

AGENDA
Iowa Finance Authority Board of Directors
Board Meeting
September 3, 2024
3:00 p.m.

1963 Bell Avenue, Suite 200 – Helmick Conference Room
Public Webinar Access: <https://aka Iowa.us/ifaboard>

I. Board Chair *Jennifer Cooper*

- a. Roll Call
- b. Approval of August 7, 2024, Board Meeting Minutes Action

II. Public Comment Period

A public comment period for the full meeting will be held at this time to accommodate visitors. This period is limited to 5 minutes per person.

III. Consent Agenda *Jennifer Cooper – Action*

- a. *IADD – Authorizing Resolutions*
 - i. AG 24-034B, Chase Burken
 - ii. AG 24-035B, Justin and Tonya Wedel
 - iii. AG 24-036B, Colton Lee Homan
 - iv. AG 24-037B, Stuart and Jessica Jones
- b. *IADD – Loan Participation Program*
 - vii. AG-LP 24-07, Loan Participation Program
- c. *IADD – Beginning Farmer Tax Credit Program*
 - viii. AG-TC 24-07, Beginning Farmer Tax Credit Program
- d. *Water Quality*
 - xi. WQ 24-17, State Revolving Fund Planning & Design Loans
 - xii. WQ 24-18, State Revolving Fund Construction Loans

IV. Private Activity Bonds *Aaron Smith*

- a. PAB 21-04B-2, Windsor Pointe Project (Amending Resolution) Action
- b. PAB 23-14B, Union at Bluffs Run Project Action
- c. PAB 23-15B, Union at the Marina Project Action
- d. PAB 24-02B, Cargill, Inc. Project Action
- e. PAB 24-16B, Red Oak Partners, LLC Project Action
- f. PAB 24-17B, Wesley Retirement Services Project Action



V. Finance

- a. July 2024 Financial Reports *Cindy Harris – Action*
- b. FIN 24-17, Single Family Authorizing Resolution Series 2024GH *Cindy Harris – Action*
- c. Loan Approval – Emri Apartments *Samantha Askland – Action*

VI. Housing

- a. SHTF Project-Based Housing Program Award *Terri Rosonke – Action*
- b. 2025 9% First Amended Qualified Allocation Plan *Stacy Cunningham – Action*
- c. 2025 4% First Amended Qualified Allocation Plan *Stacy Cunningham – Action*
- d. 2021 9% QAP Section 4.1.7 Project-Specific Waiver *Stacy Cunningham – Action*

VII. Legal/Policy

Lisa Connell

- a. Notice of Intended Action to Rescind and Replace 265—Chapter 3 *Action*
- b. Notice of Intended Action to Rescind and Replace 265—Chapter 24 *Action*
- c. Notice of Intended Action to Rescind 265—Chapters 12, 20, 22, 23, 31, 36, and 40 *Action*

VIII. Director’s Report

Debi Durham

IX. Other Business

Jennifer Cooper

Upcoming Board Meeting – *Wednesday, October 2, 2024, at 11:00 a.m.*

X. Adjournment

Jennifer Cooper

Iowa Finance Authority

Board of Directors

Voting Members:

Jennifer Cooper – *Chair*
Tracey Ball – *Vice Chair*
Gilbert Thomas – *Treasurer*
Nicolas AbouAssaly
Ashley Aust
John Eisenman
Gretchen McLain
Michel Nelson
Michael Van Milligen
Nate Weaton

Ex-Officios:

Ed Failor
Representative Daniel Gehlbach
Representative Lindsay James
Senator Zach Wahls
Senator Scott Webster

Please Note:

The meeting will convene no earlier than stated above, but may begin later, depending upon length of earlier meetings. Some members of the board may participate electronically. Agenda items may be considered out of order at the discretion of the Chair. If you require accommodation to participate in this public meeting, call (515) 348-6151 to make your request. Please notify us as long as possible in advance of meeting.

This meeting will be accessible to members of the public in person at 1963 Bell Avenue, Suite 200, Des Moines, and virtually by registering using the Public Webinar Access link found on the first page of the agenda.

IOWA FINANCE AUTHORITY
BOARD MEETING MINUTES

August 7, 2024

Helmick Conference Room
1963 Bell Avenue, Des Moines, Iowa

BOARD MEMBERS PRESENT

- Nick AbouAssaly, *Member*
- Ashley Aust, *Member (joined at 11:08 a.m.)*
- Tracey Ball, *Vice Chair (joined at 11:18 a.m.)*
- Jennifer Cooper, *Chair*
- John Eisenman, *Member*
- Ed Failor, *Ex-Officio*
- Michel Nelson, *Member*
- Gilbert Thomas, *Treasurer*
- Michael Van Milligen, *Member*
- Nate Weaton, *Member*
- Senator Scott Webster, *Ex-Officio (joined at 11:18 a.m.)*

BOARD MEMBERS ABSENT

- Representative Daniel Gehlbach, *Ex-Officio*
- Representative Lindsay James, *Ex-Officio*
- Gretchen McLain, *Voting Ex-Officio*
- Senator Zach Wahls, *Ex-Officio*

STAFF MEMBERS PRESENT

Samantha Askland	Rita Grimm	Dillon Malone
Bernadette Beck	Rick Groom	Megan Marsh
Michelle Bodie	Nichole Hansen	Nick Michaud
Catalina Bos	Cindy Harris	Tim Morlan
Micah Castanon	Rachael Hoffman	David Morrison
Lisa Connell	Staci Hupp Ballard	Terri Rosonke
Debi Durham	Ashley Jared	Aaron Smith
Mark Fairley	Justin Knudson	Michael Thibodeau
Tim Greenwood	Katie Kulisky	
Andy Gjerstad	Molly Lopez	

OTHERS PRESENT

Tara Engquist, <i>Eide Bailly, LLP</i>	Dave Lyons, <i>Greater Dubuque Development Corp.</i>
Jessica Flannery, <i>Iowa House Democrats</i>	Carla Pope, <i>Dream Catcher, Inc.</i>
David Grossklaus, <i>Dorsey & Whitney LLP</i>	James Smith, <i>Dorsey & Whitney LLP</i>

I. BOARD CHAIR

A. Roll Call

Chair Cooper called to order the August 7, 2024, meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:00 a.m. Roll call was taken, and a quorum was established. The following Board members were **present**: Nick AbouAssaly, Jennifer Cooper, John Eisenman, Michel Nelson, Gilbert Thomas, Michael Van Milligen, and Nate Weaton. The following Board members were **absent**: Ashley Aust (joined at 11:08 a.m.), Tracey Ball (joined at 11:18 a.m.), and Gretchen McLain.



B. Approval of the July 3, 2024, IFA Board Meeting Minutes

MOTION: On a motion by Mr. Van Milligen and seconded by Mr. Eisenman, the Board unanimously approved the July 3, 2024, IFA Board Meeting Minutes.

II. PUBLIC COMMENT PERIOD

Chair Cooper opened the public comment period and asked if anyone in the audience would like to address the Board. No members of the audience requested to speak. Chair Cooper closed the public comment period.

III. LEGAL/POLICY

Reduction of Board Resolutions

Mr. Thibodeau explained that the Legal team recently completed a thorough review of the Iowa Code to determine in what instances board resolutions are necessary. He explained that the result of the review will reduce the number of resolutions the board will need to execute to only those identified as necessary, confirming that voting on motions instead is sufficient for the rest.

IV. CONSENT AGENDA

Chair Cooper asked if any items needed to be removed from the Consent Agenda. No items were removed from the Consent Agenda.

MOTION: Mr. Eisenman made a motion to approve the following items on the Consent Agenda:

IADD – Authorizing Resolutions

- i. AG 16-022B, Brandon D. Reinberg
- ii. AG 24-015B, Christopher and Andrea Kelderman
- iii. AG 24-031B, Kyle Arkfeld
- iv. AG 24-032B, Gavin Cretsinger
- v. AG 24-033B, Jay C. and Mikayla Jaspers

IADD – Amending Resolutions

- vi. AG 16-022M, Branson D. Reinberg

IADD – Loan Participation Program

- vii. AG-LP 24-06, Loan Participation Program

IADD – Beginning Farmer Tax Credit Program

- viii. AG-TC 24-06, Beginning Farmer Tax Credit Program

Private Activity Bonds

- ix. PAB 24-14A, Feed Energy Company Project
- x. PAB 24-16A, 1917 Lofts Project
- xi. PAB 24-17A, Wesley Retirement Services Project

Water Quality

- xii. WQ 24-15, State Revolving Fund (SRF) Planning & Design Loans
- xiii. WG 24-16, State Revolving Fund (SRF) Construction Loans

On a second by Mr. Thomas, the Board unanimously approved the items on the Consent Agenda.

V. PRIVATE ACTIVITY BONDS

A. PAB 24-15A, Lafayette Inn Project

Ms. Cunningham and Mr. Smith presented an application for \$12,000,000 IFA Multifamily Housing Revenue Bonds for Lafayette Inn Lofts LLC. They explained that this project involves the rehabilitation and historic preservation of the 100+ year old 5-story Lafayette Inn building in Clinton, Iowa, and that the project will include the construction of 65 fully rehabilitated apartments and amenity spaces.

MOTION: On a motion by Mr. Eisenman and seconded by Mr. Thomas, the Board unanimously approved PAB 24-15A, Lafayette Inn Project.

B. PAB 17-09B-4, Cottage Grove Place Project

Mr. Smith presented a resolution approving a Second Supplemental Bond Trust Indenture between IFA and UMB Bank in connection with Senior Housing Revenue Bonds issued in 2021. He continued to explain that the Lender has agreed to extend the maturity date from August 14, 2024, to December 13, 2024, on a taxable basis to give the Borrower time to work out the terms of an eventual refunding.

MOTION: On a motion by Mr. Nelson and seconded by Mr. Thomas, the Board unanimously approved PAB 17-09B-4, Cottage Grove Place Project.

Ashley Aust joined at 11:08 a.m.

C. PAB 21-09B-1, Hallmar Village Project

Mr. Smith presented a resolution approving certain amendments to the Loan Agreement between IFA and Cottage Grove Place in connection with Health Care Facilities Revenue Bonds issued in 2017. The Second Bond Trust Indenture will consolidate the individual Series 2021A Bonds into a single replacement bond and the individual series 2021B Bonds into a single replacement bond to ease the administrative burden of the Borrower (Mercy-PHS Senior Housing, Inc.).

MOTION: Mr. Eisenman made a motion to approve PAB 21-09B-1, Hallmar Village Project. On a second by Ms. Aust, a roll call vote was taken with the following results: **Yes:** Ashley Aust, Jennifer Cooper, John Eisenman, Michel Nelson, Gilbert Thomas, Michael Van Milligen, and Nate Weaton; **No:** None; **Abstain:** Nick AbouAssaly. The motion passed.

VI. FINANCE

A. June 2024 Financial Reports

Ms. Harris presented the highlights of the June 2024 financial results which were included in the board packet.

MOTION: On a motion by Mr. Thomas and seconded by Mr. Weaton, the Board unanimously approved the June 2024 Financials.

Tracey Ball joined at 11:18 a.m.

B. Investment Report – July 30, 2024

Mr. Fairley, for informational purposes, presented the highlights of the July 30, 2024, Investment Report included in the board packet.

C. HOME Loan Forgiveness – Black Hawk Village

Ms. Askland proposed a motion to approve IFA working with Black Hawk Village, Limited Partnership, to forgive all or part of the HOME Loan balance owed to IFA by Black Hawk Village,

Limited Partnership with no cash payment and release of the outstanding mortgage securing the HOME Loan owed to IFA by Black Hawk Village, Limited Partnership.

MOTION: On a motion by Ms. Aust and seconded by Mr. Thomas, the Board unanimously approved HOME Loan Forgiveness – Black Hawk Village.

D. HOME Loan Forgiveness – Lyn Crossing Apartments

Ms. Askland proposed a motion to approve IFA working with DSMIA, LLLP to forgive all or part of the HOME Loan balance owed to IFA by DSMIA, LLLP with no cash payment and release of the outstanding mortgage securing the HOME Loan owed to IFA by DSMIA, LLLP.

MOTION: On a motion by Mr. Eisenman and seconded by Ms. Aust, the Board unanimously approved HOME Loan Forgiveness – Lyn Crossing Apartments.

VII. HOUSING PROGRAMS

A. Supportive Housing Training – Contractor Approval

Ms. Rosonke proposed a motion to approve entering into a contract with Corporation for Supportive Housing for a maximum of \$159,330, subject to negotiations, utilizing funds from the National Housing Trust Fund (NHTF) administrative fund budget (which is a correction made from the funding source listed on the memo).

MOTION: On a motion by Ms. Aust and seconded by Mr. AbouAssaly, the Board unanimously approved Supportive Housing Training – Contractor Approval.

B. HOME-ARP Awards

Mr. Knudson requested approval of two HOME-ARP Awards for a total award of approximately \$3.7 million in HOME-ARP funds. HOME-ARP projects include Housing Unit Development, Supportive Services, and Non-Profit Operating funds. The two projects recommended for funding were: The C.A.R.E. Home (Central Avenue Rehousing Endeavour) and DVIP Kenneth Dr. Rental Housing Project.

MOTION: Mr. Eisenman made a motion to approve HOME-ARP Awards. On a second by Mr. Thomas, a roll call vote was taken with the following results: **Yes:** Nick AbouAssaly, Ashley Aust, Tracey Ball, Jennifer Cooper, John Eisenman, Michel Nelson, Gilbert Thomas, and Nate Weaton; **No:** None; **Abstain:** Michael Van Milligen. The motion passed.

C. 2025 LIHTC 9% QAP Approval

Ms. Cunningham explained that IFA staff held public forums in early 2024, held a preview meeting in April 2024, and posted the draft 2025 Low Income Housing Tax Credit (LIHTC) Qualified Allocation Plan (QAP) for 9% tax credits (“2025 9% QAP”) to its website on June 3, 2024, for public review. He continued to explain that IFA received public comments by email in June and July 2024 and held a public hearing on July 9, 2024. IFA staff then reviewed and considered all comments received and made revisions to the 2025 9% QAP based on those comments.

Ms. Cunningham proposed a motion to approve the 2025 9% QAP as presented, with the addition of the following sentence at the end of Paragraph 15(H): 'Any LIHTC Project that includes assistance or financing with HUD or Rural Development (USDA) shall comply with the 2021 IECC.'

MOTION: Mr. Eisenman made a motion to approve 2025 9% QAP. On a second by Mr. Thomas, a roll call vote was taken with the following results: **Yes:** Nick AbouAssaly, Tracey Ball, Jennifer Cooper, John Eisenman, Michel Nelson, Gilbert Thomas, Michael Van Milligen, and Nate Weaton; **No:** None; **Abstain:** Ashley Aust. The motion passed.

D. 2025 LIHTC 4% QAP Approval

Ms. Cunningham explained that IFA staff held public forums in early 2024, held a preview meeting in April 2024, and posted the draft 2025 Low Income Housing Tax Credit (LIHTC) Qualified Allocation Plan (QAP) for 4% tax credits (“2025 4% QAP”) to its website on June 3, 2024, for public review. She continued to explain that IFA received public comments by email in June and July 2024 and held a public hearing on July 9, 2024. IFA staff then reviewed and considered all comments received and made revisions to the 2025 4% QAP based on those comments.

Ms. Cunningham proposed a motion to approve the 2025 4% QAP as presented, with the addition of the following sentence at the end of Paragraph 8(H): 'Any LIHTC Project that includes assistance or financing with HUD or Rural Development (USDA) shall comply with the 2021 IECC.'

MOTION: Mr. Van Milligen made a motion to approve 2025 4% QAP. On a second by Mr. Thomas, a roll call vote was taken with the following results: **Yes:** Nick AbouAssaly, Tracey Ball, Jennifer Cooper, John Eisenman, Michel Nelson, Gilbert Thomas, Michael Van Milligen, and Nate Weaton; **No:** None; **Abstain:** Ashley Aust. The motion passed.

VIII. DIRECTOR’S REPORT

Ms. Durham provided a report.

IX. OTHER BUSINESS

Upcoming Board Meeting

Chair Cooper provided a reminder of the upcoming Board meeting on *Tuesday*, September 3rd, 2024, at 3:00 p.m. at 1963 Bell Avenue, Helmick Conference Room.

X. ADJOURNMENT

Chair Cooper adjourned the Iowa Finance Authority Board of Directors meeting at 12:26 p.m.

Dated this 3rd day of September 2024.

Respectfully submitted:

Deborah Durham
Director

Approved as to form:

Jennifer Cooper, Chair
Iowa Finance Authority

To: Iowa Finance Authority Board of Directors

From: Tammy Nebola, Iowa Ag Program Specialist
Aaron Smith, Chief Bond Programs Director

Date: August 21, 2024

Re: Iowa Agricultural Development Division Beginning Farmer Loan and Tax Credit Programs

Consent Agenda

Iowa Agricultural Development Division

Authorizing Resolutions

AG 24-034 Chase Burken

This is a resolution authorizing the issuance of \$56,000 for Chase Burken. The bond will be used: To purchase a skid loader in Clinton County. The lender is Citizens First Bank in Clinton.

- **Need Board action on Resolution AG 24-034B**

AG 24-035 Justin and Tonya Wedel

This is a resolution authorizing the issuance of \$250,000 for Justin and Tonya Wedel. The bond will be used: To construct a 20,000 Hd Layer Barn in Montgomery County. The lender is Central Bank Illinois in Peru, IL.

- **Need Board action on Resolution AG 24-035B**

AG 24-036 Colton Lee Homan

This is a resolution authorizing the issuance of \$649,400 for Colton Lee Homan. The bond will be used: To purchase approximately 157 acres of agricultural land with house and out-buildings in Jackson County. The lender is First Trust & Savings Bank in Grand Mound.

- **Need Board action on Resolution AG 24-036B**

AG 24-037 Stuart and Jessica Jones

This is a resolution authorizing the issuance of \$400,000 for Stuart and Jessica Jones. The bond will be used: To purchase approximately 136.56 acres of agricultural land, house and out-buildings in Allamakee County. The lender is Luana Savings Bank in Luana.

- **Need Board action on Resolution AG 24-037B**

Loan Participation Program

AG-LP 24-07, Loan Participation Program

The Loan Participation Program (LPP) was established in to assist low-income farmers secure loans and make down payments. IADD's participation can be used to supplement the borrower's down payment, thereby helping a farmer secure a loan more readily. The lender's risk is also reduced since the IADD provides a "last-in/last-out" loan participation for the financial institution. Effective annually on February 1 the rate will adjust to be equal to Wall Street Journal Prime as of January 1. The rate will lock at the time of IADD approval and be fixed for the full 10-year term. The participation loan is a 10-year balloon with a 20-year amortization on land or a 12-year amortization on facilities. Attached are the LPP applications reviewed last month. The IADD Board has recommended approval.

- **Need Board action on Resolution AG-LP 24-07**

Beginning Farmer Tax Credit Program

AG-TC 24-07, Beginning Farmer Tax Credit Program

The Beginning Farmer Tax Credit (BFTC) program allows agricultural asset owners to earn Iowa income tax credits for leasing their land, equipment and/or buildings to beginning farmers. Leases must be for terms of 2-5 years. The tax credit for cash rent leases is 5% of the amount of the rent. The tax credit for crop share leases and the flex bonus portion is 15%. The maximum amount of tax credits allocated cannot be more than \$12 million in any one year. Attached are the BFTC applications reviewed last month. The IADD Board has recommended approval.

- **Need Board action on Resolution AG-TC 24-07**



RESOLUTION
AG 24-034B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning

Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number: AG 24-034**
- 2. Beginning Farmer: Chase Burken
4356 190th St
Clinton, IA 52732-8831**
- 3. Bond Purchaser: Citizens First Bank
1442 Lincoln Way
Clinton, IA 52732-7043**
- 4. Principal Amount: \$56,000**
- 5. Initial Approval Date: 8/21/2024**
- 6. Public Hearing Date: 8/21/2024**
- 7. Bond Resolution Date: 9/3/2024**
- 8. Project: To purchase a skid loader**

RESOLUTION
AG 24-035B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 24-035
- 2. Beginning Farmer:** Justin and Tonya Wedel
2126 230th St
Red Oak, IA 51566-6021
- 3. Bond Purchaser:** Central Bank Illinois
1721 Midtown Rd
Peru, IL 61354
- 4. Principal Amount:** \$250,000
- 5. Initial Approval Date:** 8/21/2024
- 6. Public Hearing Date:** 8/21/2024
- 7. Bond Resolution Date:** 9/3/2024
- 8. Project:** To construct a 20,000 Hd Layer Barn

RESOLUTION
AG 24-036B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 24-036
- 2. Beginning Farmer:** Colton Lee Homan
13156 400th Ave
Bellevue, IA 52031-9019
- 3. Bond Purchaser:** First Trust & Savings Bank
601 Smith St, PO Box 227
Grand Mound, IA 52751-0227
- 4. Principal Amount:** \$649,400
- 5. Initial Approval Date:** 8/21/2024
- 6. Public Hearing Date:** 8/21/2024
- 7. Bond Resolution Date:** 9/3/2024
- 8. Project:** To purchase approximately 157 acres of agricultural land with house and out-buildings

RESOLUTION
AG 24-037B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

EXHIBIT A

- 1. Project Number:** AG 24-037
- 2. Beginning Farmer:** Stuart and Jessica Jones
680 Hwy 76
Waterville, IA 52170-7572
- 3. Bond Purchaser:** Luana Savings Bank
100 Harvest Dr, PO Box 68
Luana, IA 52156-0068
- 4. Principal Amount:** \$400,000
- 5. Initial Approval Date:** 8/21/2024
- 6. Public Hearing Date:** 8/21/2024
- 7. Bond Resolution Date:** 9/3/2024
- 8. Project:** To purchase approximately 136.56 acres of agricultural land, house and out-buildings

**RESOLUTION
AG-LP 24-07**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Loan Participation Program pursuant to Chapter 16

WHEREAS, the Authority administers programs to assist beginning farmers with the purchase of agricultural land, equipment and breeding livestock; and

WHEREAS, the Authority understands that the lack of capital is a major impediment for beginning farmers and desires to assist those farmers with down payment assistance; and

WHEREAS, the IADD has received an application from a lending institution to participate in a loan for the down payment for the purchase of agricultural land by an eligible beginning farmer; and

WHEREAS, the IADD Board has recommended approval of the funding of the Loan Participation set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the IADD, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

Exhibit A

Loan Participation Program

Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0329	Justin and Tonya Wedel	Central Bank Illinois, Peru	To construct a 20,000 Hd Layer Barn	\$200,000
				<hr/> \$200,000

**RESOLUTION
AG-TC 24-07**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Beginning Farmer Tax Credit Program; and

WHEREAS, the Authority offers tax credits under the Beginning Farmer Tax Credit Program as a means of encouraging the execution of assets transfer agreements with beginning farmers; and

WHEREAS, the Authority has received applications seeking tax credit allocations from the Beginning Farmer Tax Credit Program; and

WHEREAS, the IADD has determined the applications meet the eligibility requirements of Chapter 16; and

WHEREAS, the IADD Board has recommended approval of the tax credit applications set forth on Exhibit A; and

WHEREAS, the Authority desires to authorize the allocation of tax credits set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes allocating tax credits to the asset owners set forth on Exhibit A, attached hereto, against taxes imposed in chapter 422, division II, as provided in section 422.11M, and in chapter 422, division III, as provided in section 422.33, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to certify said tax credits in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 3rd day of September 2024.

