaged; extra/non-
  functional vehicles of property?

BUILDING ID MT-05-00048 1214 Pine Grove Road
CRD START 2007

UNIT 93103
File-Missing current student cert
Site-Replace missing front light cover
Repair front sidewalk lip that is a tripping hazard

BUILDING ID MT-05-00049 1176 Pine Grove Road
CRD START 2007

UNIT 93208
File-Missing current student cert
Site-Repair or replace front door railing
Remove excess yard junk

BUILDING ID MT-05-00050 952 Pine Grove Road
CRD START 2007

UNIT 93506
File-No issue found
Site-Replace missing back light cover
Repair bedroom door hole
Replace missing bedroom light cover

BUILDING ID MT-05-00051 1032 Pine Grove Road
CRD START 2007

UNIT 93702
File-No issue found
Site-No issue found

BUILDING ID MT-05-00052 1008 Pine Grove Road
CRD START 2007
UNIT 93804  
File-No issue found
Site-Replace missing bedroom door knob
Replace missing bedroom light cover

BUILDING ID MT-05-00053  667 Pine Grove Road
CRD START  2007

BUILDING ID MT-05-00054  1229 Pine Grove Road
CRD START  2007

UNIT 94201  
File-No issue found
Site-Repair back screen door
Repair laundry room wall hole

BUILDING ID MT-05-00055  1177 Pine Grove Road
CRD START  2007

UNIT 94303  
File-No issue found
Site-Replace front and bedroom light covers
Needs interior painting by stairs
Repair bedroom wall holes

BUILDING ID MT-05-00056  1035 Pine Grove Road
CRD START  2007

UNIT 94605  
File-No issue found
Site-Junk cars and trailer needs to be removed

BUILDING ID MT-05-00057  1288 Pine Grove Road
CRD START  2007

UNIT LOT4A  
File-No issue found
Site-Lawn needs mowing;
upstairs shower enclosure damaged/holes

BUILDING ID MT-05-00058  1192 Pine Grove Road
CRD START  2007

UNIT LOT8C  
File-No issue found
Site-Yard needs mowing

BUILDING ID MT-05-00059  1237 Pine Grove Road
CRD START  2007

UNIT LOT25  
File-No issue found
Site-Inside settling cracks - dinning/kitchen/bathroom;
window screens missing

BUILDING ID MT-05-00060  1196 Pine Grove Road
CRD START  2007

UNIT LOT27  
File-No issue found
Site-Repair toilet
Replace living room light cover

BUILDING ID MT-05-00061  209 Lodge Ave
CRD START 2007

UNIT LOT1A File-Missing current student cert
    Site-Replace front outlet cover
    Repair bedroom door hole
    Tub needs caulk

BUILDING ID MT-05-00062 192 Uptown Ave
CRD START 2007

UNIT LOT6B File-No issue found
    Site-Replace missing back light cover
    Repair hall and bedroom wall holes
    Repair broken kitchen cabinet door

BUILDING ID MT-05-00063 174 Uptown Ave
CRD START 2007

UNIT LOT7 File-Missing current student cert
    Site-Mow lawn
    Replace missing back outside and inside light covers

BUILDING ID MT-05-00064 144 Mel Street
CRD START 2007

UNIT LOT11 File-No issue found
    Site-
    Repair holes in hallway
    Repair bathroom door hole
    Repair cracked kitchen sink
    Replace missing kitchen drawer
    Replace missing back light cover
    Outlet needs a cover on outside back
    Replace broken front door
    Remove storage from furnace room

BUILDING ID MT-05-00065 188 Mel Street
CRD START 2007

UNIT 2-21 File-No issue found
    Site-No issue found

BUILDING ID MT-05-00066 157 Azalia Ave
CRD START 2007

UNIT 2-23 File-No issue found
    Site-Front beams need paint
    Repair downspouts
    Replace bedroom light cover
    Repair bathtub faucet
    Tenant requests deadbolts for doors

BUILDING ID MT-05-00069 131 Grant Street
CRD START 2007
UNIT LOT5B  
File-No issue found  
Site-Repait TP holder in bathroom  
Repair bathroom cabinet  

UNIT LOT3C  
File-No issue found  
Site-Lawn needs mowing; no access - need common key to enter  

UNIT LOT4C  
File-No issue found  
Site-Lawn needs mowing; back exterior window broken; excessive personal effects/clutter inside; front outside deck needs staining in some areas  

UNIT LOT7C  
File-No issue found  
Site-Exterior/side door jamb damaged  

UNIT LOT8C  
File-No issue found  
Site-Front exterior ramp needs some wood boards replaced  

BUILDING ID MT-05-00071 229 Enemy Killer Road  
CRD START 2007  

BUILDING ID MT-05-00072 216 Enemy Killer Road  
CRD START 2007  

BUILDING ID MT-05-00074 187 Enemy Killer Road  
CRD START 2007  

BUILDING ID MT-05-00075 174 Enemy Killer Road  
CRD START 2007  

INSPECTION RATINGS HISTORY:  TYPE DATE RATING  
===============================================================================  
PROJECT 06040 Fort Belknap Tax Credit LP 3  MANAGER 81-0216424 FORT BELKNAP HOUSING  
OWNER 20-5854891 Fort Belknap Tax Credit LP 3  CONTACT John Allen  
(406) 353-2601  
CONTACT Mark Azure (406) 353-2205 ON-SITE Kathy Wing  
(406) 353-2601  
# BLDGS PIS 24 LAST BUILDING PIS DATE 03/01/2008  
AUDIT DATE 05/31/2016 BY TODD JACKSON  
OWNER RESPONSE DATE 08/26/2016  
CLOSE OUT LETTER DATE 00/00/0000  

PROJECT LEVEL FINDINGS  
Most units need lawn mowed  
Most units have gopher holes that creates large tripping Hazards  
Replace all damaged or missing window screens  
Remove foundation vent covers for summer  

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<table>
<thead>
<tr>
<th>Building ID</th>
<th>CRD Start</th>
<th>Address</th>
<th>Unit</th>
<th>File</th>
<th>Site</th>
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<tbody>
<tr>
<td>MT-06-00007</td>
<td>2007</td>
<td>294 Whitecow Street</td>
<td>3-01</td>
<td>No issue found</td>
<td>No issue found</td>
</tr>
</tbody>
</table>
| MT-06-00008        | 2008      | 266 Whitecow Street | 3-02 | No issue found | Repair dryer cover vent outside
|                    |           |                    |      |      | Repair downspout elbow |
| MT-06-00009        | 2008      | 244 Whitecow Street | 3-03 | No issue found | Area around front dryer cover vent needs painting
|                    |           |                    |      |      | Repair kitchen cabinet hole
|                    |           |                    |      |      | Replace bad left bedroom floor vent |
| MT-06-00010        | 2007      | 230 Whitecow Street | 3-04 | No issue found | Clean window mold |
| MT-06-00011        | 2008      | 168 Whitecow Street | 3-05 | No issue found | No issue found |
| MT-06-00012        | 2007      | 530 Star Hill Road | 3-06 | Need second page of TIC | Repair broken downspout |
| MT-06-00013        | 2007      | 488 Star Hill Road | 3-07 | No issue found | No issue found |
| MT-06-00014        | 2007      | 396 Star Hill Road | 3-08 | No issue found | No issue found |
| MT-06-00015        | 2007      | 360 Leggins Road   | 3-09 | Need a signed TIC | No issue found |
Site-Need common key/locks for entry; check foundation vents for being open for summer; lawn needs mowing; front porch railing missing

BUILDING ID MT-06-00016 380 Leggins Road
CRD START 2008
UNIT 3-10 File-No issue found
Site-Disabled car in drive?; need common key/locks for entry

BUILDING ID MT-06-00017 412 Leggins Road
CRD START 2008
UNIT 3-11 File-No issue found
Site-Laundry room has cracked window; lawn needs mowing

BUILDING ID MT-06-00018 436 Leggins Road
CRD START 2008
UNIT 3-12 File-No issue found
Site-No issue found

BUILDING ID MT-06-00019 468 Leggins Road
CRD START 2007
UNIT 3-13 File-No issue found
Site-Need common locks/keys for entry

BUILDING ID MT-06-00020 494 Leggins Road
CRD START 2008
UNIT 3-14 File-No issue found
Site-Interior hall has a "soft" spot in floor

BUILDING ID MT-06-00021 524 Leggins Road
CRD START 2008
UNIT 3-15 File-No issue found
Site-No issue found

BUILDING ID MT-06-00022 548 Leggins Road
CRD START 2008
UNIT 3-16 File-No issue found
Site-Remove foundation vent covers for summer

BUILDING ID MT-06-00023 119 Lower Rodeo Drive
CRD START 2008
UNIT 3-17 File-No issue found
Site-Remove foundation vent covers for summer

