

Homeownership Committee
Meeting Minutes
June 17, 2020

Committee Members Present: M. Rudolph, Chair, K. Buck, P. Ikawa
Committee Members Absent: N/A
Other Board Members Present: D. Shumway
Staff Members Present: A. Cadorette, M. Chadbourne, D. Christon, P. Donahue, B. Frost J. Jussif, N. Kenney, I. MacLellan, C. Provencher, D. Sargent
Others Present: J. Kimberly, Sapphire Consulting, LLC

Ms. Rudolph opened the meeting at 11:00 a.m. She noted that, as Chair of the Homeownership Committee, she recognizes the existence of an Emergency Order due to the COVID-19 crisis and, in accordance with Governor Sununu's Emergency Order #12 pursuant to Executive Order 2020-04, this Committee is authorized to meet electronically. Ms. Rudolph began the meeting with a Roll Call of members present and each member stated their location and noted they were alone.

1. Approval: Minutes of the May 20, 2020 Homeownership Committee Meeting: Members had no comments on the minutes as presented. Ms. Ikawa moved, seconded by Mr. Buck. A roll-call vote was taken and the motion to Approve the Minutes of the May 20, 2020, Homeownership Committee Meeting passed by a unanimous roll-call vote.
2. Program Status Reports: Mr. Cadorette reviewed the program status reports. He reported on loan volume and dollar value, comparing activity to last year and noting the Authority's program goals for the year should be met or slightly exceeded. Mr. Cadorette reviewed the Cash Assistance programs noting the HomeFlex program now comprises 72% of the business. Mr. Cadorette then discussed the Authority's interest rates, noting the difficulty and risks involved in setting rates and also provided an update on the market share report and MCC volume. Mr. MacLellan reported that despite challenges this has been a very good fiscal year with good financial returns. Mr. Sargent then reviewed the servicing report, noting the decline in the overall portfolio and discussing the various reasons for the decline. He reviewed the delinquencies, reporting the increase in May is a reflection of forbearance activity. Mr. Sargent then provided an update on forbearance requests, noting a decrease and reporting 888 loans, 9.8% of the portfolio, are in forbearance. He also noted that 12.9% of the Ginnie Mae portfolio was in forbearance.
3. Discussion: Ginnie Mae Documents Project: Mr. MacLellan provided a brief overview of the Ginnie Mae Documents project. He noted the project involves both short and long term objectives, including the immediate need to meet the compliance timeline with GNMA and the long term need to establish improved tracking and management policies in this area. Mr. Chadbourne reported on the short-term, immediate steps being taken to address the issue. He discussed the cross-divisional effort, reporting on Ginnie Mae's deadline of August 1, 2020, and the Authority's internal deadline of July 17, 2020, with the focus being to avoid having to post a letter-of-credit. Mr. Chadbourne discussed actions related to staffing, communication with lenders, and working with the Authority's document custodian, Wilmington Trust. Mr. MacLellan provided details of causes and solutions, reporting on

management and oversight, and risk management assessment regarding this issue. He answered questions throughout the discussion, providing details of the process for staff and lenders and discussed the possibility of imposing financial incentives and penalties on lenders to encourage improved performance. Mr. Christon advised the Committee will continue to receive weekly reports and staff will inform the Committee if the deadline will not be reached prior to July 15, 2020. Members expressed appreciation for staff's efforts.

4. Other Business: Mr. Shumway introduced Mr. Jim Kimberly of Sapphire Consulting, reporting he will be assisting and providing support to the Board as needed going forward. Mr. Kimberly provided a brief review of himself and his company and noted his work with the Authority for the past several years and expressed his openness and availability to help Board members.

Mr. MacLellan provided an update on the Fannie Mae program, discussing recent program changes and the upcoming call scheduled with Fannie Mae. Mr. Christon noted discussions and conversations are ongoing with NCSHA on these Fannie Mae issues.

Mr. Christon reported the Authority is now entering phase I of the workplace re-entry plan, noting that beginning on Monday the Authority will be bringing up to 30% of staff onsite and he also reviewed protective measures being taken. He also reported that some inspection activity will be resuming in early July, with appropriate safety measures in place. Mr. Christon also noted that the Governor's Executive Order creating the state of emergency allowing for remote meetings is set to expire, however, there is expectation of some type of extension.

Mr. Christon then provided employment updates. He reported that Ms. Deborah Granfield from the Assisted Housing Division, retired a week ago, noting this retirement was previously scheduled and that Ms. Granfield had been with the Authority for 32 years. Staff will be asking the Board to formally recognize Ms. Granfield and her contributions to the Authority at the June Board of Directors meeting. Mr. Christon then announced that Mr. Chris Miller will also retire from the Authority in early July. He reported that Mr. Miller will be working with Easter Seals going forward. Mr. Miller has 36 years of service to the Authority and staff will work on a recognition of his service.

There being no further business to bring before the Committee, Mr. Buck moved, seconded by Ms. Ikawa, and the meeting was adjourned at 12:18 p.m.