Jennifer Cooper, Board Chairperson

ATTEST:

Deborah Durham, Secretary

(Seal)

Exhibit A
Beginning Farmer Tax Credit (BFTC)
Approval Date: 9/3/2024

Account Number	Owner Name	County	Beginning Farmer	Rental Type	Cash Rent / Acre	Crop Share Percentage	Number Of Lease Years	Total Award
5103	Janet Partridge Revocable Trust, Philip A Partridge Trust	Wayne	Blake Moore, Trent Moore	Cash Rent	\$165.71	0.00	5	\$25,730.00
5164	Robert R Saacke and Joyce L Saacke Revocable Trust	Clayton	Cyrus Landt	Cash Rent	\$250.00	0.00	2	\$2,300.00
5165	Barbara J Kenkel 2012 Trust, Ronald L Kenkel 2012 Trust	Crawford	Justin Reiser	Share Crop	\$0.00	50.00	5	\$52,600.00
5168	RL Friedrich LLC	Howard	Ryan Friedrich	Cash Rent	\$275.00	0.00	2	\$2,872.00
Total								\$83,502.00

MEMORANDUM

To: Iowa Finance Authority Board of Directors
From: Aaron Smith, Chief Bond Programs Director (515) 452-0461
Date: August 27, 2024
Subject: Consent Agenda for the September 2024 IFA Board Meeting

WATER QUALITY

WQ 24-17 – State Revolving Fund Planning and Design Loans

Overview

Iowa Finance Authority (“IFA” or “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”) to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”).

IFA offers loans through the SRF Program for planning and design expenses associated with clean water and drinking water projects (“Planning and Design Loans” or “P&D Loans”).

Loan Terms

P&D Loans have 0% interest and no payments due for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. They are not assessed initiation or servicing fees.

Loan Approval

Staff recommends approval of an SRF Planning & Design Loan totaling **\$519,700** for the project listed in [Exhibit A](#).

With approval, the Board authorizes the Authorized Officer to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate. Further, the Authorized Officer will be authorized to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer.

Action: Approval of WQ 24-17, SRF Planning and Design Loans, using funds held under the SRF Program, made to the communities listed on [Exhibit A](#) hereto in amounts listed on [Exhibit A](#) hereto at 0% interest for a term of not longer than 3 years and subject to any other terms the Director and IFA staff deem necessary.

WQ 24-18 – State Revolving Fund Construction Loans

Overview

Iowa Finance Authority (“IFA” or “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”) to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”).

IFA offers low-interest loans through the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities (“Construction Loans”).

Loan Terms

The terms of each loan, including the not to exceed principal amount, not to exceed interest rate, and maturity date are set forth in the table below, and such other restrictions as may be deemed necessary and appropriate by the Director, the Chief Financial Officer, the Chief Operating Officer, or the Chief Bond Programs Director of the Authority (each an “Authorized Officer”).

As of July 1, 2024, the interest rate for standard term tax-exempt SRF Construction Loans is 2.61%, which is calculated as 75% of the average daily Bloomberg BVAL Tax Exempt General Obligation Municipal AAA 20-year yield during the month of June 2024 (the “Base Interest Rate”). The interest rate for standard term taxable SRF loans is calculated in the same manner using the daily Bloomberg BVAL Taxable General Obligation Municipal AAA 20-year yield as the reference rate.

SRF Construction Loans are assessed a loan servicing fee equal to 0.25% per annum of the outstanding principal amount of the loan, paid semiannually.

Loan Approval

Staff recommends approval of SRF Construction Loans totaling **\$31,013,000** for the projects listed in [Exhibit B](#), with each having met the requirements of the SRF Program and approved by the Department.

With approval, the Board authorizes the Authorized Officer to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate. Further, the Authorized Officer will be authorized to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Authorized Officer.

Action: Approval of WQ 24-18, SRF Construction Loans, using funds held under the SRF Program, made to the communities listed on [Exhibit B](#) hereto in amounts, at interest rates, for and terms not to exceed those listed on [Exhibit B](#) hereto and subject to any other terms the Director and IFA staff deem necessary

EXHIBIT A

SRF Planning & Design Loans

Borrower	County	Population	Amount	Program	Description
Laurel	Marshall	220	\$519,000	CW	Treatment Improvements
			\$519,700		

EXHIBIT B
SRF Construction Loans

Borrower	County	Population	Amount	Tax Status	Interest Rate	Pledge	Term (years)	Program	Description
Des Moines WW	Polk	211,034	\$14,200,000	Tax Exempt	2.50%	Revenue	20	DW	Transmission Improvements
Dubuque	Dubuque	59,667	\$2,536,000	Tax Exempt	2.61%	Revenue	20	CW	Transmission Improvements
George	Lyon	1,077	\$769,000	Tax Exempt	2.50%	Revenue	20	CW	Transmission Improvements
Johnston	Polk	24,064	\$3,100,000	Tax Exempt	2.50%	Revenue	20	CW	Transmission Improvements
Mahaska RWS	Mahaska/Monroe/Wapello	970	\$1,912,000	Taxable	3.77%	Revenue	20	DW	Eddyville Connection
Malvern	Mills	1,046	\$536,000	Tax Exempt	2.61%	Revenue	20	CW	Treatment Improvements
Muscatine	Muscatine	23,797	\$7,960,000	Tax Exempt	2.50%	GO	10	CW	Transmission Improvements
			\$31,013,000						

MEMORANDUM

To: Iowa Finance Authority Board of Directors
From: Aaron Smith, Chief Bond Programs Director (515) 452-0461
Date: August 28, 2024
Subject: Private Activity Bonds for the September 2024 IFA Board Meeting

PRIVATE ACTIVITY BOND PROGRAM

PAB 21-04 – Windsor Pointe Project

This resolution approves certain amendments to the Bond Purchase and Loan Agreement among Iowa Finance Authority, Windsor TWG (the “Borrower”), and Merchants Bank of Indiana (the “Lender”) in connection with the Multifamily Housing Revenue Bonds, Series 2022. The Bond has matured and the Lender has agreed to extend the maturity date.

- **Action: Amending Resolution PAB 21-04B-2**

PAB 23-14 – Union at Bluffs Run Project

This is a resolution authorizing the issuance of not to exceed \$29,300,000 Iowa Finance Authority Multifamily Housing Revenue Bonds for Union at Bluffs Run, LP (the “Borrower”). The project will develop 192 units (72 1-bed, 96 2-bed, and 24 3-bed) of affordable housing in Council Bluffs. All units will require household income and rents targeted for residents at or below 60% AMI.

- **Action: Resolution PAB 23-14B**

PAB 23-15 – Union at the Marina Project

This is a resolution authorizing the issuance of not to exceed \$36,000,000 Iowa Finance Authority Multifamily Housing Revenue Bonds for Union at the Marina, LP (the “Borrower”). The project will develop 201 units (85 1-bed, 79 2-bed, and 37 3-bed) of affordable housing in Dubuque. Nine units will require household income and rents targeted for residents at or below 50% AMI, 183 units will require household income and rents targeted for residents at or below 60% AMI, and 9 units will require household income and rents targeted for residents at or below 70% AMI.

- **Action: Resolution PAB 23-15B**

PAB 24-02 – Cargill, Incorporated Project

This is a resolution authorizing the issuance of not to exceed \$61,000,000 Iowa Finance Authority Sewage Facilities Revenue Bonds for Cargill, Incorporated (the “Borrower”). Proceeds from the

Bonds will finance improvements to the Borrower’s wastewater facility at its Iowa Bioprocessing Complex in Eddyville, Iowa (the "Eddyville Plant"). The project is being undertaken in connection with the state’s Nutrient Reduction Strategy, which requires major industrial facilities such as the Eddyville Plant to reduce nutrients delivered to Iowa waterways and the Gulf of Mexico.

- **Action: Resolution PAB 24-02B**

PAB 24-16 – Red Oak Partners, LLC Project

This is a resolution authorizing the issuance of not to exceed \$600,000 Iowa Finance Authority Multifamily Housing Revenue Notes for Red Oak Partners, LLC (the “Borrower”). Proceeds from the Notes will be used to fund costs associated with rehabilitating Red Oak Middle School into a 25-unit affordable multifamily housing community, ensuring the project can meet the LIHTC 50% Test.

- **Action: Resolution PAB 24-16B**

PAB 24-17 – Wesley Retirement Services Project

This is a resolution authorizing the issuance of not to exceed \$30,000,000 Iowa Finance Authority Revenue Bonds for Wesley Retirement Services, Inc. (the “Borrower”). The proposed project endeavors to redevelop The Village in Indianola in a two-phased financing. Proceeds from the Series 2024 Bonds will provide the financing for Phase I and include a new main entrance along with expanded parking, an updated main lobby, new community room, an additional renovated multi-purpose classroom, an expanded wellness center, expanded dining, expansion to the health center building including 10 additional rooms and two activity lounges, a new connected independent living building comprising 28 apartments, deck additions to 25 independent living units, and additional outdoor amenities.

- **Action: Resolution PAB 24-17B**



RESOLUTION PAB 21-04B-2

Resolution Approving a Confirmation and Amendment of Loan Documents amending the Bond Purchase and Loan Agreement dated August 9, 2022 among the Iowa Finance Authority, Windsor TWG, LP and Merchants Bank of Indiana in connection with the Multifamily Housing Revenue Bonds (Windsor Pointe Project), Series 2022

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the "State") duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority"), is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue revenue bonds to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code; and

WHEREAS, the Authority has previously issued its \$10,300,000 Multifamily Housing Revenue Bonds (Windsor Pointe Project), Series 2022 (the "Bonds"), for the purpose of loaning the proceeds thereof to Windsor TWG, LP (the "Borrower") to finance the costs of acquisition and rehabilitation of a multifamily housing facility located at 3815 Tripp Street, Ames, Iowa, fund interest, fund a debt service reserve fund and pay for certain costs of issuance of the Bonds (the "Project"); and

WHEREAS, the Bonds were sold to Merchants Bank of Indiana (the "Lender"); and

WHEREAS, the Authority and the Borrower entered into a Bond Purchase and Loan Agreement dated as of August 9, 2022 (the "Existing Loan Agreement") whereby the Lender purchased the Bonds and the Authority loaned the proceeds from the sale of the Bonds to the Borrower; and

WHEREAS, the Borrower has requested the Authority to approve and enter into a Confirmation and Amendment of Loan Documents (Facility A) (the "Amendment" and, together with the Existing Loan Agreement, the "Loan Agreement") for the purpose of extending the maturity date of the Bonds and adjusting the interest rate on the Bonds; and

WHEREAS, Section 21.6 of the Existing Loan Agreement permits the Authority, the Borrower and the Lender to amend the Loan Agreement by written instrument signed by the duly authorized representative of each of the Authority, the Borrower and the Lender; and

WHEREAS, the Lender has agreed to consent to the Amendment.

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Amendment. The Amendment is hereby authorized and approved in substantially the form submitted to the Board, with such variations therein as may be made at the

time of execution thereof as approved by the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each an “Authorized Officer”), and counsel to the Authority, and any Authorized Officer is hereby authorized and directed to execute and deliver the Amendment in the name and on behalf of the Authority in substantially the form as has been submitted to and considered by the Board with such changes therein as determined to be necessary or desirable by bond counsel and counsel to the Authority.

Section 2. Further Action. Any Authorized Officer is hereby authorized to execute and deliver any and all agreements, instruments and documents related to the Amendment as deemed required by bond counsel and acceptable to counsel to the Authority, and to take such further actions as may be necessary to effectuate the intent and purpose of this Resolution.

Section 3. Limited Obligations. The Bonds shall remain limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of Borrower pursuant to the Loan Agreement. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 4. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 5. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 6. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

RESOLUTION NO. PAB 23-14B

Authorizing the Issuance of not to exceed \$29,300,000
Iowa Finance Authority Multifamily Housing Revenue Bonds
(Union at Bluffs Run Project), in one or more series

Resolution authorizing the issuance of not to exceed \$29,300,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Union at Bluffs Run Project), in one or more series, a portion of which may be taxable, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa, (the “Act”) to issue revenue bonds to be used to finance in whole or in part the acquisition of qualified residential rental housing by construction or purchase pursuant to the Act; and

WHEREAS, the Authority had been requested by Union at Bluffs Run, LP (the “Borrower”) to issue not to exceed \$24,805,305 Iowa Finance Authority Multifamily Housing Revenue Bonds (Union at Bluffs Run Project), in one or more series, a portion of which may be taxable (the “Bonds”), for the purpose of loaning the proceeds thereof to the Borrower to finance the costs of the acquisition, construction and equipping of a 192-unit multifamily residential rental housing project located at 2420 S. 19th Street, Council Bluffs, Iowa, 51501, fund any necessary reserve funds, fund capitalized interest, and pay for costs associated with the issuance of the Bonds (collectively the “Project”); and

WHEREAS, the Authority on the 4th day of October, 2023 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, the Borrower anticipates that it will incur additional costs in acquiring, developing and constructing the Project; and

WHEREAS, the Borrower is requesting the Authority to amend its resolution approving its application to issue the Bonds to increase the maximum principal amount of the Bonds to an amount not to exceed \$29,300,000; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 3rd day of September, 2024 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$29,300,000 to finance the Project as required by Section 147 of the Internal Revenue Code of 1986, as amended

(the “Code”) this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$29,300,000 as authorized and permitted by the Act to finance the funding of the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Bonds are to be issued pursuant to the provisions of an Indenture of Trust (the “Indenture”) between the Authority and The Huntington National Bank or another trustee selected by the Borrower and approved by an Authorized Officer (defined herein) (the “Trustee”); and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Financing Agreement (the “Financing Agreement”) between the Authority and the Borrower; and

WHEREAS, the Borrower has arranged for the sale of the Bonds to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) pursuant to a Bond Purchase Agreement among the Borrower, the Authority and the Underwriter (the “Bond Purchase Agreement”);

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, as modified by the changes described in the revised sources and uses of funds, Exhibit C, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Trustee. The Huntington National Bank or another trustee selected by the Borrower and approved by the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each, an “Authorized Officer”) is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority’s rights and interest in and to the Financing Agreement (with certain exceptions as stated in the Indenture), be and the same hereby are in all respects authorized, approved and confirmed, and any Authorized Officer

is authorized, empowered and directed to execute and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by counsel to the Authority, and that from and after the execution and delivery of the Indenture, any Authorized Officer is authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 5. Bonds Authorized. In order to acquire, construct, improve and equip the Project, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Indenture in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$29,300,000 and to bear interest at rates as determined by the Borrower and the Underwriter which rates shall result in a net interest cost not to exceed 7.50% per annum on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute by facsimile signature, seal and deliver the Bonds to the Trustee for authentication.

Section 6. Financing Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Financing Agreement and the form and content of the Financing Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Financing Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Financing Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Financing Agreement as executed.

Section 7. Regulatory Agreement. Provisions relating to the use of the Project as required by the Code will be contained in a Regulatory Agreement and Declaration of Restrictive Covenants among the Authority, the Borrower and the Trustee (the "Regulatory Agreement"). The form and content of the Regulatory Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is hereby authorized and directed to execute and deliver the Regulatory Agreement but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority.

Section 8. Purchase of Bonds. The sale of the Bonds to the Underwriter subject to the terms and conditions set forth in the Bond Purchase Agreement, is authorized, approved and confirmed, and that the form and content of the Bond Purchase Agreement is authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Bond Purchase Agreement in substantially the form before this meeting, in all

respects, but with appropriate insertions and revisions to reflect marketing of the Bonds and revisions approved by counsel to the Authority.

Section 9. Execution of Documents. Any Authorized Officer is authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Financing Agreement, and the execution of all closing documents as may be required by bond counsel and approved by counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 10. Use of Official Statement. The use by the Underwriter of a document used to market the Bonds (the "Official Statement"), in connection with the sale of the Bonds is hereby authorized and approved, subject to approval by counsel to the Authority; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in such Official Statement other than information describing the Authority or its litigation, and only as the same relates to the Authority, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they reasonably deem appropriate. The Official Statement as of its date will be, by approval thereof by an Authorized Officer, deemed final by the Authority within the meaning of Rule 15c2-12(b)(1) of the Securities and Exchange Commission and any Authorized Officer is authorized to execute and deliver such certificates as required to indicated such approval and to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 11. Payments Under the Financing Agreement. The Financing Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Financing Agreement is hereby authorized, approved and confirmed.

Section 12. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Financing Agreement and as provided in the Indenture, and are secured pursuant to and in accordance with provisions of the Financing Agreement. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to

the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 13. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 14. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 15. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

EXHIBIT A

Initial Approved Application

A copy of the Application will also be available at the Board meeting or may be obtained by fax by calling Aaron Smith of the Iowa Finance Authority at (515) 452-0461.

EXHIBIT B

Notification of Hearing as Published on the Authority's Website

EXHIBIT C

Amendment to Initial Application and Final Sources and Uses of Funds

Union at Bluffs Run

Category		Uses
Purchase Land and Buildings	\$	2,105,610.00
Construction	\$	32,141,859.67
Net Interim Costs	\$	5,575,426.99
Net Soft Costs	\$	9,717,320.59
Project Reserve	\$	1,057,390.43
Construction Loan Payoff	\$	1,313,123.00
Total Uses	\$	51,910,731

Category		Sources
Tax Exempt Bonds	\$	29,245,123
LP Equity	\$	22,665,508
GP Equity	\$	100
Total Sources	\$	51,910,731

RESOLUTION NO. PAB 23-15B

Authorizing the Issuance of not to exceed \$36,000,000
Iowa Finance Authority Multifamily Housing Revenue Bonds
(Union at the Marina Project), in one or more series

Resolution authorizing the issuance of not to exceed \$36,000,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Union at the Marina Project), in one or more series, a portion of which may be taxable, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa, (the “Act”) to issue revenue bonds to be used to finance in whole or in part the acquisition of qualified residential rental housing by construction or purchase pursuant to the Act; and

WHEREAS, the Authority had been requested by Union at the Marina, LP (the “Borrower”) to issue not to exceed \$24,000,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Union at the Marina Project), in one or more series, a portion of which may be taxable (the “Bonds”), for the purpose of loaning the proceeds thereof to the Borrower to finance the costs of the acquisition, construction and equipping of a 201-unit multifamily residential rental housing project located at 1860 Hawthorne Street, Dubuque, Iowa, 52001, fund any necessary reserve funds, fund capitalized interest, and pay for costs associated with the issuance of the Bonds (collectively the “Project”); and

WHEREAS, the Authority on the 4th day of October, 2023 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, the Borrower anticipates that it will incur additional costs in acquiring, developing and constructing the Project; and

WHEREAS, the Borrower is requesting the Authority to amend its resolution approving its application to issue the Bonds to increase the maximum principal amount of the Bonds to an amount not to exceed \$36,000,000; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 3rd day of September, 2024 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$36,000,000 to finance the Project as required by Section 147 of the Internal Revenue Code of 1986, as amended

(the “Code”) this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$36,000,000 as authorized and permitted by the Act to finance the funding of the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Bonds are to be issued pursuant to the provisions of an Indenture of Trust (the “Indenture”) between the Authority and The Huntington National Bank or another trustee selected by the Borrower and approved by an Authorized Officer (defined herein) (the “Trustee”); and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower; and

WHEREAS, the Borrower has arranged for the sale of the Bonds to Piper Sandler & Co. (the “Underwriter”) pursuant to a Bond Purchase Agreement among the Borrower, the Authority and the Underwriter (the “Bond Purchase Agreement”);

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, as modified by the changes described in the revised sources and uses of funds, Exhibit C, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Trustee. The Huntington National Bank or another trustee selected by the Borrower and approved by the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each, an “Authorized Officer”) is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority’s rights and interest in and to the Loan Agreement (with certain exceptions as stated in the Indenture), be and the same hereby are in all respects authorized, approved and confirmed, and any Authorized Officer is

authorized, empowered and directed to execute and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by counsel to the Authority, and that from and after the execution and delivery of the Indenture, any Authorized Officer is authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 5. Bonds Authorized. In order to acquire, construct, improve and equip the Project, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Indenture in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$36,000,000 and to bear interest at rates as determined by the Borrower and the Underwriter which rates shall result in a net interest cost not to exceed 10.00% per annum on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute by facsimile signature, seal and deliver the Bonds to the Trustee for authentication.