BUILDING ID MT-06-00024 149 Lower Rodeo Drive
CRD START 2008

UNIT 3-18
File-No issue found
Site-Need common locks/keys for entry; front door frame damaged; front exterior electrical outlet missing cover; remove foundation vent covers for summer

BUILDING ID MT-06-00025
CRD START 2008

UNIT 3-19
File-No issue found
Site-Remove foundation vent covers for summer; smoke detector inop - hall and bedroom

BUILDING ID MT-06-00026
CRD START 2008

UNIT 3-20
File-No issue found
Site-Broken front window; outside front electric outlet cover missing; remove foundation vent covers for summer; floor "soft" spot dining room

BUILDING ID MT-06-00027
CRD START 2008

UNIT 3-21
File-No issue found
Site-Remove foundation vent covers for summer; back bedroom smoke detector missing; main interior hall floor has "soft" spot

BUILDING ID MT-06-00028
CRD START 2008

UNIT 3-22
File-No issue found
Site-Front door needs door stop; kitchen drawer missing; remove foundation vents for summer

BUILDING ID MT-06-00029
CRD START 2008

UNIT 3-23
File-No issue found
Site-Main hall light inop; range hood light missing; remove foundation vent covers for summer

BUILDING ID MT-06-00030
CRD START 2008

UNIT 3-24
File-No issue found
Site-Remove foundation vent covers for summer

INSPECTION RATINGS HISTORY:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>DATE</th>
<th>RATING</th>
</tr>
</thead>
</table>

82
PROJECT 06050  Irvin Tract  MANAGER 81-0292463 Blackfeet Housing
OWNER  20-4642361  Blackfeet Housing LP 4  CONTACT  Rhonda Michael
(406) 338-5031
CONTACT  Chancy Kittson  (406) 338-5031  ON-SITE  Lillian Kay Reed
(406) 338-5031
# BLDGS PIS  30  LAST BUILDING PIS DATE  07/31/2008

AUDIT DATE  08/24/2016 BY ROBERT VANEK  OWNER RESPONSE DATE
09/23/2016  CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS  Property Wide: Weeds and litter throughout site grounds

BUILDING ID  MT-06-00041 PO Box 449  Graffiti on exterior of unit 120
CRD START  2008

UNIT 120  File - No Findings
Unit - See Building Description

BUILDING ID  MT-06-00043 PO Box 449  Graffiti on exterior of unit 124
CRD START  2008

UNIT 124  File - No Findings
Unit - See Building Description

BUILDING ID  MT-06-00045 PO Box 449  Excessive personal effects outside of unit 127
CRD START  2008

UNIT 127  File - No Findings
Unit - See Building Description
PROJECT 09060 Ouellette Place
PROPERTY MANAGEMENT CO.
OWNER  20-0472705 Homeword
(406) 272-1843
CONTACT  Jennifer Betz (406) 532-4663
(406) 535-6490
# BLDGS PIS  3 LAST BUILDING PIS DATE  12/15/2010

AUDIT DATE  08/12/2016 BY RENA OLIPHANT
OWNER RESPONSE DATE  09/02/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS  No issues noted.

BUILDING ID MT-99-00022 405 St Joseph Dr
CRD START  2011
Concrete deterioration on covered porch area
attached to building. Sent pictures to Chris
Moyles-Homeword Engineer on Aug 25, 2016 to
review.

UNIT 1A  UNIT-No issues noted.
FILE-Student Certification was done 5 months
ahead of when due. QAP requires it to be no
more than 180 days prior to actual Move In
date.

UNIT 1B  UNIT-DONE-Blocked breaker box.
FILE-No issues noted.

PROJECT All Projects Montana Board of Housing
PAGE #  62
REPORT OF ANNUAL AUDIT FINDINGS REPORT
# COR408
AUDIT DATES 01/01/2016 - 09/05/2016 DATE RUN
09/09/16

UNIT 2C  UNIT-Tenant reported water pressure issues.
Tenant reported to Maintenance. Continues to be
an issue.
FILE-Need COL TIC in file

BUILDING ID       MT-99-00023 505 St Joseph Dr
CRD START         2011

Multiple Units may have back doors allowing air, water & bugs to seep in at bottom, damaging flooring inside units. Some Tenants have put sandbags outside the door to help in stopping this.

UNIT 1A
UNIT-No issues noted.
FILE-Student Certification was done 4 months ahead of when due. QAP requires it to be no more than 180 days prior to actual Move In date.

UNIT 1B
UNIT-Back door allows air, water & bugs to seep ion at bottom, damaging flooring inside unit
FILE-No issues noted.

UNIT 1C
UNIT-SENT 8/25/16 - Housekeeping issues to be resolved by August 29, 2016. Some sort of white material leaking down side of hot water tank.
DONE - Hot water heater closet has items piled on & around. Needs cleared.
FILE-Original Move In TIC show moved into 2B on 6/1/16. Did Tenant transfer or Move Out/Move In to 1C? Need COL TIC in file

UNIT 2A
UNIT-Tenant reported that water sometimes leaks into kitchen ceiling light globe.
DONE - Hot water heater closet has items piled on & around. Needs cleared.
FILE-Need COL TIC in file

UNIT 2B
UNIT-Back door allows air, water & bugs to seep ion at bottom. Damaging flooring inside unit
Previous roof leak damage on kitchen ceiling repair is poorly done. Very noticeable.
FILE-Need COL TIC in file

UNIT 2C
UNIT-Possible water leak evidence on ceiling above Kitchen Island near fire sprinkler.
FILE-Need COL TIC in file
PROJECT 09060  Ouellette Place  MANAGER 81-0434625  TAMARACK
PROPERTY MANAGEMENT CO.
OWNER 20-0472705  Homeward  CONTACT  Laurie Mitchell
(406) 272-1843
CONTACT  Jennifer Betz  (406) 532-4663  ON-SITE  Christina Donald
(406) 535-6490

# BLDGS PIS 3  LAST BUILDING PIS DATE 12/15/2010

UNIT 3B  UNIT-No issues noted.
          File-Need COL TIC in file
UNIT 3C  UNIT-No issues noted.
          FILE-No issues noted.

BUILDING ID  MT-99-00024  511 St Joseph Dr  Multiple Units may have back doors allowing
CRD START 2011  air, water & bugs to seep in at bottom, damaging flooring inside units. Some Tenants
 have put sandbags outside the door to help in stopping this.

UNIT 1A  UNIT-DONE - Hot water heater closet has items piled on & around. Needs cleared.
          FILE-No issues noted.
UNIT 1B  UNIT-No issues noted.
          FILE-No issues noted.
UNIT 1C  UNIT-No issues noted.
          FILE-Original Move In TIC show moved into 2B on 6/1/16. Did Tenant transfer or Move Out/Move In
to 1C? Need COL TIC in file
UNIT 2A  UNIT-No issues noted.
          FILE-Need COL TIC in file
UNIT 2B  UNIT-No issues noted.
          FILE-Need COL TIC in file
UNIT 2C  UNIT-No issues noted.
          FILE-Need COL TIC in file
UNIT 3B  UNIT-No issues noted.
          FILE-No issues noted.
UNIT 3C  UNIT-Vacant-Ready for Occupancy

INSPECTION RATINGS HISTORY: TYPE  DATE  RATING
PROJECT 12040  Sweet Grass Apartments  MANAGER 98-7654321  Northwest
Real Estate Capital Corp.
OWNER  90-0878574  Sweet Grass Apartments LP  CONTACT  Kimera
Cisneros  (208) 947-8585
CONTACT  Noel Gill  (208) 947-8593  ON-SITE  Paul Anato  (406)
424-8094
# BLDGS PIS 2  LAST BUILDING PIS DATE 06/03/2013

AUDIT DATE 07/26/2016 BY RENA OLIPHANT  OWNER RESPONSE DATE
08/29/2016  CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS  Management needs to have key(s) to enter ALL
Units in case of Emergency, etc.
Original or copy of all Tenant files must be
available for audit at any time. No notice is
needed by MBOH to review.
Deep & long trenches in back yard behind both
buildings causing water ponding & tripping
hazards.

# BLDGS PIS 2  LAST BUILDING PIS DATE 06/03/2013

Landscaping needs to be kept up at all times.
Mowing, weeding, watering, etc.
Property has water drainage issues. Standing
water in multiple areas of lawn & roadways

BUILDING ID  MT-12-00013  720 St Marys Ave  No issues noted.
CRD START  2013

UNIT 722A  UNIT-Main bedroom window egress blocked.
           Livingroom window cracked/broken.
           FILE-Missing current Student Cert form.

UNIT 722B  UNIT-No issues noted.
           FILE-No issues noted.

UNIT 724A  UNIT-VACANT-Ready

UNIT 724B  UNIT-No issues noted.
           FILE-No issues noted.

BUILDING ID  MT-12-00014  736 St Marys Ave  No issues noted.
CRD START  2013

UNIT 738A  UNIT-VACANT-Ready

UNIT 738B  UNIT-No issues noted.
           FILE-No issues noted.

