

Housing Finance Authority of Broward County - RLI #200911409-MS

Questions submitted by U.S. Bank Home Mortgage

February 9, 2009

1. Please discuss the parameters of the existing 2006 & 2007 Series, i.e.:
  - Amount of remaining Program Funds for each Series - Transactions are fully originated, no Program Funds remain available for originations.
  - Down Payment Assistance/Second Mortgage parameters - Grant? Forgivable? Amortizing second?
    - - \$17,495,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2006 A,B & C  
Down Payment Assistance - Not Applicable  
Grant and/or Forgivable - No  
Second Mortgage Rate - 6.2%  
Term - 360 Months  
Amortization - Monthly
      - \$32,670,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2007 A,B,C&D  
Down Payment Assistance - Not Applicable  
Grant and/or Forgivable - No  
Second Mortgage Rate - 6.25%  
Term - 360 Months  
Amortization - Monthly
      - \$25,000,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2007 E&F  
Down Payment Assistance - 4% Grant  
Second Mortgage - Not applicable.  
Grant and/or Forgivable Loan - No grants or loans other than the down payment assistance referenced above.  
Loan Rate - Not Applicable  
Amortization - Not Applicable
  - In addition to a bid for servicing rights for remaining program funds, does the Issuer require a bid for a servicing portfolio transfer (from Citi) of the existing 2006 & 2007 loans? If so, please provide the parameters of the existing portfolio
  - What are the existing Mortgage Loan Rates?

- \$17,495,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2006 A,B & C

80/20 Subsidy Loan First Mortgage \* - 5.60%

80/20 Loan First Mortgage - 5.60%

80/20 Loan Second Mortgage - 6.20%

Low Rate Loan - 5.60%

\* - Note the 80/20 Subsidy Loans have a 0% non-amortizing second mortgage that is not pledged to the Series 2006 Bonds.

- \$32,670,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2007 A,B,C&D

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80/20 Loan Second Mortgage - 6.25%

Low Rate Loan - 5.25%

\* - Note the 80/20 Subsidy Loans have a 0% non-amortizing second mortgage that is not pledged to the Series 2007 Bonds.

- \$25,000,000 Housing Finance Authority of Broward County, Florida; Single Family Mortgage Revenue Bonds; Series 2007 E&F

Assisted Low Rate Loan - 6.60% (Assistance of 4%)

## 2. The 2009 Series

### Anticipated Mortgage Rates, including whole loan Second Mortgage Rate

- Issuance on hold due to current market conditions. Projected mortgage rate will be no greater than 25 bps -50 bps above the FHA 90 day rate (lock) presuming 4% of assistance. For illustrative purposes, Friday 06/06/2009 the FHA 90 day rate (lock) was approximately 5.25% thus the projected rate would be 5.50% to 5.75% .
- No Second Mortgage is anticipated at this time.

Will both an Assisted and Unassisted rate be offered or will all loans have either 3% or 4% DPA?

- The structure currently contemplates that all loans originated will be assisted loans.

Do you anticipate any type of repayment or penalty associated with the DPA (i.e., Deed Restriction?)

- The structure does not currently include any type of repayment or penalty associated with the down payment assistance.

3. Question #3, page 3, Scope of Services

*“Notify the HFA of all delinquent accounts on the 15<sup>th</sup> day of each month. Information provided must include mortgagor’s name, address, phone and mortgage payment history and number of days delinquent”.*

Is this monthly report request pertaining to the loans delinquent on the 15<sup>th</sup> day of the previous month? (Example, payments due for February and not received by March 1<sup>st</sup> are considered 30 days delinquent).

- Yes, for example the March report would reflect February payments which were not received by March 1<sup>st</sup>.