Section 6. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 7. Regulatory Agreement. Provisions relating to the use of the Project as required by the Code will be contained in a Regulatory Agreement and Declaration of Restrictive Covenants among the Authority, the Borrower and the Trustee (the "Regulatory Agreement"). The form and content of the Regulatory Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is hereby authorized and directed to execute and deliver the Regulatory Agreement but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority.

Section 8. Purchase of Bonds. The sale of the Bonds to the Underwriter subject to the terms and conditions set forth in the Bond Purchase Agreement, is authorized, approved and confirmed, and that the form and content of the Bond Purchase Agreement is authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Bond Purchase Agreement in substantially the form before this meeting, in all

respects, but with appropriate insertions and revisions to reflect marketing of the Bonds and revisions approved by counsel to the Authority.

Section 9. Execution of Documents. Any Authorized Officer is authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing documents as may be required by bond counsel and approved by counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 10. Use of Official Statement. The use by the Underwriter of a document used to market the Bonds (the "Official Statement"), in connection with the sale of the Bonds is hereby authorized and approved, subject to approval by counsel to the Authority; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in such Official Statement other than information describing the Authority or its litigation, and only as the same relates to the Authority, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they reasonably deem appropriate. The Official Statement as of its date will be, by approval thereof by an Authorized Officer, deemed final by the Authority within the meaning of Rule 15c2-12(b)(1) of the Securities and Exchange Commission and any Authorized Officer is authorized to execute and deliver such certificates as required to indicated such approval and to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 11. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 12. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement and as provided in the Indenture, and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to the payment of the

principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 13. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 14. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 15. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

EXHIBIT A

Initial Approved Application

A copy of the Application will also be available at the Board meeting or may be obtained by fax by calling Aaron Smith of the Iowa Finance Authority at (515) 452-0461.

EXHIBIT B

Notification of Hearing as Published on the Authority's Website

EXHIBIT C

Amendment to Initial Application and Final Sources and Uses of Funds

Union at the Marina

Category	Uses
Purchase Land and Buildings	\$ 1.00
Construction Costs	\$ 34,255,536.70
Net Interim Costs	\$ 4,671,278.00
Net Soft Costs	\$ 5,682,026.39
Project Reserve	\$ 1,387,612.04
Construction Loan Payoff	\$ 11,726,933.00
Total Uses	\$ 57,723,387.13

Category	Sources
Tax Exempt Bonds	\$ 26,900,000
Taxable Bonds	\$ 9,100,000
Total Bond Issuance	\$ 36,000,000
Federal LIHTC LP Equity Through Construction	\$ 21,723,287
GP Equity	\$ 100
Total Sources	\$ 57,723,387

RESOLUTION PAB 24-02B

Authorizing the Issuance of not to exceed \$61,000,000
Iowa Finance Authority Sewage Facilities Revenue Bonds
(Cargill, Incorporated Project), in one or more series

Resolution authorizing the issuance of not to exceed \$61,000,000 Iowa Finance Authority Sewage Facilities Revenue Bonds (Cargill, Incorporated Project), in one or more series, a portion of which may be taxable, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa, (the “Act”) to issue revenue bonds to be used to finance in whole or in part any project for which tax-exempt financing is authorized by the Internal Revenue Code (the “Code”), including for sewage and solid waste disposal facilities; and

WHEREAS, the Authority has been requested by Cargill, Incorporated (the “Borrower”) to issue not to exceed \$61,000,000 Iowa Finance Authority Sewage Facilities Revenue Bonds (Cargill, Incorporated Project), in one or more series (the “Bonds”), for the purpose of loaning the proceeds thereof to the Borrower to pay or reimburse the Borrower for the cost of improvements to, and expanded capacity of, the Borrower’s sewage facilities and certain solid waste disposal facilities at its Iowa Bioprocessing Complex located at 17540 Monroe Wapello Road, Eddyville, Iowa 52553, to fund capitalized interest, and to pay for costs associated with the issuance of the Bonds (collectively the “Project”); and

WHEREAS, the Authority on the 7th day of February, 2024 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 6th day of March, 2024, at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$61,000,000 to finance the Project as required by Section 147 of the Code and this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$61,000,000 as authorized and permitted by the Act to finance the funding of the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Bonds are to be issued pursuant to the provisions of an Indenture of Trust (the “Indenture”) between the Authority and The Bank of New York Mellon Trust Company, N.A. or another trustee selected by the Borrower and approved by an Authorized Officer (defined herein) (the “Trustee”); and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower; and

WHEREAS, the Borrower has arranged for the sale of the Bonds to Thornton Farish Inc. (the “Underwriter”) pursuant to a Bond Purchase Agreement among the Borrower, the Authority and the Underwriter (the “Bond Purchase Agreement”);

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Trustee. The Bank of New York Mellon Trust Company, N.A. or another trustee selected by the Borrower and approved by the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each, an “Authorized Officer”) is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority’s rights and interest in and to the Loan Agreement (with certain exceptions as stated in the Indenture), be and the same hereby are in all respects authorized, approved and confirmed, and any Authorized Officer is authorized, empowered and directed to execute and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by counsel to the Authority, and that from and after the execution and delivery of the Indenture, any Authorized Officer is authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 5. Bonds Authorized. In order to acquire, construct, improve and equip the Project, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Indenture in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$61,000,000 and to bear interest at rates as determined by the Borrower and the Underwriter which rate shall initially be a variable rate not to exceed 10% and which may be converted to a different rate pursuant to the terms of the Indenture and may be converted to a fixed rate not to exceed a maximum of 10% per annum on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute by facsimile signature, seal and deliver the Bonds to the Trustee for authentication.

Section 6. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 7. Purchase of Bonds. The sale of the Bonds to the Underwriter subject to the terms and conditions set forth in the Bond Purchase Agreement, is authorized, approved and confirmed, and that the form and content of the Bond Purchase Agreement is authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Bond Purchase Agreement in substantially the form before this meeting, in all respects, but with appropriate insertions and revisions to reflect marketing of the Bonds and revisions approved by counsel to the Authority.

Section 8. Execution of Documents. Any Authorized Officer is authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement or the Indenture, and the execution of all closing documents as may be required by bond counsel and approved by counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by the Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 9. Use of Official Statement. The use by the Underwriter of a document used to market the Bonds (the "Official Statement"), in connection with the sale of the Bonds is

hereby authorized and approved, subject to approval by counsel to the Authority; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in such Official Statement other than information describing the Authority or its litigation, and only as the same relates to the Authority, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they reasonably deem appropriate. The Official Statement as of its date will be, by approval thereof by an Authorized Officer, deemed final by the Authority within the meaning of Rule 15c2-12(b)(1) of the Securities and Exchange Commission and any Authorized Officer is authorized to execute and deliver such certificates as required to indicated such approval and to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 10. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 11. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement and as provided in the Indenture, and are secured pursuant to and in accordance with provisions of the Loan Agreement and the Indenture. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 12. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 13. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 14. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

EXHIBIT A

Initial Approved Application

A copy of the Application will also be available at the Board meeting or may be obtained by fax by calling Aaron Smith of the Iowa Finance Authority at (515) 452-0461.



Deborah Durham, Director
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY

Project Number:	PAB 24-02
Date Received:	1/26/2024
Fee Received:	1/26/2024
Amount of Request:	\$61,000,000

Private Activity Bond Application

Part A – Applicant Information

Borrower Details

Borrower's Name:	Cargill, Incorporated		
Street Address:	15407 McGinty Rd W		
City, State, Zip:	Wayzata, MN, 55391		
Point of Contact:	Scott Lindner	Title:	Treasury Advisor
Phone Number:	(952) 742-5269	Email:	scott_lindner@cargill.com

Organizational Information

Corporate Structure: S Corporation C Corporation Partnership 501(c)(3) Other

If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose.

Date of Incorporation: State of Incorporation:

Principals

If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff. Attach separate list if necessary.

Cargill, Incorporated and Subsidiaries, headquartered in Minneapolis, Minnesota, is an international provider of food, agricultural, financial and industrial products and services with 160,000 employees in 70 countries. Founded as a grain warehousing and merchandising company in 1865, Cargill today is one of the world's largest, privately held companies. See attached list for officers and directors of Cargill, Incorporated.

Please confirm:

- Borrower currently qualified to transact business within the State of Iowa.
 Is state certificate of need required? *If yes, attach a copy.*

Part B – Project Information

This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings, or improvements suitable for use as one of the following facilities (check one).

- 501(c)(3) entity (please identify):
- Private college or university
 - Housing facility for elderly or disabled persons
 - Museum or library facility
 - Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135C.1(8) of the Iowa Code.
Please specify: _____
 - Other 501(c)(3) entity. Please specify: _____
- Agricultural processing facility
- Manufacturing facility
 - Multifamily housing
 - Solid waste facility

Location of the Project

Street Address:	17540 Monroe Wapello Road		
City:	Eddyville	County:	Monroe
State:	Iowa	Zip Code:	52553

General Description of the Project

Financing improvements to Cargill's wastewater facility at its Iowa Bioprocessing Complex located in Eddyville, Monroe County, Iowa (the "Eddyville Plant"). This is in connection with the Iowa Department of Natural Resources Nutrient Reduction Strategy, which requires major industrial facilities such as the Eddyville Plant to reduce nutrients delivered to Iowa waterways and the Gulf of Mexico.

The Eddyville Plant is a \$1 billion-dollar investment that creates food ingredients for products "working to feed the world." Co-location partners are Ajinomoto Heartland, Ajinomoto North America, and Wacker Chemical. A partnership with Qore is also underway, with construction to be completed in 2025.

The IFA issued a \$64M General and Solid Waste Disposal Facility Revenue Bonds (Cargill, Incorporated Project) Series 2024. The

Total current FTEs of Applicant: Number of permanent FTEs created by the Project:

Parties Related to the Project

Principal User of the Project:	Cargill, Incorporated
Seller (if any) of the Project:	N/A
Purchaser (if any) or Owner or Lessee of the Project:	N/A
Relationship of Project Seller and Purchaser, if any:	N/A



Part C – Financing Information

Amount of Request: Anticipated Date of Issuance:

Type of Financing: New Money Refunding Amount for Refunding:

Type of Offering: Public Private

Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 No Yes, in the amount of _____ (There are IRS limitations on eligible reimbursable costs.)

Sources and Uses of Project Funds

Note: Total Sources must match Total Uses.

Sources		Uses	
	Amount		Amount
<input type="text" value="Tax Exempt Revenue Bonds"/>	<input type="text" value="\$ 61,000,000.00"/>	<input type="text" value="Nutrient Reduction Project"/>	<input type="text" value="\$ 61,000,000.00"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
<input type="text"/>	<input type="text" value="\$"/>	<input type="text"/>	<input type="text" value="\$"/>
Total Sources:	<input type="text" value="\$ 61,000,000.00"/>	Total Uses:	<input type="text" value="\$ 61,000,000.00"/>

Application continues on next page.

Part D – Professionals Participating in the Financing

Applications must have Bond Counsel, Borrower's Counsel, and Underwriter/Financial Institution identified.

Bond Counsel *(an attorney hired by the Borrower to ensure the bonds can be issued on a tax-exempt basis)*

Firm Name: Kutak Rock LLP
 Contact: Deborah T. Boye
 Address: c/o 2503 Royal Lytham Drive
 City: St. Charles State: IL Zip: 60174
 Phone: (312) 602-4104 Email: deborah.boy@kutakrock.com

Counsel to the Borrower

Firm Name: Cargill Asia Pacific Holdings Pte Ltd
 Contact: Christopher C. Okoroegbe, Senior Legal Counsel
 Address: 138 Market Street #17-01
 City: Capita Green, Singapore 048946 State: Singapore Zip:
 Phone: (656) 393-8440 Email: Christopher_Okoroegbe@cargill.com

Underwriter or Financial Institution Purchasing the Bonds

Firm Name: Thornton Farish Inc.
 Contact: Scott Bamman
 Address: 3500 Eastern Boulevard, Suite 210
 City: Montgomery State: AL Zip: 36116
 Phone: (334) 270-8555 Email: sbamman@thorntonfarish.com

Counsel to the Underwriter

Firm Name: Kutak Rock LLP
 Contact: Deborah T. Boye
 Address: c/o 2503 Royal Lytham Drive
 City: St. Charles State: IL Zip: 60174
 Phone: (312) 602-4104 Email: deborah_boy@kutakrock.com

Trustee (if applicable)

Firm Name: TBD
 Contact:
 Address:
 City: State: Zip:
 Phone: Email:



Part E – Fees and Charges

1. A non-refundable application fee must accompany this application at the time of submission to the Authority. For applications for bonds up to \$10 million, the application fee is \$1,000. For applications for bonds over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

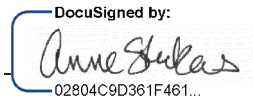
Applications and the application fee payment may be mailed to the Authority at the following address:

Iowa Finance Authority
 Attention: Aaron Smith
 1963 Bell Avenue, Suite 200
 Des Moines, IA 50315

Alternatively, applications may be submitted electronically through the Authority's website, with the application fee payment sent via wire transfer to:

Wells Fargo Bank California
 ABA No. 121000248
 for further credit to Iowa Finance Authority
 Checking Account No. 3000501562
 Attention: Cindy Harris
 Reference: PAB Application Fee for [Applicant or Project Name]

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million of bonds and declines after that pursuant to the Issuer fee schedule established by the Authority. Please contact Aaron Smith at (515) 452-0461 or aaron.smith@iowafinance.com for more information.
3. Borrower is required, and with the execution of this application agrees, to pay the fees and expenses of Dorsey & Whitney LLP, who serves as Issuer's Counsel. Bond documents should be sent to David Grossklaus (grossklaus.david@dorsey.com) at Dorsey & Whitney LLP and Aaron Smith (aaron.smith@iowafinance.com) at the Authority.

Signature:  _____
 By: Anne Stukas _____
 Title: Vice President and Assistant Treasurer _____
 Date: 1/26/2024 _____

DIRECTORS

Cargill, Incorporated is a privately-held company, the majority of the shares of which are held in private trusts and in an employee stock ownership plan.

Name	Within the Company	Outside of the Company
Richard H. Anderson	Director, Cargill, Incorporated	Retired Chief Executive Officer of Amtrak and retired Chairman and CEO of Delta Air Lines
Richard A. Cargill	Director, Cargill, Incorporated	
Stephen J. Hemsley	Director, Cargill, Incorporated	Executive Chairman of the Board and Retired Chief Executive Officer of UnitedHealth Group
Omar Ishrak	Director, Cargill, Incorporated	Retired CEO & Chairman, Medtronic and Chairman of the Board, Intel
Andrew C. Liebmann	Director, Cargill, Incorporated	
David D. MacMillan	Director, Cargill, Incorporated	
John C. MacMillan, Jr.	Director, Cargill, Incorporated	
Bernard J. Poussot	Director, Cargill, Incorporated	Retired Chairman, Chief Executive Officer and President of Wyeth
Virginia M. Rometty	Director, Cargill, Incorporated	Retired President and Chief Executive Officer of IBM
Katherine M. Rothschild	Director, Cargill, Incorporated	
James Brian Sikes	Director, Cargill, Incorporated and Board Chair, President and Chief Executive Officer	
Lucy C. MacMillan Stitzer	Director, Cargill, Incorporated	
John S. Watson	Director, Cargill, Incorporated	Retired Chairman of the Board and Chief Executive Officer of Chevron Corporation

EXHIBIT B

Notification of Hearing as Published on the Authority's Website

Notice of Hearing on Iowa Finance Authority Revenue Bonds
for Cargill, Incorporated
for a Project located in Eddyville, Monroe County, Iowa
Posted to IFA Website on February 28, 2024

A public hearing will be held on the 6th day of March, 2024, at the Iowa Finance Authority, 1963 Bell Avenue, Suite 200, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Sewage Facilities Revenue Bonds (Cargill Project) in an aggregate principal amount not to exceed \$61,000,000 (the "Bonds"), in one or more series, pursuant to a plan of finance, and to loan the proceeds thereof to Cargill, Incorporated (the "Borrower"), the proceeds of which will be used for the purpose of financing the costs of improvements to, and expanded capacity of, the Borrower's sewage facilities and certain solid waste disposal facilities at its Iowa Bioprocessing Complex located at 17540 Monroe Wapello Road, Eddyville, Iowa 52553, funding any necessary reserve funds, funding capitalized interest, and paying for costs associated with the issuance of the Bonds (collectively the "Project"). The Project qualifies for financing as an exempt facility bond, the majority of which qualifies as a sewage facility as described in Section 142(a)(5) of the Internal Revenue Code of 1986, as amended (the "Code"), and the remainder of which qualifies as a solid waste disposal facility as described in Section 142(a)(6) of the Code.

The hearing will be held telephonically, which will be accessible through the following toll-free number: 1-800-532-1215; Conference ID: 401 690 921#. Written comments can be submitted to the Authority at its offices at 1963 Bell Avenue, Suite 200 Des Moines, Iowa 50315 for receipt prior to the hearing date.

The Bonds, when issued, will be limited obligations of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will they be payable in any amount by taxation, but the Bonds will be payable solely and only from amounts received from the Borrower, the obligations of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when they shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Bonds for the purpose of financing the Project, and all written comments previously filed with the Authority as described above will be considered.

Aaron Smith
Chief Bond Programs Director
Iowa Finance Authority

RESOLUTION PAB 24-16B

Authorizing the Issuance of not to exceed \$600,000
Multifamily Housing Revenue Notes (Red Oak Partners, LLC Project) in one or more series

Resolution authorizing the issuance of not to exceed \$600,000 Multifamily Housing Revenue Notes (Red Oak Partners, LLC Project), in one or more series for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the notes; authorizing the sale of the notes; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa (the “Act”) to issue revenue bonds or notes to be used to finance in whole or in part the acquisition of housing by construction or purchase pursuant to the Act; and

WHEREAS, the Authority has been requested by Red Oak Partners, LLC (the “Borrower”) to issue not to exceed \$600,000 Iowa Finance Authority Multifamily Housing Revenue Notes (Red Oak Partners, LLC Project), in one or more series (the “Notes”) for the purpose of loaning the proceeds thereof to the Borrower for the purpose of financing a portion of the costs of the construction, rehabilitation and adaptive reuse of existing buildings to affordable housing and related parking and site and other improvements located at 308 East Corning Street, Red Oak, Iowa, (the “Project”); and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached as Exhibit B) the Authority has conducted a public hearing on the 3rd day of September, 2024 at 8:30 a.m. on a proposal to issue the Notes in an amount not to exceed \$600,000 to finance the Project as required by Section 147 of the Internal Revenue Code of 1986, as amended (the “Code”) and this Board has deemed it to be in the best interests of the Authority that the Notes be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Notes in the aggregate principal amount of not to exceed \$600,000 as authorized and permitted by the Act to finance the funding of the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will issue the Notes and loan the proceeds of the Notes to the Borrower pursuant to the provisions of a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower; and

WHEREAS, the Authority will assign certain of its rights in the Loan Agreement to M1 Bank (the “Purchaser”) pursuant to the provisions of an Assignment and Pledge Agreement (the “Pledge Agreement”) between the Authority and the Purchaser;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Notes and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Notes and the Authority shall defray all or a portion of the cost of the Project by issuing the Notes and loaning the proceeds of the sale of the Notes to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Notes and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Notes.

Section 4. Notes Authorized. In order to acquire, construct, improve and equip a portion of the Project, the notes shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Loan Agreement in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Notes actually issued to be in a principal amount not exceeding \$600,000 and to bear interest at rates as determined by the Borrower and the Lender which rates shall result in a net interest cost not to exceed 12% per annum, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Notes, within the foregoing limits, by and on behalf of the Authority, and to execute by facsimile signature, seal and authenticate the Notes.

Section 5. Loan Agreement. The Authority shall loan the proceeds of the Notes to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. The Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each an "Authorized Officer") are authorized and directed to execute and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 6. Pledge Agreement. The assignment of certain provisions of the Loan Agreement and amounts payable thereunder to the Purchaser pursuant to the Pledge Agreement and the form and content of the Pledge Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Pledge Agreement, but with such changes, modifications,

additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Pledge Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Pledge Agreement as executed.

Section 7. Regulatory Agreement. Provisions relating to the use of the Project as required by the Code will be contained in a First Amendment to Regulatory Agreement among the Authority, the Borrower and M1 Bank or another entity selected by the Borrower and not objected to by the Authority (the “First Amendment to Regulatory Agreement”), amending that certain Regulatory Agreement dated as of July 1, 2023 among the Authority, the Borrower and M1 Bank (the “Original Regulatory Agreement” and, together with the First Amendment to Regulatory Agreement, the “Regulatory Agreement”). The form and content of the Regulatory Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is hereby authorized and directed to execute and deliver the First Amendment to Regulatory Agreement but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority.

Section 8. Execution of Documents. Any Authorized Officer is authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing and tax certificates and documents as may be required by Bond Counsel and approved by Program Counsel, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 9. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Notes when and as due, and the payment of such amounts by the Borrower to the Purchaser pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 10. Limited Obligations. The Notes shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement, and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Notes, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Notes. The issuance of the Notes and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge

any form of taxation whatever to the payment of the principal of or interest on the Notes or any other payments or costs incident thereto. The Authority has no taxing power.

Section 11. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 12. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 13. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

EXHIBIT A

Initial Approved Application

A copy of the Application will also be available at the Board meeting or may be obtained by fax by calling Aaron Smith of the Iowa Finance Authority at (515) 452-0461.

Deborah Durham, Director
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY	
Project Number:	PAB 24-16
Date Received:	7/24/2024
Fee Received:	yes
Amount of Request:	\$600,000

Private Activity Bond Application

Part A – Applicant Information

Borrower Details

Borrower's Name:	Red Oak Partners, LLC		
Street Address:	3414 Peachtree Road, Suite 825		
City, State, Zip:	Atlanta, GA 30326		
Point of Contact:	Steven LeClere	Title:	President - Board of Directors - Builders Developme
Phone Number:	(812) 340-6897	Email:	sleclere@monarchprivate.com

Organizational Information

Corporate Structure: S Corporation C Corporation Partnership 501(c)(3) Other

If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose.