UNIT 740A  UNIT-1st bedroom window egress blocked
           FILE-No issues noted.

UNIT 740B  UNIT-VACANT- Ready

INSPECTION RATINGS HISTORY: TYPE DATE RATING
### Report of Annual Audit Findings

**Project:** All Projects  
**Owner:** Montana Board of Housing  
**Complete Date:** 09/09/16

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<td>MT-13-00062</td>
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BUILDING ID MT-13-00063 River Rock Residences No issues noted.
CRD START 2013 830 Flat Rock Loop
UNIT B UNIT-No issues noted
FILE-No issues noted

BUILDING ID MT-13-00064 River Rock Residences No issues noted.
CRD START 2013 855 Flat Rock Loop
UNIT C UNIT-No issues noted
FILE-No issues noted

BUILDING ID MT-13-00065 River Rock Residences No issues noted.
CRD START 2013 870 Flat Rock Loop
UNIT C UNIT-No issues noted
FILE-No issues noted

BUILDING ID MT-13-00066 River Rock Residences No issues noted.
CRD START 2013 875 Flat Rock Loop
UNIT A UNIT-No issues noted
FILE-No issues noted
UNIT B UNIT-Vacant Turning

BUILDING ID MT-13-00067 River Rock Residences No issues noted.
CRD START 2013 880 Flat Rock Loop
UNIT A UNIT-No issues noted
FILE-No issues noted

BUILDING ID MT-13-00068 River Rock Residences No issues noted.
CRD START 2013 885 Flat Rock Loop
UNIT A UNIT-No issues noted
FILE-Current Student Re-Certification missing

BUILDING ID MT-13-00069 River Rock Residences No issues noted.
CRD START 2013 890 Flat Rock Loop
UNIT B UNIT-No issues noted
FILE-No issues noted

INSPECTION RATINGS HISTORY: TYPE DATE RATING

PROJECT  All Projects Montana Board of Housing
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REPORT OF ANNUAL AUDIT FINDINGS PAGE #
#  COR408
89
AUDIT DATES 01/01/2016 - 09/05/2016 DATE RUN
09/09/16
PROJECT 93060 Westwood Apartments MANAGER 72-1520752 Circle K
Property Management
OWNER 81-0493747 Westwood LLC CONTACT Laurel Kjos (509) 315-4168
CONTACT Ron Christenson (612) 338-7173 ON-SITE Tina Stevenson (406) 750-8781
# BLDGS PIS 1 LAST BUILDING PIS DATE 10/17/1995

AUDIT DATE 07/29/2016 BY RENA OLIPHANT OWNER RESPONSE DATE 09/09/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS No issues noted.

BUILDING ID MT-93-00011 770 WESTWOOD AVENUE Sidewalk leading into Unit 10 has areas of
CRD START 1995 SHELBY, MT 59474 concrete that has risen, causing tripping hazards.

INSPECTION RATINGS HISTORY: TYPE DATE RATING

PROJECT 99100 Big Sky Manor Apartments MANAGER 81-0351346 Monfric Realty
OWNER 81-0525139 Big Sky HP-NWMHRI LP C/o John P. Grady CONTACT Anita Moseman (970) 434-9719
CONTACT John Grady (619) 276-6271 ON-SITE Terri Anderson (406) 257-0361
# BLDGS PIS 1 LAST BUILDING PIS DATE 01/01/2000

AUDIT DATE 03/16/2016 BY ROBERT VANEK OWNER RESPONSE DATE 04/15/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS No Findings

BUILDING ID MT-99-00039 110 Second Ave W Outside, north access door has serious deterioration at
CRD START 2000 bottom.

UNIT 315 File - No Findings
Unit - As a heads-up, unit borderline regarding clutter/housekeeping - possible health and safety hazard
PROJECT 99140 Columbia Villa Apartments MANAGER 81-0351346 Monfric Realty
OWNER 81-0525140 Columbia Villa HP-NWMHRI LP C/o John P. Grady
CONTACT Anita Moseman (970) 434-9719
CONTACT John Grady (619) 276-6271
ON-SITE Connie Cramer (406) 892-4552
# BLDGS PIS 3 LAST BUILDING PIS DATE 07/01/2000

AUDIT DATE 03/16/2016 BY ROBERT VANEK
OWNER RESPONSE DATE 04/15/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
1) Property wide - exterior second floor landing vinyl floor material has evidence of excessive wear/stains
2) Property wide - parking lot evidence of excessive cracking/settlement/heaving/ponding

BUILDING ID MT-99-00051 700 7th Street West
CRD START 2000
SEE PROJECT LEVEL FINDINGS

UNIT 112 Files - N/A
Unit - Exterior bedroom window frame shows evidence of weathering

BUILDING ID MT-99-00052 700 7th Street West
CRD START 2000
SEE PROJECT LEVEL FINDINGS

BUILDING ID MT-99-00053 700 7th Street West
CRD START 2000
SEE PROJECT LEVEL FINDINGS

UNIT 301 Files - N/A
Unit - Bathroom vent fan excessive noise

INSPECTION RATINGS HISTORY: TYPE DATE RATING

PROJECT 99180 Sunridge Pointe Apts (Prev Valley View) MANAGER 81-0351346 Monfric Realty
OWNER 81-0525141 Valley View HP-NWMHRI LP
CONTACT Anita Moseman (970) 434-9719
CONTACT John Grady (619) 276-6271
ON-SITE Alana Carvel (406) 752-1545
# BLDGS PIS 5 LAST BUILDING PIS DATE 07/01/2000

AUDIT DATE 03/16/2016 BY ROBERT VANEK
OWNER RESPONSE DATE 04/15/2016
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
1) Property wide - exterior siding shows evidence of weathering (in need of repair/painting)
2) Property wide - exterior metal stairways (leading to
second story units) have excessive corrosion
3) Property wide - exterior second floor landing vinyl
   floor material has evidence of excessive wear/stains
4) Property wide - parking lot evidence of excessive
   cracking/settlement/heaving/ponding
5) Property wide - sidewalks have excessive spalling,
   cracks and heaving/settlement

BUILDING ID MT-99-00068 400 Liberty, Bldg 1  See project level findings
   CRD START 2000

BUILDING ID MT-99-00069 400 Liberty St, Bldg 2  See project level findings
   CRD START 2000
   Files - N/A

BUILDING ID MT-99-00070 400 Liberty St, Bldg 3  See project level findings
   CRD START 2000

BUILDING ID MT-99-00071 400 Liberty St, Bldg 4  See project level findings
   CRD START 2000

BUILDING ID MT-99-00072 400 Liberty St, Bldg #5  See project level findings
   CRD START 2000

INSPECTION RATINGS HISTORY: TYPE DATE RATING

BUILDING ID MT-99-99998 112
   CRD START 2000
   UNIT 101 Bathroom Cabinets - Damaged/Missing
   Propane/Natural Gas/Methane Gas Detected

INSPECTION RATINGS HISTORY: TYPE DATE RATING

PROJECT MF007 Holland Park Apartments
FALLS HOUSING AUTHORITY

MANAGER 81-6000175 GREAT
PROJECT LEVEL FINDINGS

In process of tearing out concrete sidewalks, ramps etc. to redo. Will also be tearing out parking lot to redo.

BUILDING ID MT-96-96010 600 Holland Park FILES - ALL FILES MUST HAVE Initial Move In COL CRD START 1996

UNIT A
UNIT 600A
No issues noted.
FILE 600A
File has no Initial Move In TIC of any kind. Missing some verification documents. Need to create & compile all required documents, signed & submit. Tenants are Unqualified & Unit is Out of Compliance.

UNIT D
UNIT 600D
24 HOUR - Hot water heater closet must be clear of items store. COMPLETED PER DONNA Tenant states refrigerator motor makes a "knocking" noise & leaks. Needs repaired/replaced.
FILE 600D
No Initial Move In COL TIC in file. Only handwritten Working TIC. No income or child support verification at move in. Tenants are Unqualified & Unit is Out of Compliance.

BUILDING ID MT-96-96011 601 Holland Park FILES - ALL FILES MUST HAVE Initial Move In COL CRD START 1996

UNIT A
UNIT 601A
No issues noted.
FILE 601A
No Initial Move In COL TIC. Handwritten Working TIC only. Moving forward must have printed out
COL TIC’s in files.

UNIT B  UNIT 601B
VACANT - Turning

UNIT D  UNIT 601D
Bottom front right corner concrete broken out & rusting rebar exposed. This was noted on 2013 & 2014 Inspections. Has not been repaired yet. Must be repaired to prevent further rusting & erosion.

FILE 601D
File has no Initial Move In TIC & missing some verification documents. Need to create & compile all required documents, signed & submitt. Based on information in file, Tenants are Over-Income & Unit is Out of Compliance.