Date of Incorporation:	09/14/2018	State of Incorporation:	Kansas
------------------------	------------	-------------------------	--------

Principals

If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff. Attach separate list if necessary.

Managing Member - Red Oak Partners, GP, LLC (wholly owned by Builders Development Corp, Inc.) Investor Member - MPC Fed 1917 Lofts PCFd, LLC Special Investor Member - MPC Fed LIHTC SLP, LLC State Investor Member - MPC IA 1917 Lofts PCFd, LLC
--

Please confirm:

- Borrower currently qualified to transact business within the State of Iowa.
- Is state certificate of need required? *If yes, attach a copy.*

Part B – Project Information

This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings, or improvements suitable for use as one of the following facilities (check one).

- 501(c)(3) entity (please identify):
 - Private college or university
 - Housing facility for elderly or disabled persons
 - Museum or library facility
 - Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135C.1(8) of the Iowa Code.
Please specify: _____
 - Other 501(c)(3) entity. Please specify: _____
- Agricultural processing facility
- Manufacturing facility
- Multifamily housing
- Solid waste facility

Location of the Project

Street Address:	308 Corning Street		
City:	Red Oak	County:	Montgomery
State:	IA	Zip Code:	51566

General Description of the Project

Rehabilitation of Red Oak Middle School into 25 unit affordable multifamily housing community.

Additional bonds will be used to fund construction cost overruns and ensure that project can meet the 50% Test.

Total current FTEs of Applicant: Number of permanent FTEs created by the Project:

Parties Related to the Project

Principal User of the Project:	Red Oak Partners, LLC
Seller (if any) of the Project:	N/A
Purchaser (if any) or Owner or Lessee of the Project:	N/A
Relationship of Project Seller and Purchaser, if any:	N/A

Part C – Financing Information

Amount of Request: Anticipated Date of Issuance:

Type of Financing: New Money Refunding Amount for Refunding:

Type of Offering: Public Private

Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 No Yes, in the amount of _____ (There are IRS limitations on eligible reimbursable costs.)

Sources and Uses of Project Funds

Note: Total Sources must match Total Uses.

Sources		Uses	
	Amount		Amount
Original Bond Amount	\$ 5,700,000	Acquisition Cost	\$ 6,000
GP Loan	\$ 350,000	Construction Costs	\$ 9,073,360
Fed HTC & LIHTC Equity	\$ 7,309,676	Lender Costs	\$ 124,926
State HTC Equity	\$ 1,155,768	Construction Interest	\$ 527,350
GP Equity	\$ 632,374	Financing Costs	\$ 75,000
Deferred Developer Fee	\$ 1,394,311	Soft Costs	\$ 1,234,420
New Bond Amount	\$ 600,000	Reserves	\$ 206,762
Permanent Loan	\$ 1,800,000	Developer Fee	\$ 1,394,311
	\$	Repayment of Bonds	\$ 6,300,000
	\$		\$
Total Sources:	\$ 18,942,129	Total Uses:	\$ 18,942,129

Application continues on next page.

Part D – Professionals Participating in the Financing

Applications must have Bond Counsel, Borrower’s Counsel, and Underwriter/Financial Institution identified.

Bond Counsel *(an attorney hired by the Borrower to ensure the bonds can be issued on a tax-exempt basis)*

Firm Name:	Dorsey & Whitney		
Contact:	James Smith		
Address:	801 Grand Avenue		
City:	Des Moines	State:	IA Zip: 50309
Phone:	(515) 699-3276	Email:	smith.james@dorsey.com

Counsel to the Borrower

Firm Name:	Sandberg Phoenix		
Contact:	Loren Ettinger		
Address:	120 S. Central Avenue, Suite 1600		
City:	Clayton	State:	MO Zip: 63105
Phone:	(314) 725-9100	Email:	lettinger@sandbergphoenix.com

Underwriter or Financial Institution Purchasing the Bonds

Firm Name:	M1 Bank		
Contact:	Ken Poteet		
Address:	112 S. Hanley Road, Suite 120		
City:	Clayton	State:	MO Zip: 63105
Phone:	(314) 721-2265	Email:	ken.poteet@m1bank.net

Counsel to the Underwriter

Firm Name:	Brodnan & Budd, LLC		
Contact:	James Budd		
Address:	999 Peachtree Street, Suite 1105		
City:	Atlanta	State:	GA Zip: 30309
Phone:	(404) 596-8834	Email:	jbudd@brodnanbudd.com

Trustee (if applicable)

Firm Name:	N/A		
Contact:			
Address:			
City:		State:	Zip:
Phone:		Email:	

Part E – Fees and Charges

1. A non-refundable application fee must accompany this application at the time of submission to the Authority. For applications for bonds up to \$10 million, the application fee is \$1,000. For applications for bonds over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Applications and the application fee payment may be mailed to the Authority at the following address:

Iowa Finance Authority
Attention: Aaron Smith
1963 Bell Avenue, Suite 200
Des Moines, IA 50315

Alternatively, applications may be submitted electronically through the Authority's website, with the application fee payment sent via wire transfer to:

Wells Fargo Bank California
ABA No. 121000248
for further credit to Iowa Finance Authority
Checking Account No. 3000501562
Attention: Cindy Harris
Reference: PAB Application Fee for [Applicant or Project Name]

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million of bonds and declines after that pursuant to the Issuer fee schedule established by the Authority. Please contact Aaron Smith at (515) 452-0461 or aaron.smith@iowafinance.com for more information.
3. Borrower is required, and with the execution of this application agrees, to pay the fees and expenses of Dorsey & Whitney LLP, who serves as Issuer's Counsel. Bond documents should be sent to David Grossklaus (grossklaus.david@dorsey.com) at Dorsey & Whitney LLP and Aaron Smith (aaron.smith@iowafinance.com) at the Authority.

Signature: *Steven LeClere*
Steven LeClere (Jul 24, 2024 11:45 CDT)

By: Steven LeClere

Title: President, Board of Directors, Builders Development Cor

Date: 07/24/2024

EXHIBIT B

Notification of Hearing as Published on the Authority's Website

Notice of Hearing on Iowa Finance Authority Revenue Note
for Red Oak Partners, LLC
for a Project located in Red Oak, Montgomery County, Iowa
Posted to IFA Website on August 21, 2024

A public hearing will be held on the 3rd day of September, 2024, at the Iowa Finance Authority, 1963 Bell Avenue, Suite 200, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Multifamily Housing Revenue Note (Red Oak Partners, LLC Project) in an aggregate principal amount not to exceed \$600,000 (the "Note"), in one or more series, and to loan the proceeds thereof to Red Oak Partners, LLC (the "Borrower"), to be used for the purpose of financing a portion of the costs of the construction, rehabilitation and adaptive reuse of existing buildings to affordable housing and related parking and site and other improvements located at 308 East Corning Street, Red Oak, Iowa, funding interest during construction, funding any necessary reserves and paying for costs associated with the issuance of the Note (collectively the "Project"). The Project qualifies for financing as an exempt facility bond, for a qualified residential rental project as described in Section 142(a)(7) of the Internal Revenue Code of 1986, as amended. The Borrower will be the initial owner and principal user of the Project.

The hearing will be held telephonically and will be accessible through the following toll-free number: 1-800-532-1215; Conference ID: 401 690 921#. Written comments can be submitted to the Authority prior to the hearing date at its offices at 1963 Bell Avenue, Suite 200 Des Moines, Iowa 50315.

The Note, when issued, will be a limited obligation of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will it be payable in any amount by taxation, but the Note will be payable solely and only from amounts received from the Borrower, the obligations of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Note as and when it shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Note for the purpose of financing the Project, and all written comments previously filed with the Authority as described above will be considered.

Aaron Smith
Chief Bond Programs Director
Iowa Finance Authority

RESOLUTION PAB 24-17B

Authorizing the Issuance of not to exceed \$30,000,000
Iowa Finance Authority Revenue Bonds
(Wesley Retirement Services, Inc. Project), in one or more series

Resolution authorizing the issuance of not to exceed \$30,000,000 Iowa Finance Authority Revenue Bonds (Wesley Retirement Services, Inc. Project), in one or more series, for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa (the “State”) duly organized and existing under and by virtue of the Constitution and laws of the State (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa, (the “Act”) to issue revenue bonds to be used to pay all or a portion of the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) which is exempt from federal income tax under section 501(a) of the Code; and

WHEREAS, the Authority has been requested by Wesley Retirement Services, Inc. (the “Borrower”) to issue not to exceed \$30,000,000 Iowa Finance Authority Revenue Bonds (Wesley Retirement Services, Inc. Project), in one or more series (the “Bonds”), for the purpose of loaning the proceeds thereof to the Borrower to finance a portion of the costs of constructing, renovating, expanding, improving and equipping an existing continuing care retirement community known as The Village in Indianola, located at 1203 North E Street, Indianola, Iowa, including, without limitation, a new connected independent living building, expanded and renovated wellness center and health center building, improvements to various common areas, and parking and other site improvements, funding any necessary reserve funds, funding capitalized interest, and paying for costs associated with the issuance of the Bonds (collectively, the “Project”); and

WHEREAS, the Authority on the 7th day of August, 2024 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 3rd day of September, 2024 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$30,000,000 to finance the Project as required by Section 147 of the Code and this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$30,000,000 as authorized and permitted by the Act to finance the funding of the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Bonds are to be issued pursuant to the provisions of a Bond Trust Indenture (the “Indenture”) between the Authority and Computershare Trust Company, N.A. or another trustee selected by the Borrower and approved by an Authorized Officer (defined herein) (the “Trustee”); and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the “Loan Agreement”) between the Authority and the Borrower; and

WHEREAS, the Borrower has arranged for the sale of the Bonds to B.C. Ziegler and Company (the “Underwriter”) pursuant to a Bond Purchase and Placement Agreement among the Borrower, the Authority and the Underwriter (the “Bond Purchase and Placement Agreement”);

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Trustee. Computershare Trust Company, N.A. or another trustee selected by the Borrower and approved by the Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each, an “Authorized Officer”) is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority’s rights and interest in and to the Loan Agreement (with certain exceptions as stated in the Indenture), be and the same hereby are in all respects authorized, approved and confirmed, and any Authorized Officer is authorized, empowered and directed to execute and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by

counsel to the Authority, and that from and after the execution and delivery of the Indenture, any Authorized Officer is authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 5. Bonds Authorized. In order to acquire, construct, improve and equip the Project, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Indenture in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$30,000,000 and to bear interest at rates as determined by the Borrower and the Underwriter which initial rates shall result in a net interest cost not to exceed 6.25% per annum on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute by facsimile signature, seal and deliver the Bonds to the Trustee for authentication.

Section 6. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, any Authorized Officer is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 7. Purchase of Bonds. The sale of the Bonds to the Underwriter subject to the terms and conditions set forth in the Bond Purchase and Placement Agreement, is authorized, approved and confirmed, and that the form and content of the Bond Purchase and Placement Agreement is authorized, approved and confirmed. Any Authorized Officer is authorized and directed to execute and deliver the Bond Purchase and Placement Agreement in substantially the form before this meeting, in all respects, but with appropriate insertions and revisions to reflect marketing of the Bonds and revisions approved by counsel to the Authority.

Section 8. Execution of Documents. Any Authorized Officer is authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing documents as may be required by bond counsel and approved by counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 9. Use of Offering Memorandum. The use by the Underwriter of a document used to market the Bonds (the “Offering Memorandum”), in connection with the sale of the Bonds is hereby authorized and approved, subject to approval by counsel to the Authority; provided such authorization and approval shall not be deemed to include authorization and approval of information contained in such Offering Memorandum other than information describing the Authority or its litigation, and only as the same relates to the Authority, but nothing contained in this Resolution shall be construed as prohibiting or limiting the Underwriter and the Borrower from including such information as they reasonably deem appropriate. The Offering Memorandum as of its date will be, by approval thereof by an Authorized Officer, deemed final by the Authority within the meaning of Rule 15c2-12(b)(1) of the Securities and Exchange Commission and any Authorized Officer is authorized to execute and deliver such certificates as required to indicated such approval and to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 10. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 11. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement and as provided in the Indenture, and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State or any political subdivision of the State within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State nor any political subdivision of the State to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State or any political subdivision of the State to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 12. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 13. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Section 14. Application of Uniform Electronic Transactions Act. This Resolution and all documents related hereto or referenced herein may be executed and entered into as provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa.

Passed and approved this 3rd day of September, 2024.

Jennifer A. Cooper, Chairperson

ATTEST:

(SEAL)

Deborah Durham, Secretary

EXHIBIT A

Initial Approved Application

A copy of the Application will also be available at the Board meeting or may be obtained by fax by calling Aaron Smith of the Iowa Finance Authority at (515) 452-0461.

Deborah Durham, Director
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY	
Project Number:	PAB 24-17
Date Received:	7/23/2024
Fee Received:	Y
Amount of Request:	\$30,000,000

Private Activity Bond Application

Part A – Applicant Information

Borrower Details

Borrower's Name:	Wesley Retirement Services		
Street Address:	5508 Northwest 88th Street		
City, State, Zip:	Johnston, IA 50131		
Point of Contact:	Craig Flanagan	Title:	CFO
Phone Number:	(515) 271-6559	Email:	cflanagan@wesleylife.org

Organizational Information

Corporate Structure: S Corporation C Corporation Partnership 501(c)(3) Other

If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose.

Date of Incorporation:	7/8/1947	State of Incorporation:	Iowa
------------------------	----------	-------------------------	------

Principals

If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff. Attach separate list if necessary.

The officers of WesleyLife are: Rob Kretzinger - CEO; Craig Flanagan - CFO Allison Pendroy - COO

Please confirm:

- Borrower currently qualified to transact business within the State of Iowa.
- Is state certificate of need required? *If yes, attach a copy.*

Part B – Project Information

This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings, or improvements suitable for use as one of the following facilities (check one).

- 501(c)(3) entity (please identify):
 - Private college or university
 - Housing facility for elderly or disabled persons
 - Museum or library facility
 - Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135C.1(8) of the Iowa Code.
Please specify: _____
 - Other 501(c)(3) entity. Please specify: _____
- Agricultural processing facility
- Manufacturing facility
- Multifamily housing
- Solid waste facility

Location of the Project

Street Address:	1203 N. E St.		
City:	Indianola	County:	Warren
State:	Iowa	Zip Code:	50125

General Description of the Project (125-word limit)

The proposed project is the result of a Master Plan to redevelop The Village in Indianola in a two-phased financing which is anticipated to cost \$46 million. The Series 2024 Bonds will provide the financing for Phase I and include a new main entrance along with expanded parking; an updated main lobby, new community room, an additional renovated multi-purpose classroom; an expanded wellness center; expanded dining; expansion to the health center building including 10 additional rooms and two activity lounges; a new connected independent living building comprising 28 apartments; deck additions to 25 independent living units; and additional outdoor amenities.

Total current FTEs of Applicant: Number of permanent FTEs created by the Project:

Parties Related to the Project

Principal User of the Project:	Wesley Retirement Services or an affiliate thereof
Seller (if any) of the Project:	n/a
Purchaser (if any) or Owner or Lessee of the Project:	n/a
Relationship of Project Seller and Purchaser, if any:	n/a

Part C – Financing Information

Amount of Request: Anticipated Date of Issuance:

Type of Financing: New Money Refunding Amount for Refunding:

Type of Offering: Public Private

Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?

No Yes, in the amount of (There are IRS limitations on eligible reimbursable costs.)

Sources and Uses of Project Funds

Note: Total Sources must match Total Uses.

Sources		Uses	
	Amount		Amount
Series 2024 Bonds	\$ 30,000,000.00	Construction costs	\$ 29600000
<input type="text"/>	\$ <input type="text"/>	Costs of Issuance	\$ 400000
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
<input type="text"/>	\$ <input type="text"/>	<input type="text"/>	\$ <input type="text"/>
Total Sources:	\$ 30,000,000.00	Total Uses:	\$ 30,000,000.00

Application continues on next page.

Part D – Professionals Participating in the Financing

Applications must have Bond Counsel, Borrower’s Counsel, and Underwriter/Financial Institution identified.

Bond Counsel *(an attorney hired by the Borrower to ensure the bonds can be issued on a tax-exempt basis)*

Firm Name:	Dorsey & Whitney LLP		
Contact:	Cris Kuhn		
Address:	801 Grand Avenue, Suite 4100		
City:	Des Moines	State:	Iowa Zip: 50309
Phone:	(515) 699-3273	Email:	kuhn.cristina@dorsey.com

Counsel to the Borrower

Firm Name:	Dorsey & Whitney LLP		
Contact:	Cris Kuhn		
Address:	801 Grand Avenue, Suite 4100		
City:	Des Moines	State:	Iowa Zip: 50309
Phone:	(515) 699-3273	Email:	kuhn.cristina@dorsey.com

Underwriter or Financial Institution Purchasing the Bonds

Firm Name:	B.C. Ziegler and Company		
Contact:	Matt Mule, Senior Vice President		
Address:	1 North Wacker Drive, Suite 2000		
City:	Chicago	State:	Illinois Zip: 60606
Phone:	(312) 596-1558	Email:	mmule@ziegler.com

Counsel to the Underwriter

Firm Name:	Gillmore & Bell, P.C.		
Contact:	Bill Burns		
Address:	2405 Grand Blvd., Suite 1100		
City:	Kansas City	State:	Missouri Zip: 64108
Phone:	(816) 218-7562	Email:	bburns@gillmorebell.com

Trustee (if applicable)

Firm Name:	Computershare Trust Company, N.A.		
Contact:	Gail Klewin		
Address:	1505 Energy Park Drive		
City:	St. Paul	State:	Minnesota Zip: 55108
Phone:	(312) 505-1239	Email:	gail.klewin@computershare.com

Part E – Fees and Charges

1. A non-refundable application fee must accompany this application at the time of submission to the Authority. For applications for bonds up to \$10 million, the application fee is \$1,000. For applications for bonds over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Applications and the application fee payment may be mailed to the Authority at the following address:

Iowa Finance Authority
Attention: Aaron Smith
1963 Bell Avenue, Suite 200
Des Moines, IA 50315

Alternatively, applications may be submitted electronically through the Authority's website, with the application fee payment sent via wire transfer to:

Wells Fargo Bank California
ABA No. 121000248
for further credit to Iowa Finance Authority
Checking Account No. 3000501562
Attention: Cindy Harris
Reference: PAB Application Fee for [Applicant or Project Name]

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million of bonds and declines after that pursuant to the Issuer fee schedule established by the Authority. Please contact Aaron Smith at (515) 452-0461 or aaron.smith@iowafinance.com for more information.
3. Borrower is required, and with the execution of this application agrees, to pay the fees and expenses of Dorsey & Whitney LLP, who serves as Issuer's Counsel. Bond documents should be sent to David Grossklaus (grossklaus.david@dorsey.com) at Dorsey & Whitney LLP and Aaron Smith (aaron.smith@iowafinance.com) at the Authority.

Signature: Craig Flanagan Digitally signed by Craig Flanagan
Date: 2024.07.22 07:08:52 -05'00'

By: Craig Flanagan

Title: CFO, Wesley Retirement Services, Inc.

Date: 07/22/2024

Submit Form

EXHIBIT B

Notification of Hearing as Published on the Authority's Website

Notice of Hearing on Iowa Finance Authority Revenue Bonds
for Wesley Retirement Services, Inc.
for a Project located in Warren County, Indianola, Iowa
Posted to IFA Website on August 21, 2024

A public hearing will be held on the 3rd day of September, 2024, at the Iowa Finance Authority, 1963 Bell Avenue, Suite 200, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Revenue Bonds (Wesley Retirement Services, Inc. Project) as qualified 501(c)(3) bonds as defined in Section 145 of the Internal Revenue Code of 1986, as amended, in an aggregate principal amount not to exceed \$30,000,000 (the "Bonds"), in one or more series, and to loan the proceeds thereof to Wesley Retirement Services, Inc. (the "Borrower"), a 501(c)(3) organization, to be used for the purpose of financing a portion of the costs of constructing, renovating, expanding, improving and equipping an existing continuing care retirement community known as The Village in Indianola, located at 1203 North E Street, Indianola, Iowa, including without limitation, a new connected independent living building, expanded and renovated wellness center and health center building, improvements to various common areas, and parking and other site improvements (collectively, the "Project"), funding any necessary reserve funds, funding capitalized interest, and paying for costs associated with the issuance of the Bonds. The Borrower will be the initial owner and principal user of the Project.

The hearing will be held telephonically and will be accessible through the following toll-free number: 1-800-532-1215; Conference ID: 401 690 921#. Written comments can be submitted to the Authority prior to the hearing date at its offices at 1963 Bell Avenue, Suite 200 Des Moines, Iowa 50315.