INSPECTION RATINGS HISTORY:  TYPE  DATE  RATING
PROJECT All Projects

MONTH October

PAGE # 1

REPORT OF ANNUAL AUDIT FINDINGS

REPORT # COR408

AUDIT DATES 09/06/2016 - 10/07/2016

DATE RUN 10/10/16

PROJECT 01060 Corvallis Courtyards

MANAGER

26-3723320 Infinity Management Company

OWNER 82-0533135 Pacific Development C/o Nicole Fenton

CONTACT Jeremy Weeks (208) 746-2242

CONTACT Nicole Fenton (208) 461-0022

ON-SITE Autumn Gladback (406) 961-4890

# BLDGS PIS 4 LAST BUILDING PIS DATE 08/01/2002

AUDIT DATE 09/21/2016 BY RENA OLIPHANT

DATE 10/17/2016 CLOSE OUT LETTER DATE 00/00/0000

OWNER RESPONSE

PROJECT LEVEL FINDINGS

1. Wooden balconies/patios need sanding/staining to preserve & avoid further deterioration.

2. Sidewalk in front of Unit 501 has a wide & lifted crack causing a possible tripping hazard.

3. Sidewalk beside Unit 501 is a wide & lifted crack causing a possible tripping hazard.

BUILDING ID MT-01-00030 302 Courtyards Circle

CO2 detectors due to the

CRD START 2002

1. All units must have use of gas hot water

2. Make sure all hot for mineral/rust build

3. Linoleum in many missing, separating &

4. Make sure ALL vacant prior to Tenants moving

5. Found nails popping units.

UNIT 106

Note: The text appears to be cut off at the end of the page.
side going up is loose &

BUILDING ID  MT-01-00031  304 Courtyards Circle

CO2 detectors due to the
CRD START  2002

heaters, etc.

water heaters are checked

up & are clean

FILE
No issues noted

1. All units must have use of gas hot water
2. Make sure all hot for mineral/rust build

3. Linoleum in many missing, separating &
4. Make sure ALL vacant prior to Tenants moving
5. Found nails units.

UNIT 202
UNIT Kitchen sink is leaking
FILE
No issues noted

UNIT 203
UNIT
October

properly

wall peeling & needs re-

shower meets walls.

UNIT 206

FILE

No issues noted

UNIT

Upstairs shower back

caulking all along where

FILE

No issues noted

BUILDING ID MT-01-00032 308 Courtyards Circle

CO2 detectors due to the

CRD START 2002

water heaters are checked

up & are clean

units have cracked,

lifting tiles.

units are Move-In ready

in

protruding from ceiling in many

UNIT 401

missing cover

PROJECT All Projects

PAGE # 3

REPORT # COR408

REPORT OF ANNUAL AUDIT FINDINGS

AUDIT DATES 09/06/2016 - 10/07/2016

DATE RUN 10/10/16

PROJECT 01060 Corvallis Courtyards

26-3723320 Infinity Management Company

OWNER 82-0533135 Pacific Development C/o Nicole Fenton

Montana Board of Housing

Toilet handle broken

Page 3
light cover missing

closet doors missing

repaired/replaced.

Circle

CO2 detectors due to the

heaters, etc.

water heaters are checked

up & are clean

units have cracked,

lifting tiles.

units are Move-In ready

in

protruding from ceiling in many

Towel bar broken/missing

Upstairs bedroom ceiling

Downstairs bedroom & handles

FILE

No issues noted

UNIT 405

Stove fan cover missing

Toilet seat broken

Patio door & frame needs

FILE

No issues noted

BUILDING ID MT-01-00033 310 Courtyards

1. All units must have use of gas hot water

2. Make sure all hot for mineral/rust build

3. Linoleum in many missing, separating &

4. Make sure ALL vacant prior to Tenants moving

5. Found nails units.

UNIT

Vacant - Turning
PROJECT 02010 Corvallis Courtyards II MANAGER
26-3723320 Infinity Management Company
OWNER 82-0533135 Pacific Development C/o Nicole Fenton
CONTACT Jeremy Weeks (208) 746-2242
CONTACT Nicole Fenton (208) 461-0022
ON-SITE Autumn Gladback (406) 961-4890
# BLDGS PIS 2 LAST BUILDING PIS DATE 10/01/2002

AUDIT DATE 09/21/2016 BY RENA OLIPHANT OWNER RESPONSE
DATE 10/17/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS Wooden balconies/patios needs sanding/staining to preserve & avoid further deterioration.

BUILDING ID MT-02-00001 312 Courtyards Circle
CO2 detectors due to the
CRD START 2002
heaters, etc.
water heaters are checked
up & are clean
units has cracked, missing,
tiles.
units are Move-In ready
in
protruding from ceiling in many

UNIT 601

towel bar broken/missing
light cover missing

UNIT 602

UNIT
Kitchen faucet leaking
Downstairs bathroom
Upstairs bedroom on left

1. All units must have
use of gas hot water
2. Make sure all hot
for mineral/rust build
3. Linoleum in many
separating & lifting
4. Make sure ALL vacant
prior to Tenants moving
5. Found nails
units.

UNIT Vacant-Turning
October

UNIT 603
Did not inspect
FILE
No issues noted

UNIT 604
Multiple wasps on
called
FILE
No issues noted

UNIT 605
Bath tub faucet leaking
Housekeeping letter to
FILE
No issues noted

UNIT 606
Downstairs bathtub
Upstairs bathroom sink
FILE
No issues noted

1. All units must have
   use of gas hot water
2. Make sure all hot
   for mineral/rust build
3. Linoleum in many
   separating & lifting
4. Make sure ALL vacant
   prior to Tenants moving
5. Found nails
   units.
leaks

UNIT 701
Front door damaged

FILE
Kitchen sink faucet
No issues noted

UNIT 702
Patch on ceiling above

FILE
Check to ensure no
Front door not aligned
bottom sweep

correctly & missing

UNIT 704
Bathtub faucet pulled
tightened/caulking
FILE
No issues noted

away from wall, needs

UNIT 705
Tenant using underneath
large items. Management
remove all items & not
FILE
No issues noted

stairwell for storing

requested letter to

use as storage in future

================================================================================
======================================================================
October

PROJECT LEVEL FINDINGS
No issues noted.

BUILDING ID MT-02-00066 300 Stonegate Dr.
CRD START 2003

UNIT 300-2
No issues noted.

UNIT 300-5
No issues noted.

Income Limit, Should be
should be included in
corrected TIC.

BUILDING ID MT-02-00067 400 Stonegate Dr.
outside lower left
CRD START 2003

UNIT 400-3
Garage #400-3 damage on
corner

BUILDING ID MT-02-00068 410 Stonegate Dr.
outside lower right
CRD START 2003

UNIT 410-4
Garage #410-4 damage on
edge

outside bathroom is loose.

BUILDING ID MT-02-00069 420 Stonegate Dr.
CRD START 2003

No issues noted.

BUILDING ID MT-02-00070 430 Stonegate Dr.
CRD START 2003

No issues noted.

BUILDING ID MT-02-00071 440 Stonegate Dr.
CRD START 2003

No issues noted.

BUILDING ID MT-02-00072 450 Stonegate Dr.
Page 8

Front sidewalk concrete
has lifted causing October possible tripping
hazards.

BUILDING ID MT-02-00073 500 Stonegate Dr. No issues noted.

===============================================================================================

PROJECT 02100 Pheasant Glen
81-0296548 Rocky Mountain Development Council
OWNER 82-0558612 Pheasant Glen LP
CONTACT Liz Mogstad (406) 447-1680
CONTACT Lori Ladas (406) 447-1680
ON-SITE Sue Skinner (406) 461-9849
# BLDGS PIS 5 LAST BUILDING PIS DATE 08/01/2003

AUDIT DATE 09/07/2016 BY MBOH Management OWNER RESPONSE
DATE 00/00/0000 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS No Findings

BUILDING ID MT-02-00078 3440 Ptarmigan Lane No Findings

CRD START 2003

===============================================================================================

PROJECT 08050 Mountain View III/Hamilton
20-8764296 Highland Property Management
OWNER 20-8315017 Mountain View Associates III LP
CONTACT Casey Overland (406) 541-0999
CONTACT Patrick Klier (406) 541-0999
ON-SITE Kendra Haswell (406) 363-5787
# BLDGS PIS 3 LAST BUILDING PIS DATE 07/17/2009

AUDIT DATE 09/22/2016 BY RENA OLIPHANT OWNER RESPONSE
DATE 10/17/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS No issues noted.

BUILDING ID MT-08-00007 225 Stonegate Dr No issues noted.

UNIT A102

UNIT Water heater has leak.
Mineral / rust buildup on top
FILE
No issues noted.

UNIT A203
UNIT
Bathroom toilet runs excessively.
Master Bedroom & handles
FILE
No issues noted.

UNIT A204
UNIT
Vacant-Ready

UNIT B103
UNIT
Vacant-Ready

UNIT B105
UNIT
Tenants sick. Did not instead

UNIT B107
UNIT
Tenant locks interior
Management is able to
FILE
No issues noted.

BUILDING ID MT-08-00008 229 Stonegate Dr
No issues noted.

BUILDING ID MT-08-00009 251 Stonegate Dr
No issues noted.

CRD START 2009
PROJECT 12070  Parkview Village  MANAGER
00-0000006  Richland Housing Authority
OWNER  45-4214388  Parkview Village LLLP
CONTACT  Stacey Netz  (406) 433-1978
CONTACT  Becky Hayes  (406) 433-1978
# BLDGS PIS  1  LAST BUILDING PIS DATE  09/30/2013

AUDIT DATE  09/22/2016  BY TODD JACKSON
DATE  10/14/2016  CLOSE OUT LETTER DATE  00/00/0000

OWNER RESPONSE

PROJECT LEVEL FINDINGS  Replace batteries or repair multiple exit signs in the building.

BUILDING ID  MT-12-00042  221 5th Street SW
CRD START  2013

====================================================================================

PROJECT 13070  River Rock Residences  MANAGER
81-0296548  Rocky Mountain Development Council
OWNER  27-4336395  River Rock Residences LP
CONTACT  Liz Mogstad  (406) 447-1680
CONTACT  Lori Ladas  (406) 447-1680
ON-SITE  Sue Skinner  (406) 461-9849
# BLDGS PIS  11  LAST BUILDING PIS DATE  08/08/2013

AUDIT DATE  09/07/2016  BY MBOH Management
DATE  00/00/0000  CLOSE OUT LETTER DATE  00/00/0000

OWNER RESPONSE

PROJECT LEVEL FINDINGS  No Findings

BUILDING ID  MT-13-00059  River Rock Residences No Findings
CRD START  2013  810 Flat Rock Loop

BUILDING ID  MT-13-00060  River Rock Residences No Findings
CRD START  2013  815 Flat Rock Loop

BUILDING ID  MT-13-00061  River Rock Residences No Findings
CRD START  2013  820 Flat Rock Loop

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<td>No Findings</td>
</tr>
</tbody>
</table>

**PROJECT** All Projects

**PAGE #** 13

**PROJECT** 14010 Apsaalooke Warrior Apartments

**OWNER** 36-4768535 Apsaalooke Warrior Apartments LLLP

**CONTACT** Rebecca Mercer (208) 947-7058

**CONTACT** John Old Elk (406) 638-7100
ON-SITE Adree Herrera (406) 638-7100
# BLDGS PIS 1 LAST BUILDING PIS DATE 07/17/2015

AUDIT DATE 09/23/2016 BY TODD JACKSON
DATE 10/14/2016 CLOSE OUT LETTER DATE 00/00/0000

BUILDING ID MT-14-00001 1 Pretty Eagle Ave
CRD START 2015

UNIT 1 File-No issue found
Site-No issue found

UNIT 10 File-No issue found
Site-No issue found

UNIT 11 File-No issue found
Site-No issue found

UNIT 12 File-No issue found
Site-No issue found

UNIT 13 File-No issue found
Site-No issue found

UNIT 14 File-No issue found
Site-Repair bathroom

drain plug

UNIT 15 File-No issue found
Site-No issue found

UNIT 2 File-No issue found
Site-No issue found

UNIT 3 File-No issue found
Site-Living room fan

needs repaired

UNIT 4 File-No issue found
Site-No issue found

UNIT 5 File-No issue found
Site-No issue found

UNIT 6 File-No issue found
Site-No issue found

UNIT 7 File-No issue found

Page 13
October

UNIT 8
Site-No issue found
File-No issue found
Site-No issue found

UNIT 9
File-No issue found
Site-No issue found

BUILDING ID MT-14-00001 1 Pretty Eagle Ave
No Findings
CRD START 2015

PROJECT 14030
Sunset Village
00-000006 Richland Housing Authority
OWNER 46-1742341 Sunset Village LLLP
CONTACT Stacey Netz (406) 433-1978
CONTACT (000) 000-0000
ON-SITE Becky Hayes (406) 433-1978
# BLDGS PIS 3 LAST BUILDING PIS DATE 04/22/2016

AUDIT DATE 09/22/2016 BY TODD JACKSON
DATE 10/21/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
Repair the 2 exit signs with bad bulbs.
Repair GFI outside of community room.
Repair the water ponding around buildings and parking lot.

BUILDING ID MT-14-00005 1023 6th St SW
CRD START 2016

PROJECT All Projects
Page # 15
REPORT OF ANNUAL AUDIT FINDINGS
REPORT # COR408
AUDIT DATES 09/06/2016 - 10/07/2016
DATE RUN 10/10/16

PROJECT 14030
Sunset Village
00-0000006 Richland Housing Authority
OWNER 46-1742341 Sunset Village LLLP
CONTACT Stacey Netz (406) 433-1978
CONTACT (000) 000-0000

Page 14
PROJECT 15030 Gallatin Forks MANAGER
82-0429908 Syringa Property Management
OWNER 46-2105910 Gallatin Forks Limited Partnership
CONTACT Dianne Hunt (208) 387-7817
CONTACT Taylor Hunt (208) 387-7812
ON-SITE Stacy Smith (406) 284-2727
# BLDGS PIS 3 LAST BUILDING PIS DATE 06/27/2016

AUDIT DATE 09/20/2016 BY TODD JACKSON
DATE 10/07/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS
Replace missing downspout in front of office building

BUILDING ID MT-15-00009 402 West Main Street
CRD START 2016

UNIT 2
File-Need a signed student cert
Site-No issue found

BUILDING ID MT-15-00010 402 West Main Street
CRD START 2016

BUILDING ID MT-15-00011 402 West Main Street
CRD START 2016
October

REPORT OF ANNUAL AUDIT FINDINGS

REPORT # COR408
AUDIT DATES 09/06/2016 - 10/07/2016
DATE RUN 10/10/16

PROJECT 94070 Forsyth Village I MANAGER
00-0000009 Rachel Hope Management LLC
OWNER 82-0476236 Village V Limited Partnership/Homestead LLC
CONTACT Melissa Hyatt (208) 922-7181
CONTACT Julie Hyatt (280) 922-7177
ON-SITE Ana Oterino (406) 356-9815
# BLDGS PIS 3 LAST BUILDING PIS DATE 03/24/1996

AUDIT DATE 09/21/2016 BY TODD JACKSON
CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS Repair 3 broken automatic stair chairs.

BUILDING ID MT-94-00020 1855 East Main, Bldg 1
CRD START 1996 Forsyth, MT 59327

BUILDING ID MT-94-00021 1855 East Main, Bldg 2
CRD START 1996 Forsyth, MT 59327

BUILDING ID MT-94-00022 1855 East Main, Bldg 3
CRD START 1996 Forsyth, MT 59327

PROJECT 94080 Forsyth Village II MANAGER
00-0000009 Rachel Hope Management LLC
OWNER 82-0476236 Village V Limited Partnership/Homestead LLC
CONTACT Melissa Hyatt (208) 922-7181
CONTACT Julie Hyatt (280) 922-7177

Page 16
October
ON-SITE Ana Oterino (406) 356-9815
# BLDGS PIS 1 LAST BUILDING PIS DATE 03/24/1996

AUDIT DATE 09/21/2016 BY TODD JACKSON OWNER RESPONSE
DATE 10/14/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS Repair parking lot pot hole. Some tall weeds need to be removed around the edges and corners of the property.

BUILDING ID MT-94-00023 2315 East Front CRD START 1996 Forsyth, MT 59327

PROJECT 94090 Hysham Village MANAGER
00-0000009 Rachel Hope Management LLC
OWNER 82-0476236 Village V Limited Partnership/Homestead LLC
CONTACT Melissa Hyatt (208) 922-7181
CONTACT Julie Hyatt (208) 922-7177
ON-SITE Ana Oterino (406) 356-9815

AUDIT DATE 09/21/2016 BY TODD JACKSON OWNER RESPONSE
DATE 10/14/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS Sewer cap on front sidewalk creates a tripping hazard. Cap must be lowered.