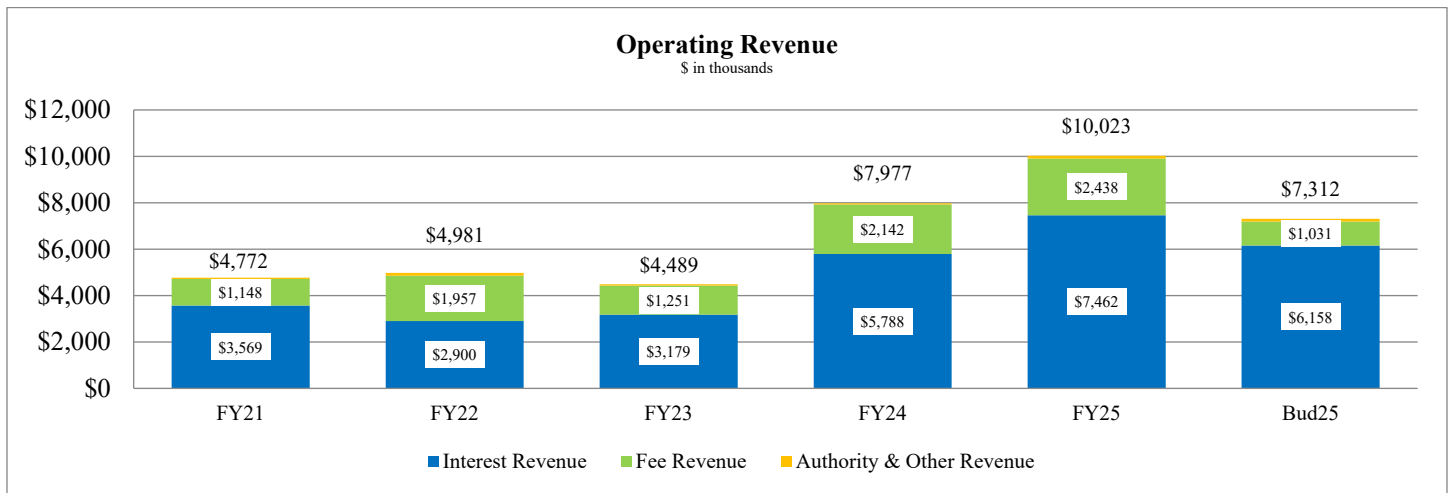
The Bonds, when issued, will be limited obligations of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will they be payable in any amount by taxation, but the Bonds will be payable solely and only from amounts received from the Borrower, the obligations of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when they shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Bonds for the purpose of financing the Project, and all written comments previously filed with the Authority as described above will be considered.

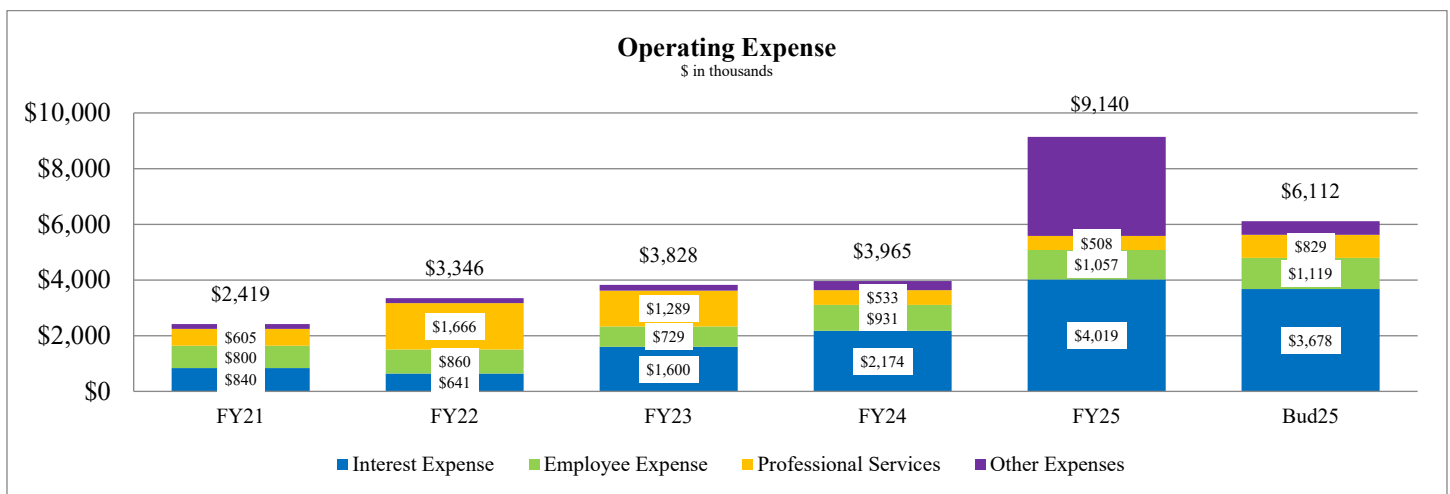
Aaron Smith
Chief Bond Programs Director
Iowa Finance Authority

To: IFA Board of Directors
 From: Cindy Harris
 Date: August 21, 2024
 Re: July 2024 YTD Consolidated Financial Results

The Housing Authority operated favorably to budget at the start of fiscal year 2025; operating revenues exceed budget due to higher than planned interest rates and likewise operating expenses exceed budget for the same reason.



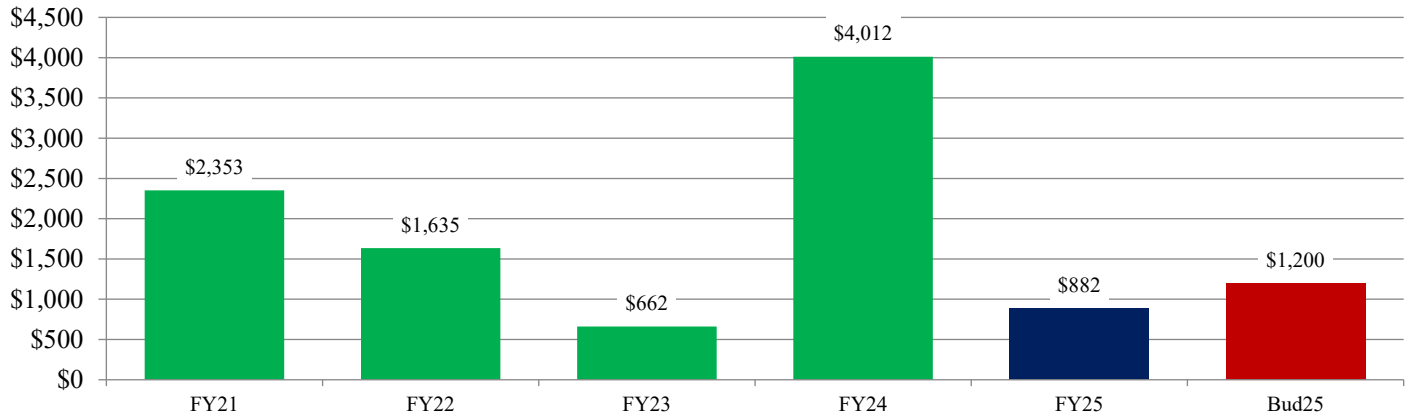
Operating revenue exceeds budget by \$2,711 or 37.1% and exceeds last year. Interest revenue earned from higher than anticipated interest earnings rates and additional cash on hand related to the Emergency Rental Assistance federal programs accounts for much of this favorable variance. Fee revenue was \$1,407 above budget due mainly to more Service Acquisition Revenue in the Homeownership program and LIHTC reservation fees timing.



Operating expenses were above budget by \$3,028 or 49.6% and were above last year. Interest expense and Claims and Loss expense are both unfavorable to budget, with an offsetting favorable variance in Professional Services due to the delayed timing of consultant fees related to the EMS software project. The Federal ARPA-LIHTC loans are reserved at 100% because the repayments are based on future cash flows. Therefore, Claim and Loss Expenses increased in July.

Net Operating Income before Grants

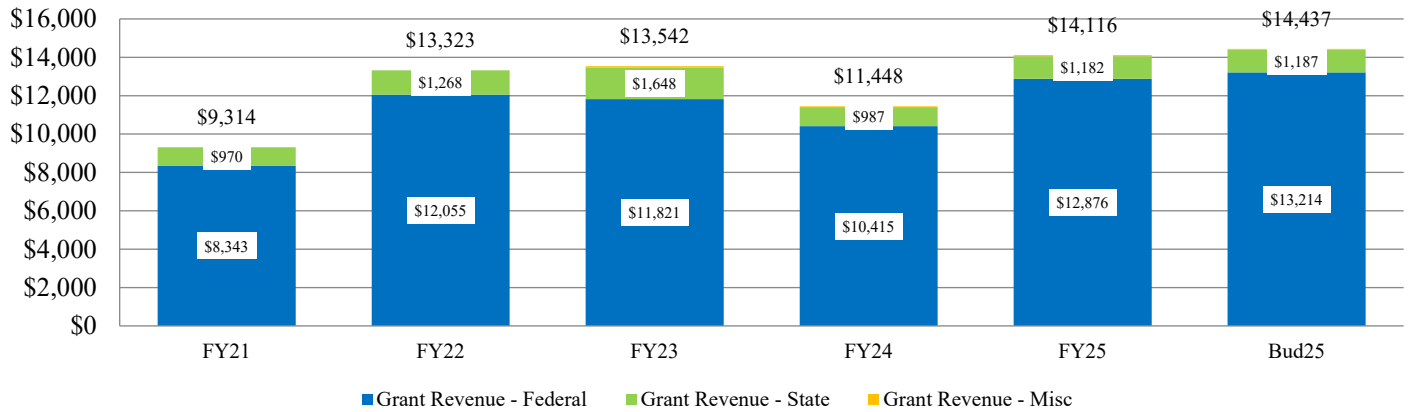
\$ in thousands



As a result, NOIBG was \$318 unfavorable to budget.

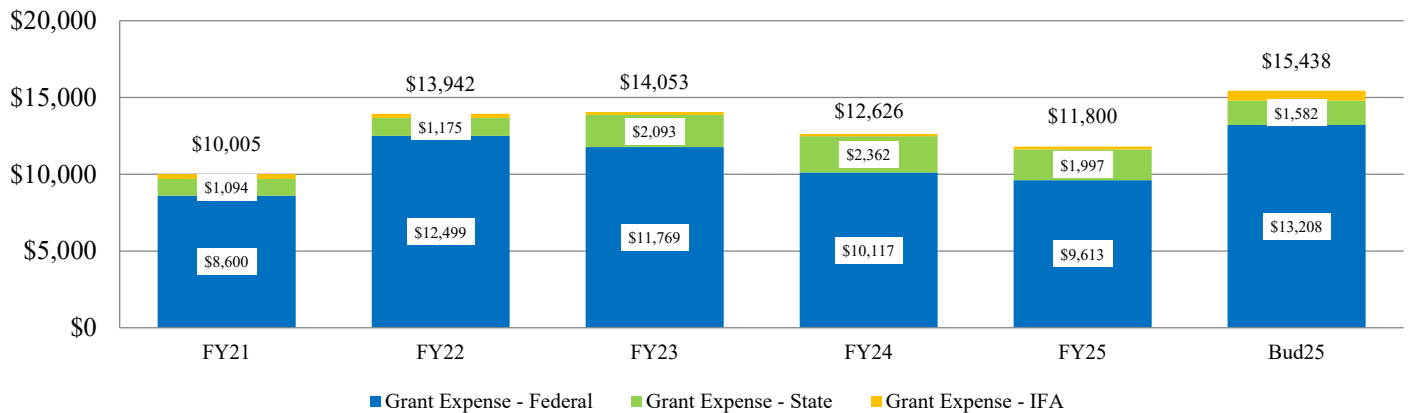
Grant Revenue

\$ in thousands

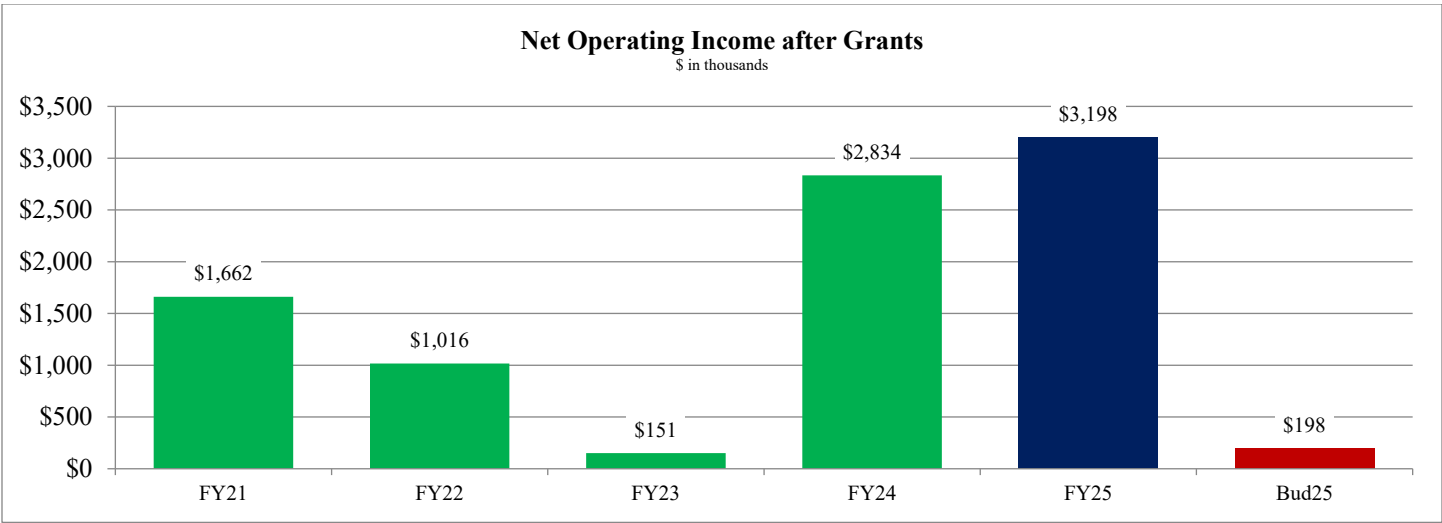


Grant Expense

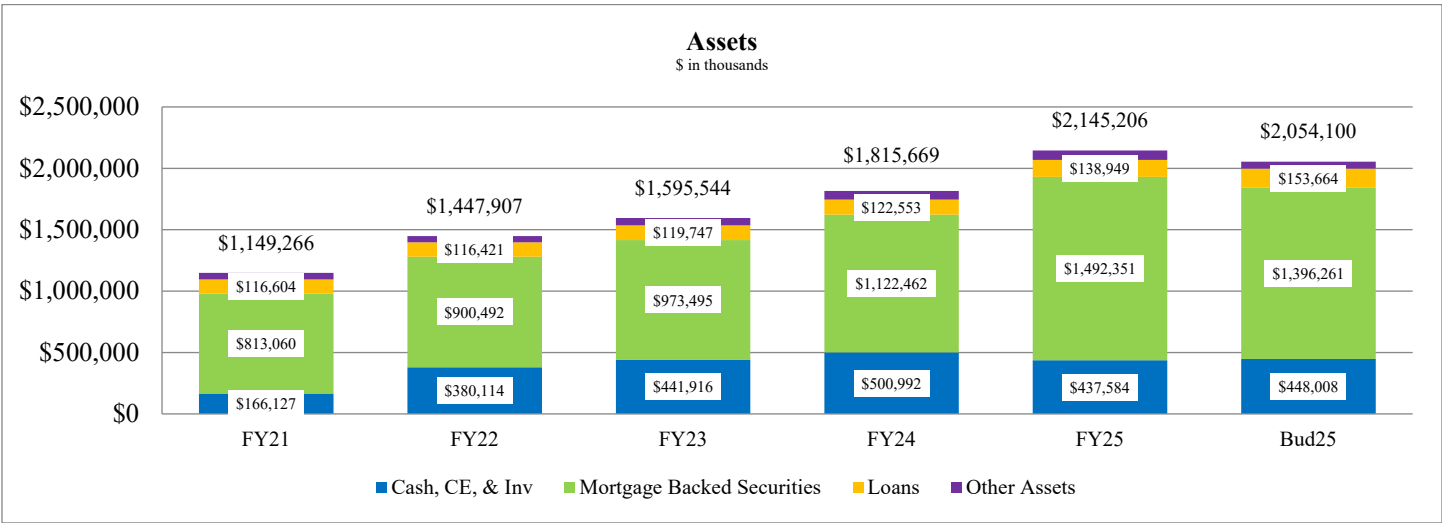
\$ in thousands



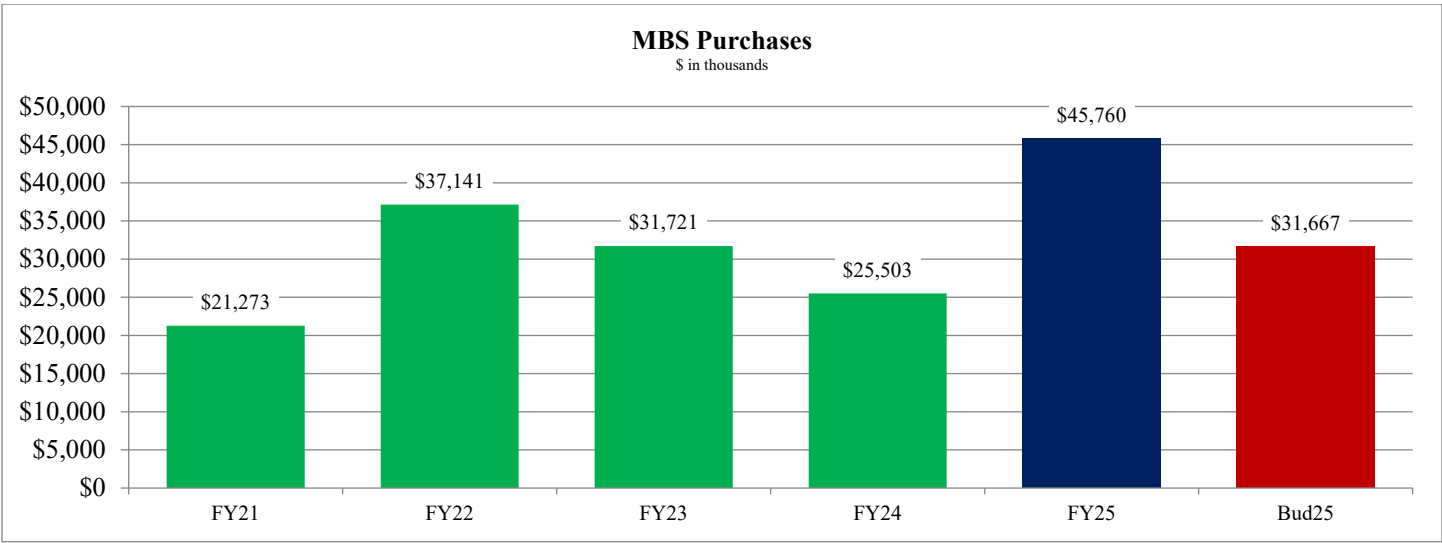
Net grant income was \$1,315 favorable to budget.



As a result, NOIAG was \$3,000 favorable to budget.

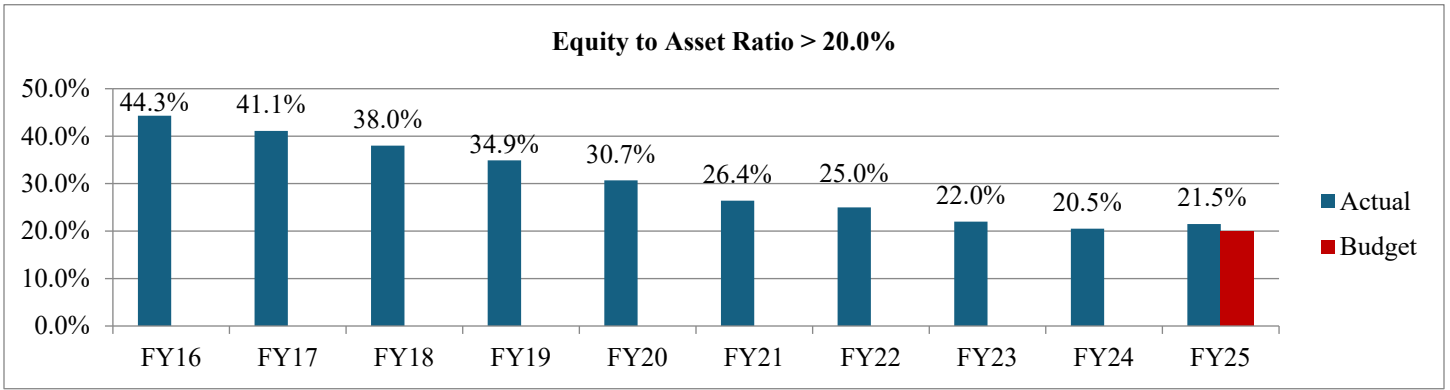


Total Assets have increased \$329,537 since last year.

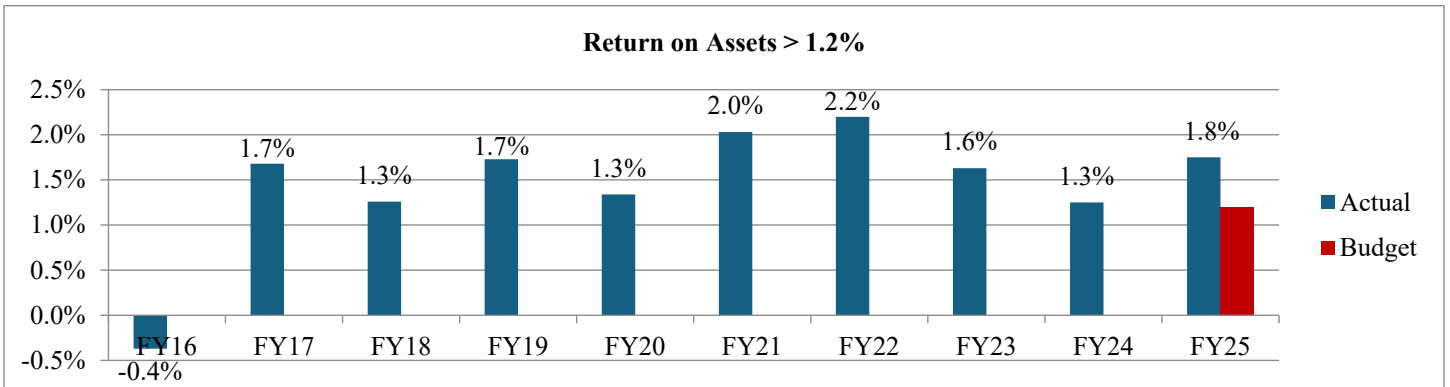


MBS purchases exceed budget by \$14,093.