BUILDING ID MT-94-00024 117 Division CRD START 1996 Hysham, MT 59038

UNIT H9
File-No issue found Site-Waiting for work repairs
orders on painting and water leak

♀ BUILDING ID MT-94-00024 117 Division No Findings
CRD START 1996

==================================================================================================

PROJECT 94100 Big Timber Village MANAGER
00-0000009 Rachel Hope Management LLC

Page 17
PROJECT 98070  
Parkside Apartments  
MANAGER  
Cardinal Property Management  
PROJECT LEVEL FINDINGS  
No Findings  
BUILDING ID MT-94-00025 8th and Hart Bldg 1  
CRD START 1996 Big Timber, MT 59011  
BUILDING ID MT-94-00026 8th and Hart Bldg 2  
CRD START 1996 Big Timber, MT 59011  
BUILDING ID MT-94-00027 8th and Hart Bldg 3  
CRD START 1996 Big Timber, MT 59011  

Owner 82-0476236 Village V Limited Partnership/Homestead LLC  
CONTACT Melissa Hyatt (208) 922-7181  
CONTACT Julie Hyatt (280) 922-7177  
ON-SITE Julie Freeman (406) 932-6253  
# BLDGS PIS 3 LAST BUILDING PIS DATE 03/24/1996  

AUDIT DATE 09/20/2016 BY TODD JACKSON  
CLOSE OUT LETTER DATE 00/00/0000  

BUILDING ID MT-94-00025 8th and Hart Bldg 1  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00026 8th and Hart Bldg 2  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00027 8th and Hart Bldg 3  
CRD START 1996 Big Timber, MT 59011  

Owner 59-20476236 Village V Limited Partnership/Homestead LLC  
CONTACT Melissa Hyatt (208) 922-7191  
CONTACT Julie Hyatt (280) 922-7177  
ON-SITE Julie Freeman (406) 932-6253  
# BLDGS PIS 3 LAST BUILDING PIS DATE 03/24/1996  

AUDIT DATE 09/20/2016 BY TODD JACKSON  
CLOSE OUT LETTER DATE 00/00/0000  

BUILDING ID MT-94-00025 8th and Hart Bldg 1  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00026 8th and Hart Bldg 2  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00027 8th and Hart Bldg 3  
CRD START 1996 Big Timber, MT 59011  

Owner 82-0476236 Village V Limited Partnership/Homestead LLC  
CONTACT Melissa Hyatt (208) 922-7181  
CONTACT Julie Hyatt (280) 922-7177  
ON-SITE Julie Freeman (406) 932-6253  
# BLDGS PIS 3 LAST BUILDING PIS DATE 03/24/1996  

AUDIT DATE 09/20/2016 BY TODD JACKSON  
CLOSE OUT LETTER DATE 00/00/0000  

BUILDING ID MT-94-00025 8th and Hart Bldg 1  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00026 8th and Hart Bldg 2  
CRD START 1996 Big Timber, MT 59011  

BUILDING ID MT-94-00027 8th and Hart Bldg 3  
CRD START 1996 Big Timber, MT 59011  

Owner 81-0477303 Cardinal Property Management  
OWNER 81-0519859 Hamilton Affordable Housing Partnership, L.P.  
CONTACT Barbara Liss (406) 363-4430  
CONTACT Jim Morton (406) 728-3710  
ON-SITE Barbara Liss (406) 363-4430  
# BLDGS PIS 1 LAST BUILDING PIS DATE 11/01/2000  

AUDIT DATE 09/23/2016 BY RENA OLIPHANT  
CLOSE OUT LETTER DATE 00/00/0000  

Page 18
October

PROJECT LEVEL FINDINGS No issues noted

BUILDING ID MT-98-00001 121 State Street
Filtration Systems are
CRD START 2000
that have been taken off,
removed, holes filled in
visible signs

Ensure all Units' Air operating.
All Unit closet doors ensure all hardware is & painted to remove any

====================================================================================
PROJECT MF029 S.A.F.E.
81-0460028 S.A.F.E
OWNER 08-1046002 S.A.F.E.
CONTACT STACEY UMHEY (406) 363-2793
CONTACT Stacey Umhey (406) 363-2793
ON-SITE Tina Shay (406) 363-2793
# BLDGS PIS 4 LAST BUILDING PIS DATE 02/21/2001

AUDIT DATE 09/23/2016 BY RENA OLIPHANT OWNER RESPONSE
DATE 10/17/2016 CLOSE OUT LETTER DATE 00/00/0000

PROJECT LEVEL FINDINGS No issues noted

BUILDING ID MT-01-00150 150 Morning Star Way
CRD START 2001

BUILDING ID MT-01-00171 171 Abrial Court
attention. Dry & little to no
CRD START 2001
front of unit 171B lifted
tripping hazard

UNIT 171B
broken/missing
washedr/dryer stackable
access.

UNIT Upstairs towel bar
Breaker box no cover & units covering. Can't
October

FILE
No issues noted

BUILDING ID    MT-01-00181  181 Abrial Court
CRD START      2001

No issues noted
CRD START      2001

BUILDING ID    MT-01-00191  191 Abrial Court

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INVESTMENT DIVERSIFICATION

At the end of August 2016 we had 49.2% of our investments in Money Market accounts of which $16.8 million was in the 2016 Acquisition Accounts for purchases of Mortgages. Another 34.7% was in Federal Home Loan Bank Discount notes with relatively short maturities in order to have them available for debt service at the end of the year. The remainder of the investments are in a variety of investments with maturities stretching to 23 years and yields from 0.04 to 6.46%.

WEIGHTED AVERAGE YIELD

Despite low yields on some of our investments, because of our diversified portfolio, we have maintained a fairly level weighted average yield over the months of June, July and August.

Portfolio Maturity

The majority of our portfolio will be maturing in the next year and we will be looking at new investments for some portions that will not need to be available for immediate use to help boost our yield in the future.
Accounting & Finance Dashboard
Data as of August 31, 2016

Investment Diversification

Weighted Average Yield Trend

NOTE: Weight Average Yield in December should have been 1.29% not 0.79% as state in previous month.

Portfolio Maturity

<table>
<thead>
<tr>
<th></th>
<th>Available Now</th>
<th>Less than 1 year</th>
<th>1 to 5 years</th>
<th>6 to 10 years</th>
<th>11 to 15 years</th>
<th>16 to 20 years</th>
<th>21 to 25 years</th>
<th>Grand Total</th>
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<tbody>
<tr>
<td></td>
<td>$76,413,071</td>
<td>$53,739,000</td>
<td>$1,754,000</td>
<td>$10,214,000</td>
<td>$7,705,000</td>
<td>$2,399,199</td>
<td>$2,996,592</td>
<td>$155,220,862</td>
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Montana Board of Housing  
Accounting and Finance  
Investment Maturity Schedule  
August 31, 2016

<table>
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<tr>
<th>Maturity Date</th>
<th>Trustee Bank</th>
<th>Investment Type</th>
<th>Par Value</th>
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<tr>
<td>08/31/2016</td>
<td>US BANK MONEY M</td>
<td>US Bank Corporate Tr</td>
<td>6,667,462.31</td>
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<tr>
<td>08/31/2016</td>
<td>WELLS FARGO MON</td>
<td>Wells Fargo Bank Wes</td>
<td>69,745,608.29</td>
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<tr>
<td>11/16/2016</td>
<td>FHLB DN</td>
<td>Wells Fargo Bank Wes</td>
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<td>12/15/2016</td>
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<td>12/28/2016</td>
<td>FHLB DN</td>
<td>Wells Fargo Bank Wes</td>
<td>1,961,000.00</td>
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<td>12/30/2016</td>
<td>FNMA DN</td>
<td>Wells Fargo Bank Wes</td>
<td>90,000.00</td>
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<tr>
<td>05/24/2021</td>
<td>FFCB</td>
<td>Wells Fargo Bank Wes</td>
<td>1,230,000.00</td>
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<td>12/16/2024</td>
<td>FFCB</td>
<td>Wells Fargo Bank Wes</td>
<td>805,000.00</td>
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<td>08/15/2025</td>
<td>T-NOTES &amp; BONDS</td>
<td>Wells Fargo Bank Wes</td>
<td>4,796,000.00</td>
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<td>04/30/2026</td>
<td>FNMA DEB</td>
<td>Wells Fargo Bank Wes</td>
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<td>09/27/2027</td>
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<td>Wells Fargo Bank Wes</td>
<td>4,070,000.00</td>
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<td>11/26/2027</td>
<td>FNMA DEB</td>
<td>Wells Fargo Bank Wes</td>
<td>3,635,000.00</td>
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<td>07/15/2032</td>
<td>FHLMC BOND</td>
<td>Wells Fargo Bank Wes</td>
<td>2,225,000.00</td>
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<td>02/01/2036</td>
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<td>85,480.34</td>
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<td>03/01/2037</td>
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<td>153,115.89</td>
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<td>SOCIETE - REPO</td>
<td>Wells Fargo Bank Wes</td>
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<td>08/01/2037</td>
<td>FNMA MBS</td>
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<td>01/01/2039</td>
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<td>12/01/2039</td>
<td>FNMA MBS</td>
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<td>11/22/2016</td>
<td>FHLB DN</td>
<td>Wells Fargo Bank Wes</td>
<td>2,115,000.00</td>
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<tr>
<td>11/23/2016</td>
<td>FHLB DN</td>
<td>Wells Fargo Bank Wes</td>
<td>4,455,000.00</td>
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<tr>
<td>05/26/2017</td>
<td>FHLB DN</td>
<td>Wells Fargo Bank Wes</td>
<td>278,000.00</td>
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<tr>
<td>08/22/2017</td>
<td>FHLMC DN</td>
<td>Wells Fargo Bank Wes</td>
<td>246,000.00</td>
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</tbody>
</table>

| Total         |             |                     | 155,220,861.65  |

FNMA = Federal National Mortgage Association  
FHLB = Federal Home Loan Bank  
FHLMC = Federal Home Loan Mortgage Corporation  
FFCB = Federal Farm Credit Bank
PROGRAM
Homeownership Program

AGENDA ITEM
Lender Approval – Acceptance Capital Mortgage Corporation

BACKGROUND
Acceptance Capital Mortgage Corporation and Subsidiaries was incorporated under the laws of the State of Washington in 2002, and the maintain offices throughout the United States. Their Montana lending location is in Billings.

Acceptance Capital Mortgage Corporation is interested in participating in the Board’s MCC program. They are approved to underwrite FHA, RD and VA Loans and they will sell servicing to MBOH.

According to their September 30, 2015 Balance Sheet, Acceptance Capital Mortgage Corporation has equity to asset ratio of over 10%, meeting the criteria for MBOH participating lenders (6%).

All required Errors and Omissions and Fidelity Bond Insurance coverage requirements have been met.

Acceptance Capital Mortgage Corporation financial statements are available to Board members on request.

PROPOSAL
Staff requests for the Board to approve Acceptance Capital Mortgage Corporation as a participating lender with MBOH.
PROGRAM
Homeownership Program

AGENDA ITEM
Setaside Approval Community Action Partnership of Northwest Montana

BACKGROUND
Marney McCleary is requesting a setaside for Community Action Partnership of Northwest Montana (CAPNM) for low income buyers (at 80% AMI or less) of homes purchased and rehabilitated with Neighborhood Stabilization Program funds.

They sell homes to individuals and families that are placed in the Northwest Montana Community Land Trust, Inc. (NWMTCLT) at 50% or below AMI up to and including 120% of AMI.

There have been 29 out of 46 homebuyers that fell at or under 80% of AMI in the last five years. The interest rates of this program, presently at 3-1/8%, would be very beneficial to the homebuyers even in comparison to 3-1/4% for a Rural Development (RD) Guaranteed Loan.

PROPOSAL
Staff requests for the Board to approve to add the Northwest Montana Community Land Trust, Inc. to the Down Payment 1st Mortgage Set-Aside Pool, and open it to anyone purchasing one of these properties, not just 80% AMI. Funds are currently available; and land trusts are an important tool in providing affordable housing in high cost areas.
NWMTCLT Purpose and Mission

- The NWMTCLT is committed to preserving the affordability of housing and other structures - one owner after another, one generation after another, in perpetuity.
NWMCLT History

The State of Montana was awarded $19.6 million of Neighborhood Stabilization Program (NSP) funds under Division B, Title III of the Housing and Economic Recovery Act (HERA).

The City of Kalispell applied for $4 million of the NSP funds in a partnership with Community Action Partnership of Northwest Montana.

These funds shall be used for the purchase and redevelopment of abandoned and foreclosed homes.

The homes will then be placed within the CLT, and be used to house individuals or families with certain income qualifications.
PROGRAM
Homeownership Program

AGENDA ITEM
Down Payment Assistance Program Pilot

BACKGROUND
Currently the Board of Housing offers a Down Payment Assistance Program that is a 15 year amortizing loan that the interest rate is determined by the borrower’s credit score. We have provided this assistance on about 10% of our production.

Recently at the NCSHA conference, it was found that number of other state HFA’s provide down payment assistance in the form of a grant or deferred loan with a 0% interest rate, these down payment programs have helped states increase production in their programs and accomplish their mission assisting low to moderate income homebuyers.

Interest rates have remained low and borrowers are refinancing their Board loans at a rate the new loan volume has not been able make up for. The Board’s portfolio continues to run off, though at a much slower rate than before.

PROPOSAL
Staff requests for the Board to approve an allocation of $1 million of Special Reserve funds that can be used for a 0% down payment assistance pilot program. Staff will work through the operational details to establish a program to offer its borrowers.
Homeownership Program Dashboard  
October 12, 2016

Rates

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Last Month</th>
<th>Last Year</th>
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</thead>
<tbody>
<tr>
<td>MBOH</td>
<td>3.25</td>
<td>3.25</td>
<td>3.25</td>
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<tr>
<td>Market</td>
<td>3.50</td>
<td>3.50</td>
<td>3.64</td>
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<tr>
<td>10 yr treasury</td>
<td>1.79</td>
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<tr>
<td>30 yr Fannie Mae</td>
<td>3.04</td>
<td>3.00</td>
<td>3.43</td>
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Loan Programs

<table>
<thead>
<tr>
<th>Regular Program</th>
<th>Sept 2016 reservations</th>
<th>Total:</th>
<th>Original Amount</th>
<th>Balance</th>
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<tr>
<td>Series 2016A</td>
<td>18</td>
<td>2,925,666</td>
<td>244</td>
<td>38,328,360</td>
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</tbody>
</table>

Set-asides:

- Veterans (Orig) 5 1,035,300 227 33,718,196 40,000,000 6,281,804
- Score Advantage 10 54,705 178 961,894 1,500,000 538,106
- 80% Combined (20+) 1 158,000 62 4,500,000 9,500,000 5,000,000
- Set-aside Pool 7 966,587 28 3,896,146 13,021,113 9,124,96
- Foreclosure Prevent 0 - 1 4,365 50,000 45,635
- Disabled Accessible 0 - 226 16,358,432 Ongoing 862,95
- Lot Refi 0 - 12 1,273,560 2,000,000 726,44
- Habitat 0 - 2 278,393 1,000,000 721,607

MBOH Portfolio as of Aug 2016

5,290 Loans* (4,305 serviced by MBOH)

- FHA 56%
- RD 26%
- VA 8%
- non ins 7%
- PMI 2%
- HUD184 1%

Weighted Average Interest Rate 4.54%

*This a 2.22% decrease in portfolio size from August 2015 when we had 5,410 loans

Delinquency and Foreclosure Rates

<table>
<thead>
<tr>
<th></th>
<th>Aug-16</th>
<th>Jul-16</th>
<th>Jul-15</th>
<th>Montana</th>
<th>Region</th>
<th>Nation</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 Days</td>
<td>1.68</td>
<td>1.93</td>
<td>2.57</td>
<td>1.44</td>
<td>1.81</td>
<td>2.39</td>
</tr>
<tr>
<td>60 Days</td>
<td>1.04</td>
<td>0.94</td>
<td>1.18</td>
<td>0.44</td>
<td>0.57</td>
<td>0.79</td>
</tr>
<tr>
<td>90 Days</td>
<td>2.23</td>
<td>2.42</td>
<td>2.26</td>
<td>0.66</td>
<td>0.94</td>
<td>1.47</td>
</tr>
<tr>
<td>Total Delinquencies</td>
<td>4.95</td>
<td>5.29</td>
<td>6.01</td>
<td>2.54</td>
<td>3.32</td>
<td>4.65</td>
</tr>
<tr>
<td>In Foreclosure</td>
<td>0.89</td>
<td>0.69</td>
<td>0.64</td>
<td>1.34</td>
<td>1.84</td>
<td>3.11</td>
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Production Numbers

LOAN PROGRAMS
<table>
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<tr>
<th>SERVICER NUMBER / NAME</th>
<th>RANGE</th>
<th>LOAN COUNT</th>
<th>2-MONTHS</th>
<th>3-MONTHS</th>
<th>4 OR MORE FORECLOSURES</th>
<th>TOTAL</th>
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<tr>
<td></td>
<td></td>
<td></td>
<td>COUNT</td>
<td>%</td>
<td>COUNT</td>
<td>%</td>
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<tr>
<td>061 FIRST SECURITY BOZEMAN</td>
<td>0.13</td>
<td>7</td>
<td>0</td>
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<tr>
<td>086 THE BANK OF COMMERCE</td>
<td>0.04</td>
<td>2</td>
<td>0</td>
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<td>114 FIRST BOULDER VALLEY BANK</td>
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<td>138 BANK OF THE ROCKIES</td>
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<td>159 VALLEY BANK RONAN</td>
<td>0.93</td>
<td>49</td>
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<td>0.00</td>
<td>1</td>
<td>2.04</td>
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<tr>
<td>213 MANHATTAN BANK</td>
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<td>3</td>
<td>0</td>
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<tr>
<td>229 VALLEY BANK KALISPELL</td>
<td>0.02</td>
<td>1</td>
<td>0</td>
<td>0.00</td>
<td>0</td>
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<tr>
<td>524 STOCKMAN BANK OF MT, MILE</td>
<td>12.14</td>
<td>642</td>
<td>11</td>
<td>1.71</td>
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<td>1.09</td>
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<tr>
<td>700 OPPORTUNITY BANK</td>
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<td>146</td>
<td>4</td>
<td>2.74</td>
<td>2</td>
<td>1.37</td>
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<tr>
<td>710 PIONEER SAVING AND LOAN</td>
<td>0.62</td>
<td>33</td>
<td>1</td>
<td>3.03</td>
<td>0</td>
<td>0.00</td>
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<tr>
<td>842 GUILD MORTGAGE COMPANY</td>
<td>0.68</td>
<td>36</td>
<td>4</td>
<td>11.11</td>
<td>0</td>
<td>0.00</td>
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<tr>
<td>966 MONTANA BOARD OF HOUSING</td>
<td>81.38</td>
<td>4,305</td>
<td>69</td>
<td>1.60</td>
<td>45</td>
<td>1.05</td>
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<tr>
<td>994 XXX-NeighborWorks Great F</td>
<td>0.02</td>
<td>1</td>
<td>0</td>
<td>0.00</td>
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<td>0.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>13</td>
<td>5,290</td>
<td>89</td>
<td>1.68</td>
<td>55</td>
<td>1.04</td>
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</tbody>
</table>
Lender/Realtor/Public Outreach