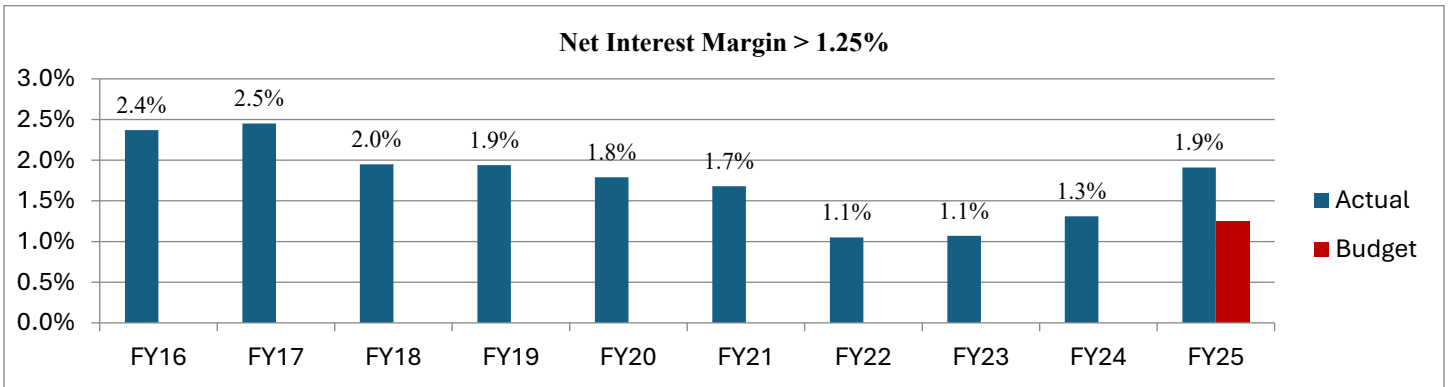
Housing Authority Long-Term Measures



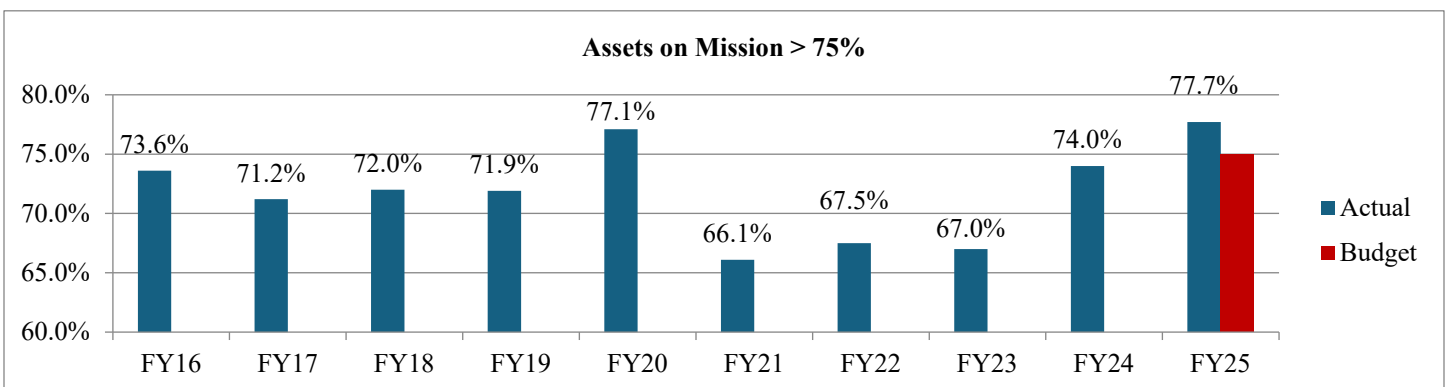
This ratio is an indicator of the Housing Authority’s financial strength and ability to increase debt to acquire assets.



This ratio represents the rate of return on the Housing Authority’s assets.



This is the rate of interest earned, after interest expense is deducted, on the Housing Authority’s cash, cash equivalents, investments, MBS, and loans.



This ratio is the percentage of MBS and Loans (Mission Assets) to the Housing Authority’s total assets.

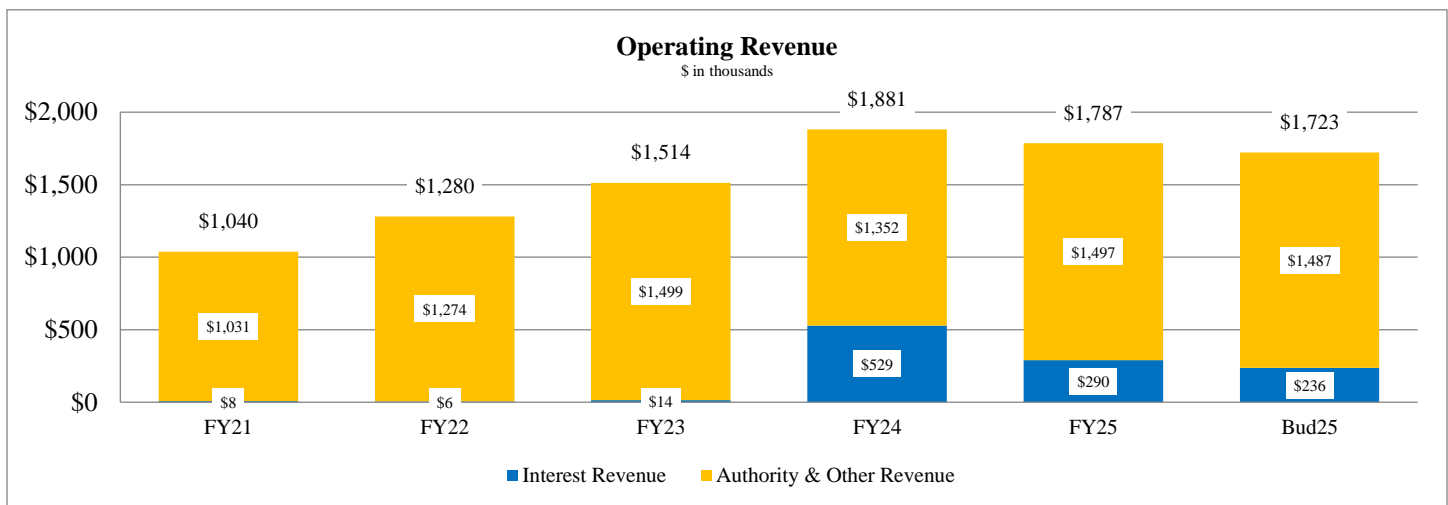
Balance Sheet	Housing Authority (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	437,584,333	448,008,149	(10,423,817)	-2.3	500,992,153	(63,407,820)	-12.7
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	1,464,572,431	1,376,269,390	88,303,041	6.4	1,099,599,287	364,973,144	33.2
Line of Credit	27,778,310	19,992,094	7,786,216	38.9	22,863,124	4,915,185	21.5
Loans - net of reserve for losses	138,949,178	153,663,950	(14,714,772)	-9.6	122,553,139	16,396,039	13.4
Capital Assets (net of accumulated depreciation)	13,037,594	13,101,331	(63,737)	-0.5	12,992,480	45,114	0.3
Other Assets	59,655,897	39,792,794	19,863,103	49.9	53,133,403	6,522,494	12.3
Deferred Outflows	3,628,685	3,272,730	355,955	10.9	3,535,454	93,231	2.6
Total Assets and Deferred Outflows	2,145,206,427	2,054,100,439	91,105,988	4.4	1,815,669,040	329,537,388	18.1
Liabilities, Deferred Inflows, and Equity							
Debt	1,620,347,123	1,570,974,837	49,372,287	3.1	1,272,435,899	347,911,224	27.3
Interest Payable	5,912,367	27,026,323	(21,113,956)	-78.1	3,500,925	2,411,442	68.9
Unearned Revenue	88,443,013	69,577,102	18,865,911	27.1	163,359,820	(74,916,806)	-45.9
Escrow Deposits	10,892,608	10,338,680	553,928	5.4	11,795,801	(903,193)	-7.7
Reserves for Claims	2,080,845	1,580,977	499,868	31.6	1,777,801	303,044	17.0
Accounts Payable & Accrued Liabilities	4,139,461	2,246,255	1,893,206	84.3	6,779,922	(2,640,461)	-38.9
Other Liabilities	4,982,545	7,538,055	(2,555,509)	-33.9	4,521,046	461,500	10.2
Deferred Inflows	20,069,516	1,557,930	18,511,586	1188.2	18,532,399	1,537,118	8.3
Total Liabilities and Deferred Inflows	1,756,867,479	1,690,840,158	66,027,321	3.9	1,482,703,611	274,163,868	18.5
Equity							
YTD Earnings(Loss)	28,749,142	198,418	28,550,724	14389.2	(2,740,373)	31,489,514	-1149.1
Prior Years Earnings	366,703,214	362,982,398	3,720,816	1.0	335,705,801	30,997,413	9.2
Transfers	(7,113,407)	79,465	(7,192,873)	-9051.6	-	(7,113,407)	0.0
Total Equity	388,338,948	363,260,281	25,078,667	6.9	332,965,428	55,373,520	16.6
Total Liabilities, Deferred Inflows, and Equity	2,145,206,427	2,054,100,439	91,105,988	4.4	1,815,669,040	329,537,388	18.1

Income Statement	Housing Authority (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	7,461,975	6,158,324	1,303,651	21.2	5,788,407	1,673,568	28.9	7,461,975	6,158,324	1,303,651	21.2	5,788,407	1,673,568	28.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	2,437,581	1,031,057	1,406,524	136.4	2,141,852	295,730	13.8	2,437,581	1,031,057	1,406,524	136.4	2,141,852	295,730	13.8
Other Revenue	123,176	122,124	1,052	0.9	46,273	76,903	166.2	123,176	122,124	1,052	0.9	46,273	76,903	166.2
Total Operating Revenue	10,022,732	7,311,506	2,711,226	37.1	7,976,532	2,046,200	25.7	10,022,732	7,311,506	2,711,226	37.1	7,976,532	2,046,200	25.7
Operating Expense														
Interest Expense	4,019,455	3,678,142	341,313	9.3	2,173,835	1,845,620	84.9	4,019,455	3,678,142	341,313	9.3	2,173,835	1,845,620	84.9
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	1,057,432	1,119,344	(61,912)	-5.5	931,028	126,404	13.6	1,057,432	1,119,344	(61,912)	-5.5	931,028	126,404	13.6
Shared Expense	527,497	497,963	29,534	5.9	266,912	260,585	97.6	527,497	497,963	29,534	5.9	266,912	260,585	97.6
Marketing Expense	35,500	52,733	(17,234)	-32.7	63,892	(28,392)	-44.4	35,500	52,733	(17,234)	-32.7	63,892	(28,392)	-44.4
Professional Services	507,665	828,744	(321,080)	-38.7	532,555	(24,891)	-4.7	507,665	828,744	(321,080)	-38.7	532,555	(24,891)	-4.7
Claim and Loss Expense	3,052,975	18,930	3,034,046	16028.0	1,185	3,051,790	0.0	3,052,975	18,930	3,034,046	16028.0	1,185	3,051,790	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(43,505)	(66,634)	23,129	-34.7	14,034	(57,539)	-410.0	(43,505)	(66,634)	23,129	-34.7	14,034	(57,539)	-410.0
Overhead Allocation	(16,773)	(17,391)	618	-3.6	(18,567)	1,795	-9.7	(16,773)	(17,391)	618	-3.6	(18,567)	1,795	-9.7
Total Operating Expense	9,140,245	6,111,832	3,028,413	49.6	3,964,873	5,175,372	130.5	9,140,245	6,111,832	3,028,413	49.6	3,964,873	5,175,372	130.5
Net Operating Income (Loss) Before Grants	882,487	1,199,674	(317,187)	-26.4	4,011,659	(3,129,172)	-78.0	882,487	1,199,674	(317,187)	-26.4	4,011,659	(3,129,172)	-78.0
Net Grant (Income) Expense														
Grant Revenue	(14,115,557)	(14,436,595)	321,039	-2.2	(11,448,370)	(2,667,187)	23.3	(14,115,557)	(14,436,595)	321,039	-2.2	(11,448,370)	(2,667,187)	23.3
Grant Expense	11,800,010	15,437,852	(3,637,842)	-23.6	12,626,302	(826,293)	-6.5	11,800,010	15,437,852	(3,637,842)	-23.6	12,626,302	(826,293)	-6.5
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	(2,315,547)	1,001,256	(3,316,803)	-331.3	1,177,932	(3,493,479)	-296.6	(2,315,547)	1,001,256	(3,316,803)	-331.3	1,177,932	(3,493,479)	-296.6
Net Operating Income (Loss) After Grants	3,198,034	198,418	2,999,616	1511.8	2,833,726	364,307	12.9	3,198,034	198,418	2,999,616	1511.8	2,833,726	364,307	12.9
Other Non-Operating (Income) Expense	(25,551,108)	-	(25,551,108)	0.0	5,574,099	(31,125,207)	-558.4	(25,551,108)	-	(25,551,108)	0.0	5,574,099	(31,125,207)	-558.4
Net Income (Loss)	28,749,142	198,418	28,550,724	14389.2	(2,740,373)	31,489,514	-1149.1	28,749,142	198,418	28,550,724	14389.2	(2,740,373)	31,489,514	-1149.1
IFA Home Dept Staff Count	81	92	(11)	-11.5	86	(5)	-5.8	81	92	(11)	-11.5	86	(5)	-5.8
FTE Staff Count	79	99	(20)	-20.2	86	(7)	-7.6	79	99	(20)	-20.2	86	(7)	-7.6

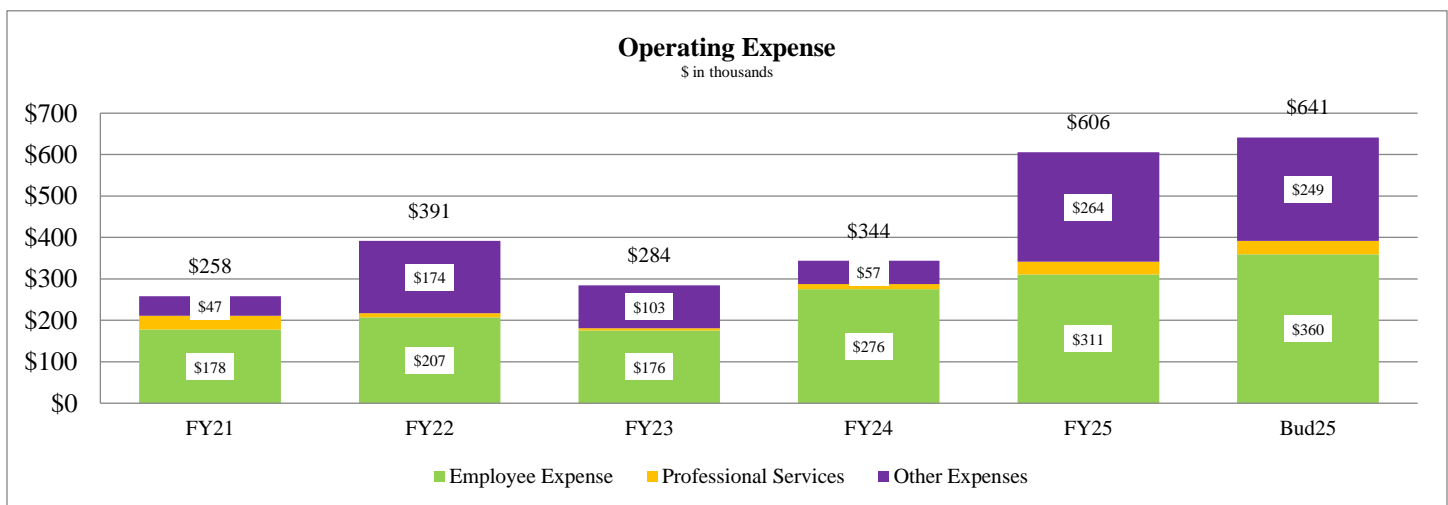
To: IFA Board of Directors
 From: Dan Stout
 Date: August 21, 2024
 Re: July 2024 YTD Overhead Depts Financial Results

Single Family Results (\$ in thousands)

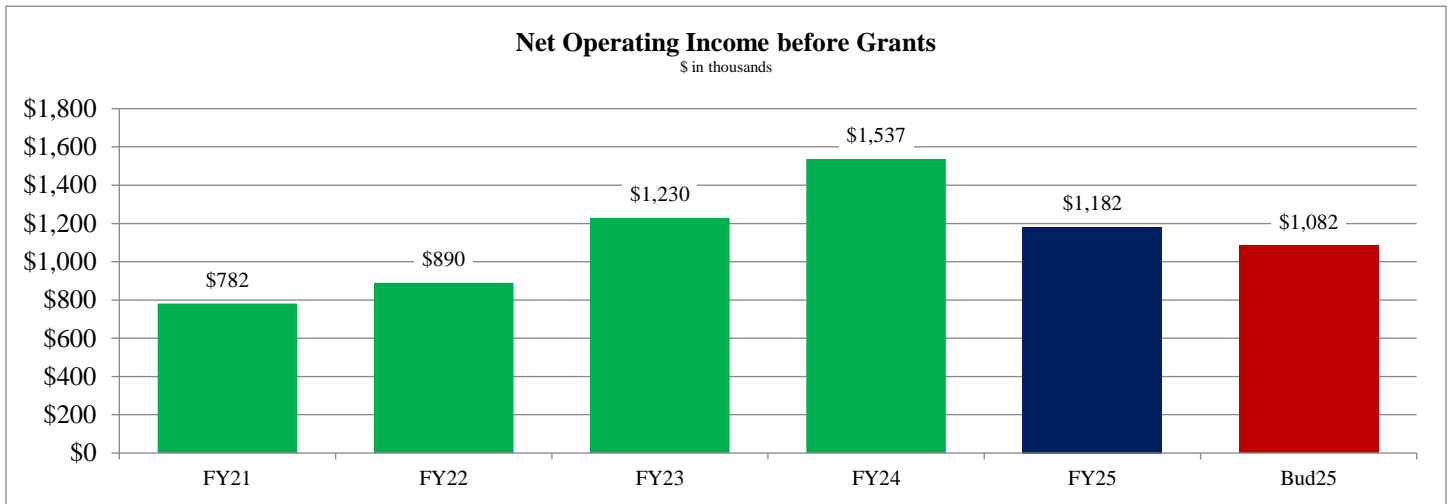
The Overhead Departments operated favorably to budget for the first month ended July 2024.



Operating Revenue was \$64 or 3.7% favorable to budget but \$94 or 5.0% unfavorable to last year. Authority & Other Revenue was \$10 or 0.7% variable to budget and \$145 or 10.72% variable to last year. Interest Revenue was \$54 or 22.9% favorable to budget but \$239 or 45.2% unfavorable to last year.



Operating Expense was \$35 or 5.5% favorable to budget, but \$262 or 76.0% unfavorable to last year. Employee and Shared Expenses make up the majority of the increase over the prior year, however both remain favorable to the FY25 budget along with Professional Services and Other Expenses.



As a result, NOIBG was \$100 or 9.2% favorable to budget but \$355 or 23.1% unfavorable to last year.

General Fund Liquidity

IFA will maintain a minimum of 3 months of budgeted expenses in the form of cash and cash equivalents in the GF. For FY25 this will be \$3.1MM. The current short-term liquidity for July 2024 was \$5.4MM.

IFA will maintain a minimum of 12 months of budgeted expenses in the form of cash and cash equivalents, investments, and mortgage-backed securities, plus \$3.5 million in additional liquidity to further reduce liquidity risk and ensure liquidity targets are sufficient to meet potential adverse market changes. For FY25 this will be \$15.9MM. The current long-term liquidity for July 2024 was \$21.4MM.

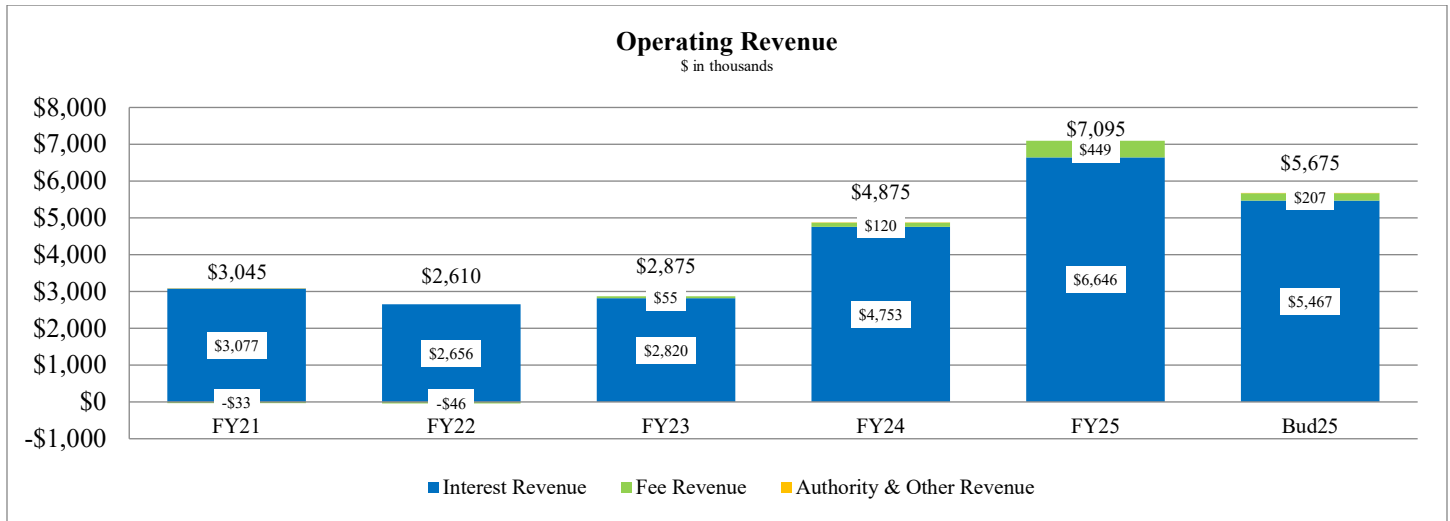
Balance Sheet	Overhead (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	21,515,975	18,672,721	2,843,254	15.2	19,566,919	1,949,056	10.0
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	629,494	627,604	1,890	0.3	784,751	(155,257)	-19.8
Line of Credit	-	50,000	(50,000)	-100.0	-	-	0.0
Loans - net of reserve for losses	322,106	322,199	(93)	0.0	340,415	(18,309)	-5.4
Capital Assets (net of accumulated depreciation)	13,037,594	13,101,331	(63,737)	-0.5	12,992,480	45,114	0.3
Other Assets	2,857,981	2,802,548	55,433	2.0	2,981,594	(123,613)	-4.1
Deferred Outflows	1,483,760	1,106,088	377,672	34.1	1,106,088	377,672	34.1
Total Assets and Deferred Outflows	39,846,910	36,682,492	3,164,418	8.6	37,772,248	2,074,662	5.5
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	258,951	77,199	181,752	235.4	376,932	(117,981)	-31.3
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	2,475,604	785,066	1,690,538	215.3	4,654,476	(2,178,872)	-46.8
Other Liabilities	3,755,246	6,008,656	(2,253,410)	-37.5	3,383,956	371,290	11.0
Deferred Inflows	520,803	506,608	14,195	2.8	864,806	(344,003)	-39.8
Total Liabilities and Deferred Inflows	7,010,604	7,377,529	(366,925)	-5.0	9,280,170	(2,269,565)	-24.5
Equity							
YTD Earnings(Loss)	1,191,978	582,458	609,519	104.6	1,533,426	(341,448)	-22.3
Prior Years Earnings	30,985,384	29,119,867	1,865,517	6.4	26,141,135	4,844,250	18.5
Transfers	658,944	(397,363)	1,056,306	-265.8	817,518	(158,574)	-19.4
Total Equity	32,836,306	29,304,963	3,531,343	12.1	28,492,078	4,344,228	15.2
Total Liabilities, Deferred Inflows, and Equity	39,846,910	36,682,492	3,164,418	8.6	37,772,248	2,074,662	5.5

Income Statement	Overhead (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	290,354	236,348	54,006	22.9	529,474	(239,120)	-45.2	290,354	236,348	54,006	22.9	529,474	(239,120)	-45.2
Authority Revenue	1,376,134	1,366,252	9,882	0.7	1,351,532	24,602	1.8	1,376,134	1,366,252	9,882	0.7	1,351,532	24,602	1.8
Fee Revenue	240	400	(160)	-40.0	400	(160)	-40.0	240	400	(160)	-40.0	400	(160)	-40.0
Other Revenue	120,458	120,458	(0)	0.0	-	120,458	0.0	120,458	120,458	(0)	0.0	-	120,458	0.0
Total Operating Revenue	1,787,185	1,723,457	63,728	3.7	1,881,406	(94,220)	-5.0	1,787,185	1,723,457	63,728	3.7	1,881,406	(94,220)	-5.0
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	311,075	359,729	(48,653)	-13.5	275,574	35,501	12.9	311,075	359,729	(48,653)	-13.5	275,574	35,501	12.9
Shared Expense	368,608	375,227	(6,619)	-1.8	182,103	186,505	102.4	368,608	375,227	(6,619)	-1.8	182,103	186,505	102.4
Marketing Expense	10,500	20,000	(9,500)	-47.5	(4,024)	14,523	-360.9	10,500	20,000	(9,500)	-47.5	(4,024)	14,523	-360.9
Professional Services	30,423	31,950	(1,527)	-4.8	11,855	18,568	156.6	30,423	31,950	(1,527)	-4.8	11,855	18,568	156.6
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(43,505)	(66,634)	23,129	-34.7	2,380	(45,885)	-1928.0	(43,505)	(66,634)	23,129	-34.7	2,380	(45,885)	-1928.0
Overhead Allocation	(71,506)	(79,272)	7,766	-9.8	(123,798)	52,292	-42.2	(71,506)	(79,272)	7,766	-9.8	(123,798)	52,292	-42.2
Total Operating Expense	605,594	640,999	(35,405)	-5.5	344,090	261,504	76.0	605,594	640,999	(35,405)	-5.5	344,090	261,504	76.0
Net Operating Income (Loss) Before Grants	1,181,591	1,082,458	99,133	9.2	1,537,316	(355,725)	-23.1	1,181,591	1,082,458	99,133	9.2	1,537,316	(355,725)	-23.1
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	500,000	(500,000)	-100.0	-	-	0.0	-	500,000	(500,000)	-100.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	500,000	(500,000)	-100.0	-	-	0.0	-	500,000	(500,000)	-100.0	-	-	0.0
Net Operating Income (Loss) After Grants	1,181,591	582,458	599,133	102.9	1,537,316	(355,725)	-23.1	1,181,591	582,458	599,133	102.9	1,537,316	(355,725)	-23.1
Other Non-Operating (Income) Expense	(10,387)	-	(10,387)	0.0	3,890	(14,277)	-367.0	(10,387)	-	(10,387)	0.0	3,890	(14,277)	-367.0
Net Income (Loss)	1,191,978	582,458	609,519	104.6	1,533,426	(341,448)	-22.3	1,191,978	582,458	609,519	104.6	1,533,426	(341,448)	-22.3
IFA Home Dept Staff Count	24	25	(1)	-2.0	25	(1)	-4.0	24	25	(1)	-2.0	25	(1)	-4.0
FTE Staff Count	18	30	(12)	-39.1	21	(3)	-14.1	18	30	(12)	-39.1	21	(3)	-14.1

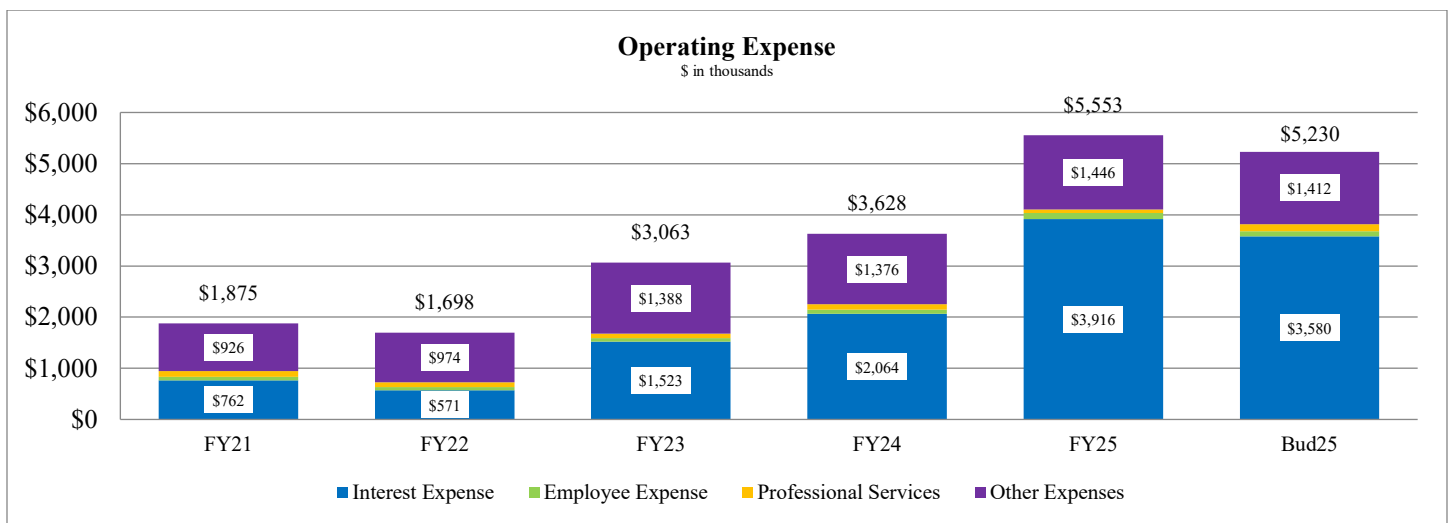
To: IFA Board of Directors
 From: David Morrison
 Date: August 21, 2024
 Re: July 2024 YTD Consolidated Financial Results

Single Family Results (\$ in thousands)

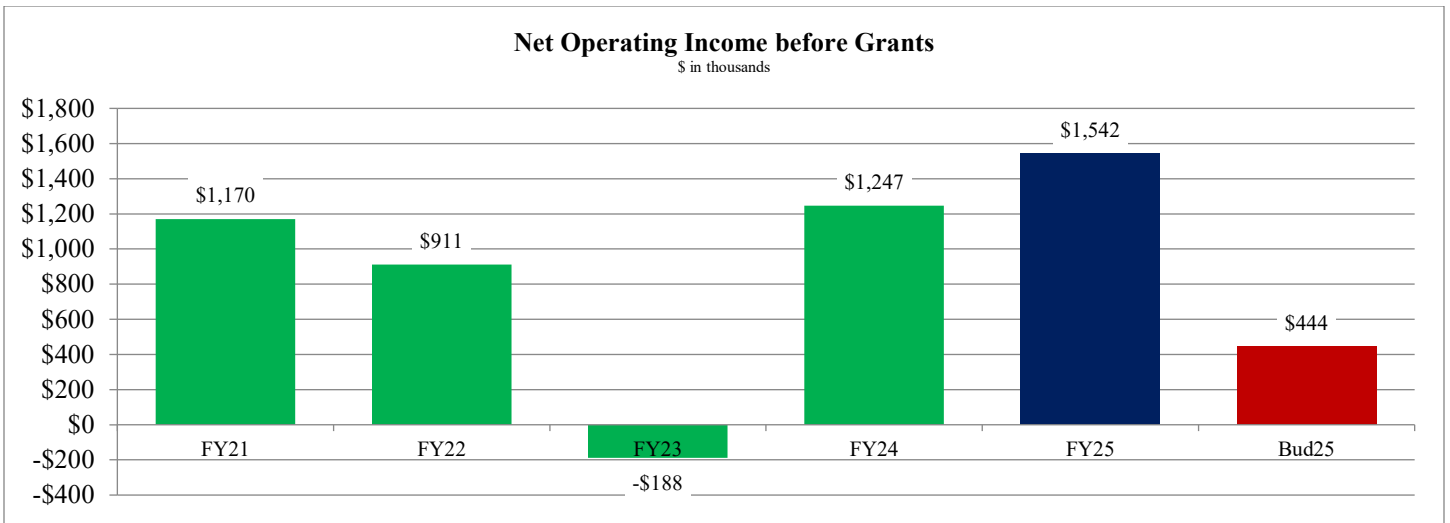
Single Family program operated favorably to budget for the first month ended July 2024.



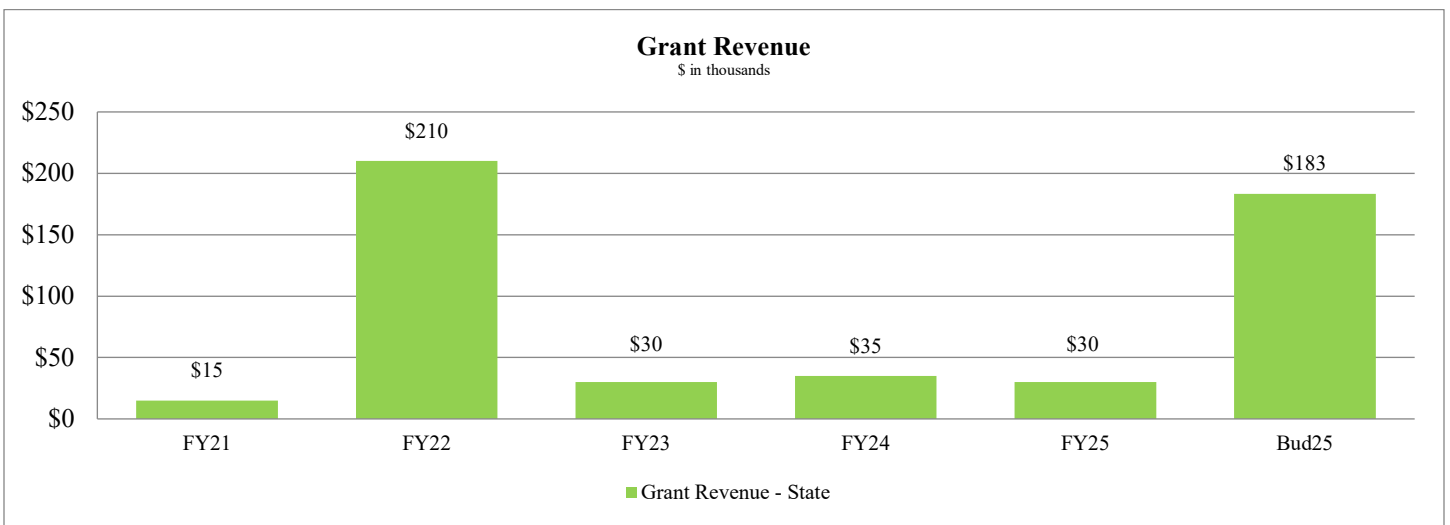
Operating revenue exceeds budget by \$1,420 or 25.0% and \$2,220 or 45.5% favorable to last year. Interest revenue earned from higher mortgage rates and earnings on investments accounts for most of this favorable variance. Fee revenue was \$243 above budget due mainly to higher Loan Servicing and Risk Based Pricing fees from Fannie Mae and Freddie Mac.



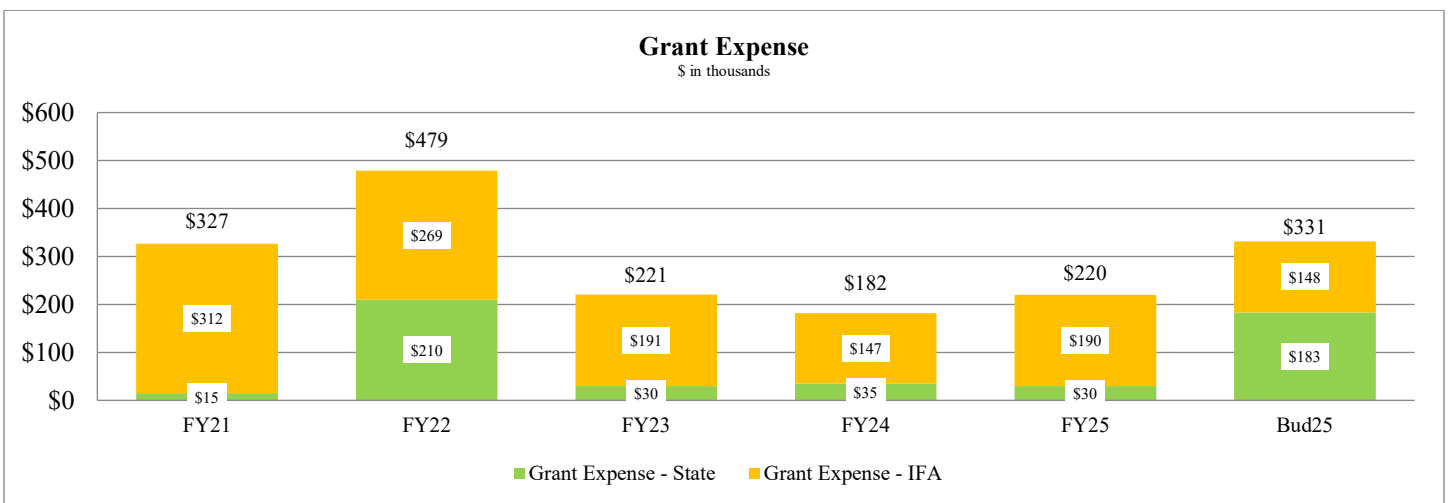
Operating expenses were above budget by \$323 or 6.2% and were \$1,925 or 53.1% above last year. Interest expense accounts for \$337 of the unfavorable variance due to higher interest costs on bonds.



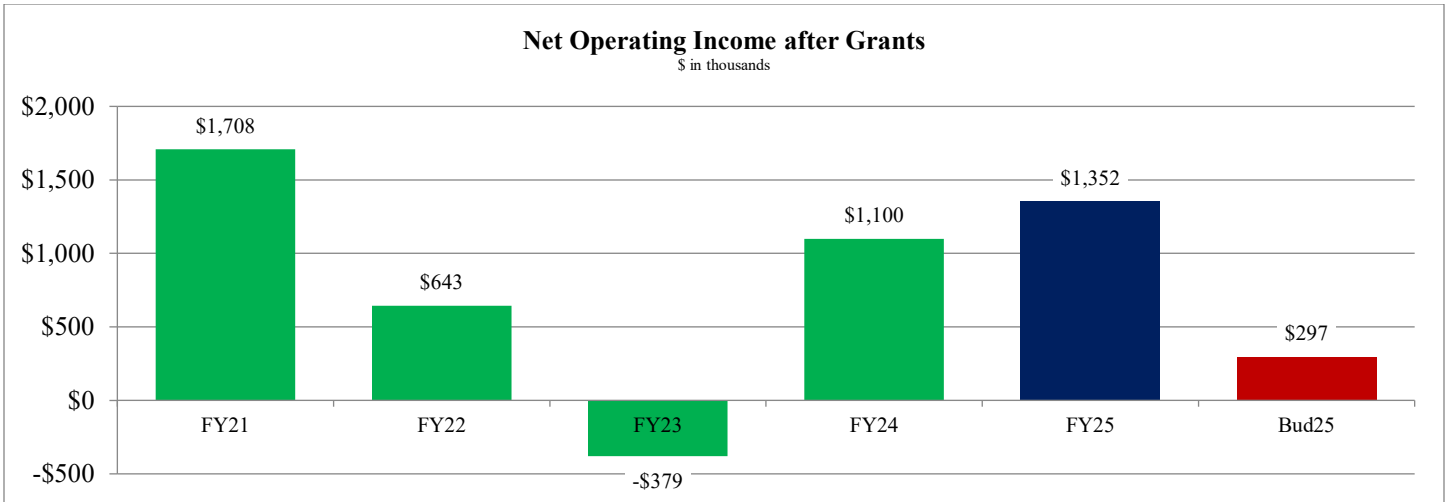
As a result, NOIBG was \$1,098 favorable to budget.



Grant Revenue was \$153 or 83.6% below budget but on par with prior year. Grant Revenue is solely made up of military DPA.



Grant expense was \$111 or 33.6% unfavorable to budget and favorable to last year. Grant Expense – State is made up of military DPA grants. Grant Expense – IFA is made up of DPA amortization.

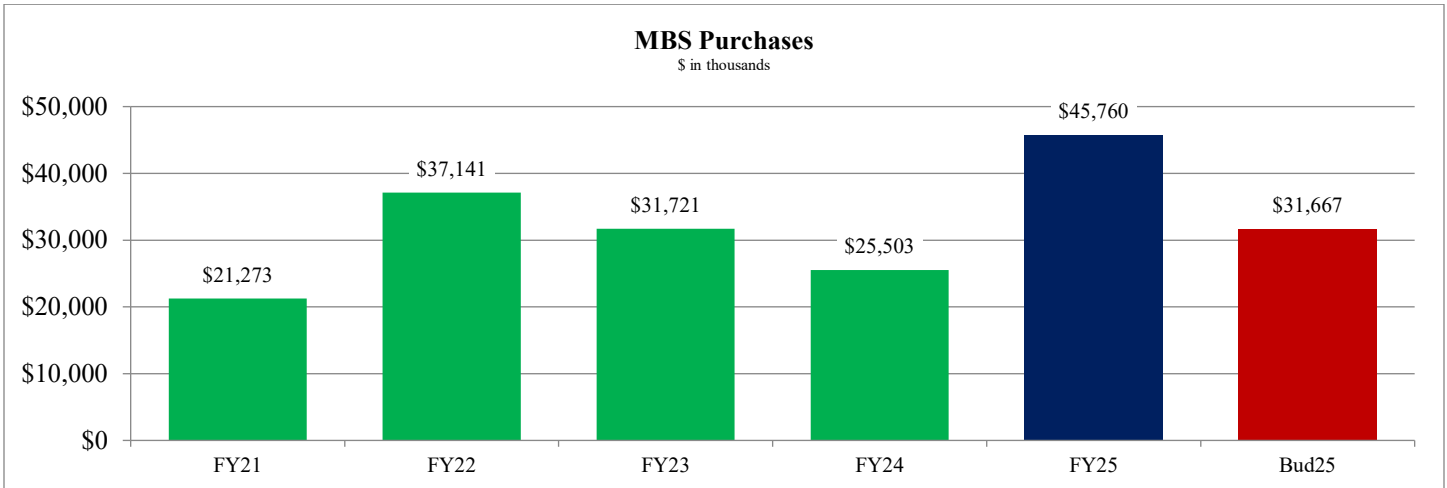


As a result, NOIAG was \$1,055 favorable to budget.