Tuesday September 13  Score Advantage Webinar lender training with Stockman Bank
Tuesday September 20 – Lender/realtor training Billings with NWMT and RD
MACO Annual Conference in Billings, September 18 - 22
Tuesday September 27 – Lender/realtor training Kalispell with NWMT and RD
Wednesday October 5 – Lender/realtor training Missoula with NWMT and RD
MT League of Cities and towns Annual Conference in Missoula, October 5 - 7
Tuesday October 11 – Lender/realtor training Missoula with NWMT and RD
Thursday October 13 – Lender/realtor training Helena with NWMT and RD
Wednesday November 2 – Lender/realtor training Great Falls with NWMT and RD
MLTA Fall Seminar in Billings, November 3 - 4

Tentative:
HUD 184 Lender Training in the works
### January 2017
- [ ] 1 – No Board Meeting
- [ ] 2 – Board Meeting and Training – Great Falls
- [ ] 3 – Annual Housing Conference – Great Falls

### February 2017
- [ ] 1 – Board Meeting -
- [ ] 2 – Housing Credit Connect – Atlanta (Staff)

### March 2017
- [ ] 3 – No Board Meeting

### April 2017
- [ ] 4 – Rotunda Day – Helena Capitol
- [ ] 5 – HFA Institute – Washington DC (Staff)
- [ ] 6 – Board Meeting – Helena

### May 2017
- [ ] 7 – Board Meeting – Helena or Webinar

### June 2017
- [ ] 8 – Board Meeting – Helena
- [ ] 9 – No Board Meeting

### July 2017
- [ ] 10 – Annual Conference – Denver (Staff & 2 Board Members)
- [ ] 11 – Training - Strategic Planning - Billings
- [ ] 12 – Board Meeting - Billings

### August 2017
- [ ] 13 – No Board Meeting

### September 2017
- [ ] 14 – No Board Meeting

### October 2017
- [ ] 15 – Annual Conference – Denver (Staff & 2 Board Members)
- [ ] 16 – Training - Strategic Planning - Billings
- [ ] 17 – Board Meeting - Billings

### November 2017
- [ ] 18 – No Board Meeting

### December 2017
- [ ] 19 – No Board Meeting

### January 2016
- [ ] 1 – No Board Meeting
- [ ] 2 – No Board Meeting

### February 2016
- [ ] 3 – No Board Meeting

### March 2016
- [ ] 4 – No Board Meeting

### April 2016
- [ ] 5 – No Board Meeting

### May 2016
- [ ] 6 – No Board Meeting

### June 2016
- [ ] 7 – No Board Meeting

### July 2016
- [ ] 8 – No Board Meeting

### August 2016
- [ ] 9 – No Board Meeting

### September 2016
- [ ] 10 – No Board Meeting

### October 2016
- [ ] 11 – No Board Meeting
**Board Meetings**
The next Board meeting will be October 17, 2016 in Helena at the Radisson Colonial Hotel. The Board meeting will start at 10:00 A.M. This meeting will include the 2017 Housing Credit Applications. Hotel arrangements have not been made due to the late start. If you need a hotel reservation, please contact Paula Loving. The January 23, 2017 Board meetings will be in Helena and at the Radisson Colonial Hotel. If you are unable to attend this Board Meeting please notify Paula Loving at 841-2824 or ploving@mt.gov.

**Board News**
The 2017 NCSHA Legislative Conference will take place in Washington DC on March 6-8, 2017. Two Board Members are scheduled to attend this conference, along with two MBOH Staff. The Conference addresses the organization’s legislative priorities and provides a platform for strategizing a unified message to collectively present to Congress. Congressional Staff and Industry leaders will discuss the issues affecting HFAs today.

**Staffing**
Accounting – Mary Lehr has left her position as the Investment/Foreclosure Accountant. This position is in the job posting phase.

Administrative – Angela Benton has left her position as Administrative Assistant. This position will be going out for hire within the next month. Todd Jackson has been hired as the new Public Relations Specialist. Todd has been a formidable team player in Housing for over 4 years bringing with him a wealth of technical expertise including videography, audio visual, website work and event management.

Multifamily – Todd Jackson has left his position as Program Specialist – Multifamily Finance Auditor and Compliance. We will be starting the hiring process within the next few months.

Section 8 – Jeremy Shields has been hired as Program Specialist for the Tenant Based Section 8 program. Jeremy’s start date is October 31, 2016.

Servicing – The vacant Program Specialist – Customer Service position has been posted and is currently in the interviewing phase.

**Strategic Planning**
A Strategic Planning session is scheduled for March 11-12, 2016. Further information will follow.
### HOUSING DIVISION DASHBOARD

**Tenant Based, Veterans' Vouchers, Mod Rehab, ShelterPlus Care I and II, 811 PRA Demo Programs:**

**Current Period: October, 2016**

*Before mid month payment and grant draws*

<table>
<thead>
<tr>
<th>Section 8 Programs</th>
<th>Current Month</th>
<th>Calendar Year</th>
<th>HUD Date Agent</th>
<th>Year to Date Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Choice Voucher (HCV)</strong></td>
<td>Sep-2016: 15,426,099</td>
<td>Oct-2016: 1,104,667</td>
<td>CY 2016</td>
<td></td>
</tr>
<tr>
<td>PBS8 Opt-Out Conversion Funding</td>
<td>88,595</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid Units (3625 Agency contracts)</td>
<td>3,257</td>
<td>3,212</td>
<td>-45</td>
<td></td>
</tr>
<tr>
<td>Current Month Payment Amount</td>
<td>1,534,157</td>
<td>1,518,022</td>
<td>-16,135</td>
<td>14,617,240</td>
</tr>
</tbody>
</table>

| Veterans Affairs Supportive Housing (VASH) | | | | 313,408 |
| Number Units Paid (306 Authorized) | 236 | 232 | -4 | |
| Payment Amount | 138,717 | 137,968 | -749 | 1,212,933 |

| Moderate Rehabilitation (ModRehab) | | | | 2,012,728 |
| Number Contracts | 18 | 18 | 0 | |
| Paid Units (297 Authorized) | 266 | 256 | -10 | |
| Payment Amount | 144,141 | 132,991 | -11,150 | 1,397,525 | 85,149 |

| Shelter Plus Care I (Individual) FY13 Grant Funds | | | | 195,488 |
| Number Units Paid (28 Authorized) | 32 | 32 | 0 | Grant Balance |
| Payment Amount | 15,836 | 15,836 | 0 | 195,488 | 0 |

| Shelter Plus Care II (Family) | | | | 37,710 |
| Number Units Paid (5 Authorized) | 6 | 6 | 0 | Grant Balance |
| Payment Amount | 3,835 | 3,835 | 0 | 28,291 | 7,025 |

<table>
<thead>
<tr>
<th>Project-Based (PBS8)</th>
<th>Admin Earnings:</th>
<th>Fed Fiscal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts</td>
<td>87</td>
<td>87</td>
</tr>
<tr>
<td>Units Paid (4073 Authorized)</td>
<td>4,065</td>
<td>4,065</td>
</tr>
<tr>
<td>Payment Amount</td>
<td>1,673,232</td>
<td>1,601,150</td>
</tr>
<tr>
<td>Calendar Year Admin Earnings</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 811 Project Rental Assistance Demo (FY12 $) | | | | 1,900,000 |
| Rental Assistance Contracts (RAC) | 48 | 48 | 0 | 8 Units Kalispell |
| Units (grant requires 82) | 48 | | | 40 Units Missoula |
| Payment Amount | 3,036 | 3,036 | 0 | 3,422 |

| Totals | | | | |
| Previous | Current | Month | Month | |
| Paid Units: | 7,862 | 7,803 | -59 | |
| Budgeted Units: | 8,317 | | | |
| All Section 8 HAPs | 3,509,919 | 3,409,802 | -100,116 | |