MBS YTD Activity (\$ in thousands)

Series	Purchased	Sold	Net	DPA Grant	Funds Available
RHF Security (034)	-	-	-	-	11,229
RHF Program (053)	-	-	-	50	4,183
Retired MBS (058)	-	-	-	-	14,067
2015 ABC - 2022 C (059 thru 078)	-	-	-	-	48,795
2023 CD (079) *	-	-	-	-	2,664
2023 EF (080) *	-	-	-	-	2,289
2023 GH (081) *	523	-	523	-	1,474
2024 AB (082) *	820	-	820	-	997
2024 CD (083) *	30,484	-	30,484	15	72,970
SF Warehouse Acct (054)	13,933	(2,093)	11,840	-	39,965
Total Single Family	45,760	(2,093)	43,667	65	198,633

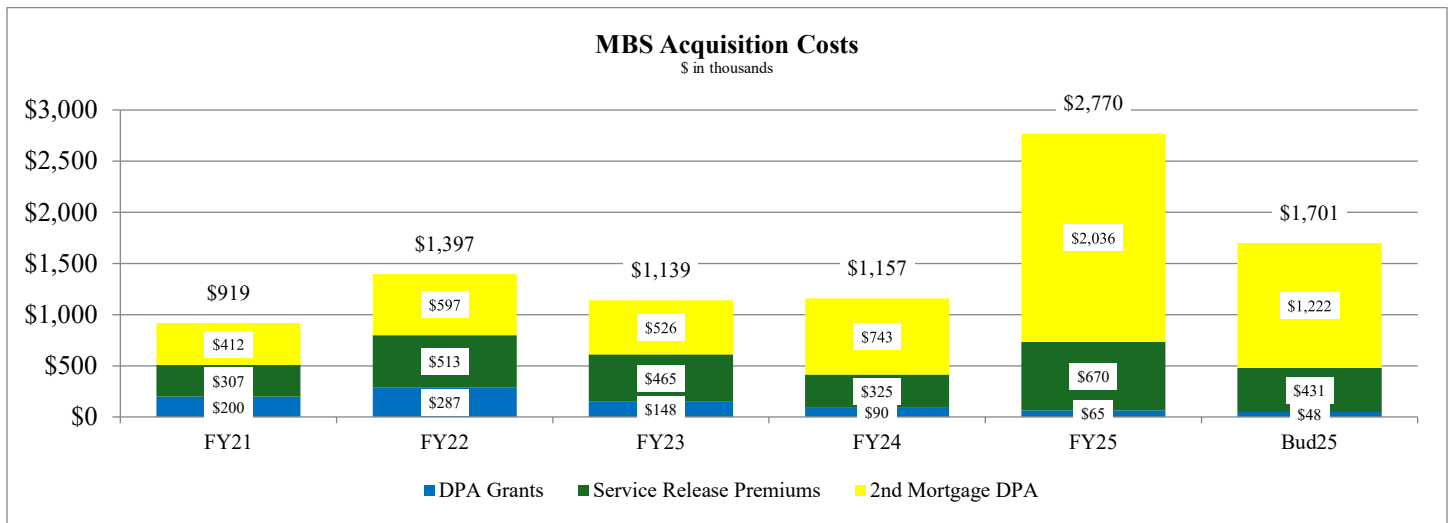
*Bond proceeds available for MBS purchases.



MBS purchases exceed budget by \$14,093.

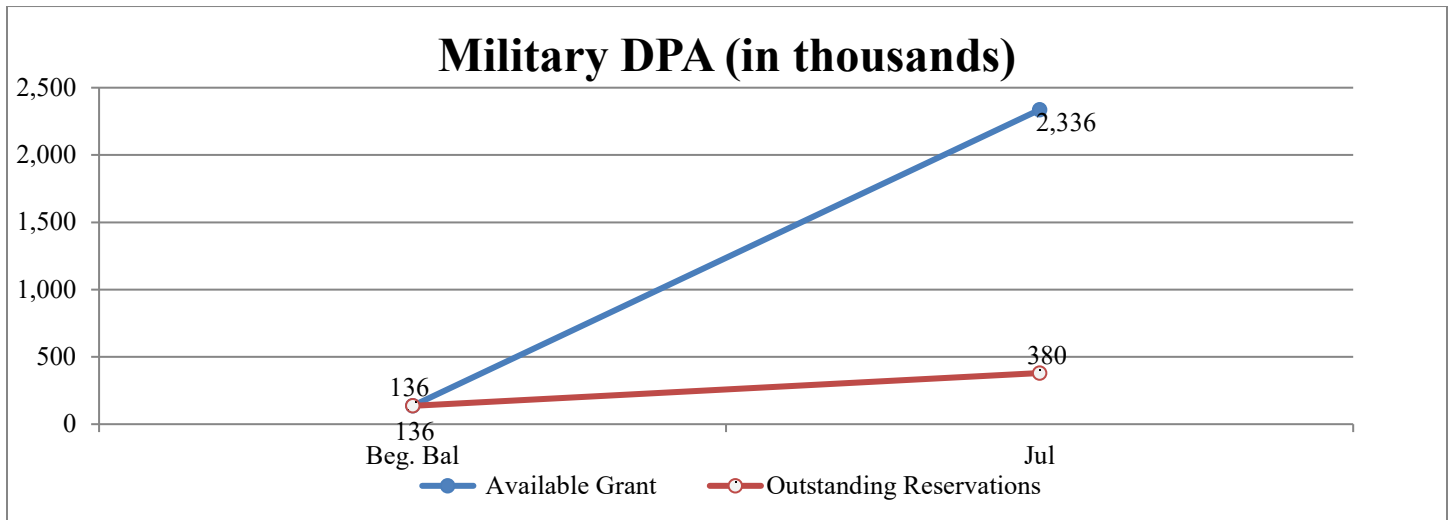
SF Portfolio Analysis (\$ in thousands)

Description	6/30/24 Balance	Additions	Reduction	YTD FY25	
				Balance	Chg
Mortgage Backed Sec - Cost	1,505,722	43,667	(9,861)	1,539,527	2%
Other SF Loans (net of reserve)	300	0	(14)	286	-5%
SF Second Mortgage DPA (net of reserve)	37,603	2,186	(151)	39,639	5%
Warehouse Loans - LOC	30,492	45,717	(48,431)	27,778	-9%
Subtotal	1,574,117	91,570	(58,456)	1,607,231	2%
MBS - FMVA	(101,738)	26,153	-	(75,584)	-26%
Total Portfolio	1,472,379	117,724	(58,456)	1,531,646	4%

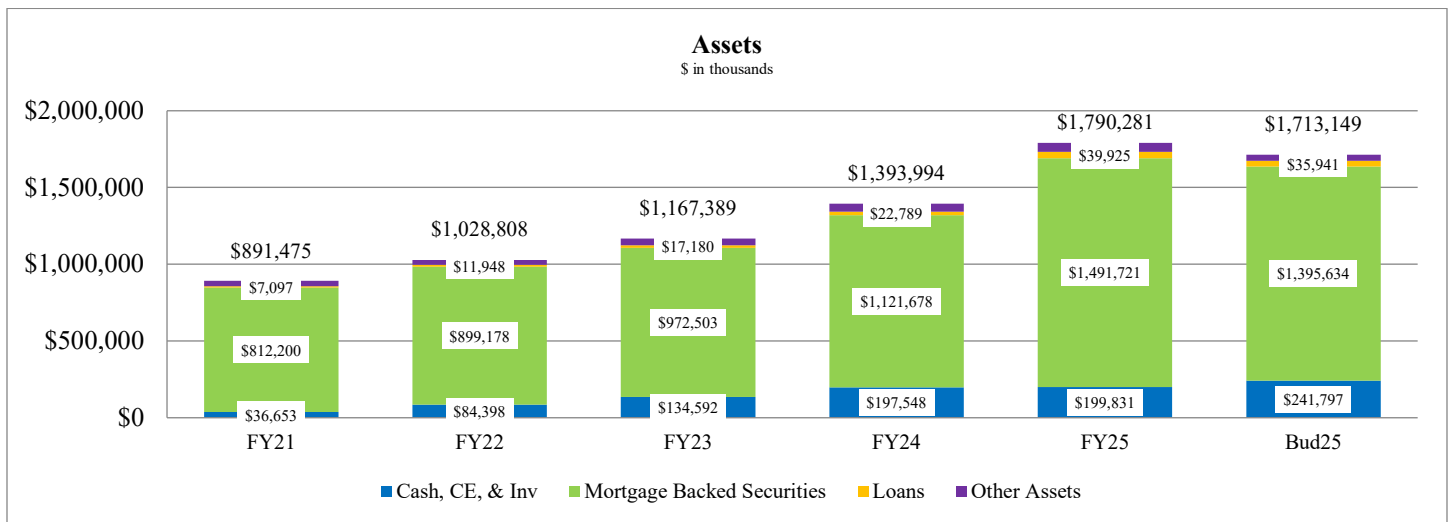


MBS Acquisition Costs exceed budget by \$1,069 because of more 2nd Mortgage Loan activity and Service Release Premiums than planned.

Other Activity



Total disbursements to date \$30, available grants \$2,336 and carry-over reservations of \$136.



Total assets and deferred outflows were 4.5% above budget.

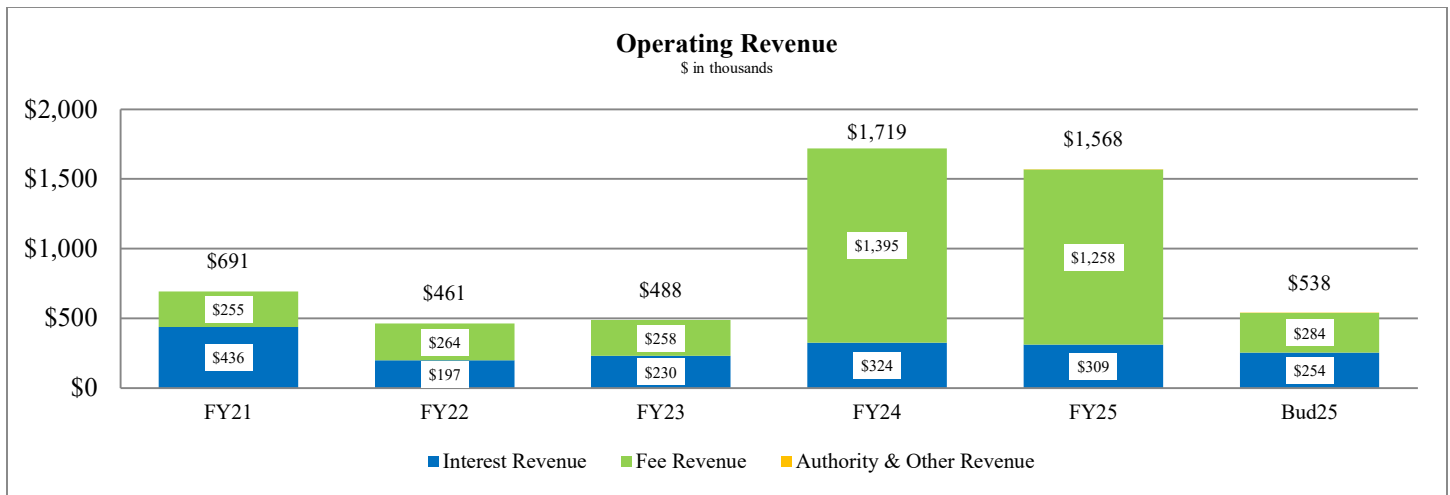
Balance Sheet	Single Family (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	199,830,942	241,797,231	(41,966,289)	-17.4	197,548,305	2,282,636	1.2
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	1,463,942,937	1,375,641,786	88,301,152	6.4	1,098,814,535	365,128,402	33.2
Line of Credit	27,778,310	19,992,094	7,786,216	38.9	22,863,124	4,915,185	21.5
Loans - net of reserve for losses	39,925,206	35,941,311	3,983,895	11.1	22,788,787	17,136,418	75.2
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	57,072,890	37,930,323	19,142,567	50.5	49,870,711	7,202,179	14.4
Deferred Outflows	1,730,252	1,846,247	(115,996)	-6.3	2,108,971	(378,720)	-18.0
Total Assets and Deferred Outflows	1,790,280,536	1,713,148,991	77,131,544	4.5	1,393,994,435	396,286,101	28.4
Liabilities, Deferred Inflows, and Equity							
Debt	1,593,082,903	1,543,708,976	49,373,927	3.2	1,240,862,865	352,220,038	28.4
Interest Payable	5,798,395	26,916,260	(21,117,865)	-78.5	3,382,467	2,415,928	71.4
Unearned Revenue	2,306,113	28,048	2,278,066	8122.2	74,714	2,231,399	2986.6
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	(379,833)	(150,945)	(228,888)	151.6	135,559	(515,392)	-380.2
Other Liabilities	182,780	195,342	(12,562)	-6.4	195,342	(12,562)	-6.4
Deferred Inflows	17,923,461	830,054	17,093,407	2059.3	17,355,525	567,936	3.3
Total Liabilities and Deferred Inflows	1,618,913,820	1,571,527,735	47,386,085	3.0	1,262,006,471	356,907,349	28.3
Equity							
YTD Earnings(Loss)	26,893,073	296,523	26,596,550	8969.5	(4,470,607)	31,363,680	-701.6
Prior Years Earnings	151,614,463	141,123,729	10,490,734	7.4	136,296,000	15,318,463	11.2
Transfers	(7,140,820)	201,005	(7,341,825)	-3652.6	162,570	(7,303,390)	-4492.5
Total Equity	171,366,716	141,621,256	29,745,460	21.0	131,987,964	39,378,752	29.8
Total Liabilities, Deferred Inflows, and Equity	1,790,280,536	1,713,148,991	77,131,544	4.5	1,393,994,435	396,286,101	28.4

Income Statement	Single Family (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	6,645,541	5,466,529	1,179,012	21.6	4,753,199	1,892,341	39.8	6,645,541	5,466,529	1,179,012	21.6	4,753,199	1,892,341	39.8
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	449,267	206,545	242,723	117.5	119,853	329,415	274.8	449,267	206,545	242,723	117.5	119,853	329,415	274.8
Other Revenue	-	1,500	(1,500)	-100.0	1,500	(1,500)	-100.0	-	1,500	(1,500)	-100.0	1,500	(1,500)	-100.0
Total Operating Revenue	7,094,808	5,674,574	1,420,234	25.0	4,874,552	2,220,256	45.5	7,094,808	5,674,574	1,420,234	25.0	4,874,552	2,220,256	45.5
Operating Expense														
Interest Expense	3,916,445	3,579,591	336,853	9.4	2,063,685	1,852,760	89.8	3,916,445	3,579,591	336,853	9.4	2,063,685	1,852,760	89.8
Authority Expense	1,321,908	1,312,135	9,773	0.7	1,289,758	32,150	2.5	1,321,908	1,312,135	9,773	0.7	1,289,758	32,150	2.5
Employee Expense	118,001	99,446	18,555	18.7	82,115	35,886	43.7	118,001	99,446	18,555	18.7	82,115	35,886	43.7
Shared Expense	74,738	64,404	10,335	16.0	3,100	71,638	2310.9	74,738	64,404	10,335	16.0	3,100	71,638	2310.9
Marketing Expense	25,000	30,417	(5,417)	-17.8	67,415	(42,415)	-62.9	25,000	30,417	(5,417)	-17.8	67,415	(42,415)	-62.9
Professional Services	72,355	138,937	(66,582)	-47.9	105,594	(33,239)	-31.5	72,355	138,937	(66,582)	-47.9	105,594	(33,239)	-31.5
Claim and Loss Expense	19,250	-	19,250	0.0	4,600	14,650	318.5	19,250	-	19,250	0.0	4,600	14,650	318.5
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	4,847	5,288	(441)	-8.3	11,574	(6,726)	-58.1	4,847	5,288	(441)	-8.3	11,574	(6,726)	-58.1
Total Operating Expense	5,552,545	5,230,218	322,327	6.2	3,627,841	1,924,703	53.1	5,552,545	5,230,218	322,327	6.2	3,627,841	1,924,703	53.1
Net Operating Income (Loss) Before Grants	1,542,264	444,356	1,097,908	247.1	1,246,711	295,553	23.7	1,542,264	444,356	1,097,908	247.1	1,246,711	295,553	23.7
Net Grant (Income) Expense														
Grant Revenue	(30,000)	(183,333)	153,333	-83.6	(35,000)	5,000	-14.3	(30,000)	(183,333)	153,333	-83.6	(35,000)	5,000	-14.3
Grant Expense	219,911	331,166	(111,255)	-33.6	182,109	37,803	20.8	219,911	331,166	(111,255)	-33.6	182,109	37,803	20.8
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	189,911	147,833	42,079	28.5	147,109	42,803	29.1	189,911	147,833	42,079	28.5	147,109	42,803	29.1
Net Operating Income (Loss) After Grants	1,352,352	296,523	1,055,829	356.1	1,099,602	252,750	23.0	1,352,352	296,523	1,055,829	356.1	1,099,602	252,750	23.0
Other Non-Operating (Income) Expense	(25,540,721)	-	(25,540,721)	0.0	5,570,209	(31,110,930)	-558.5	(25,540,721)	-	(25,540,721)	0.0	5,570,209	(31,110,930)	-558.5
Net Income (Loss)	26,893,073	296,523	26,596,550	8969.5	(4,470,607)	31,363,680	-701.6	26,893,073	296,523	26,596,550	8969.5	(4,470,607)	31,363,680	-701.6
IFA Home Dept Staff Count	6	7	(1)	-14.3	6	-	0.0	6	7	(1)	-14.3	6	-	0.0
FTE Staff Count	8	9	(1)	-9.0	8	(0)	-0.2	8	9	(1)	-9.0	8	(0)	-0.2

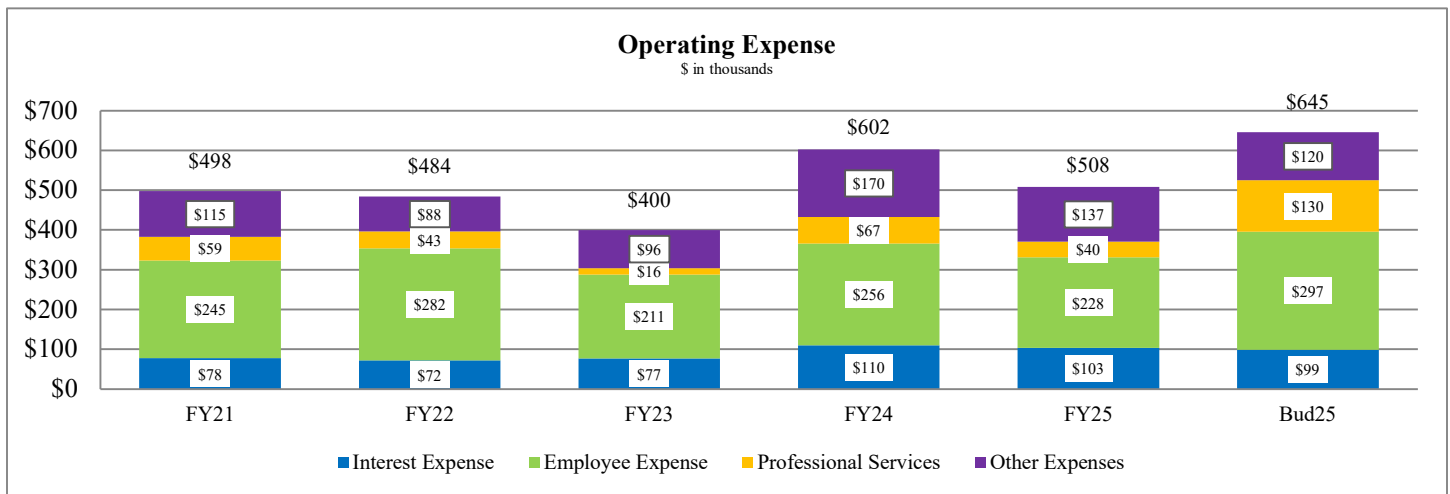
To: IFA Board Members
 From: Andy Gjerstad
 Date: August 14, 2024
 Re: July 2024 YTD Multi-Family Financial Results

Multi-Family Results (\$ in thousands)

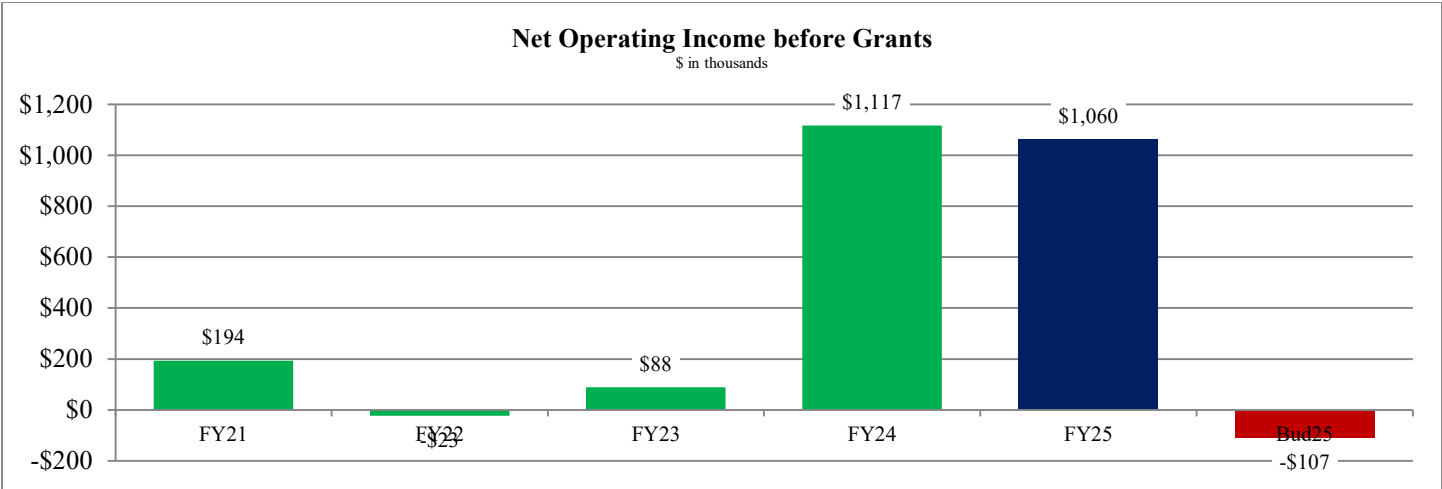
Multi-Family programs are operating favorable to budget through July 2024.



Operating Revenue was \$1,030 or 191.5% above budget and \$151 or 8.8% below last year. This is related to timing of LIHTC reservation fees. Interest revenue was \$55 above budget due to the higher interest rate environment.



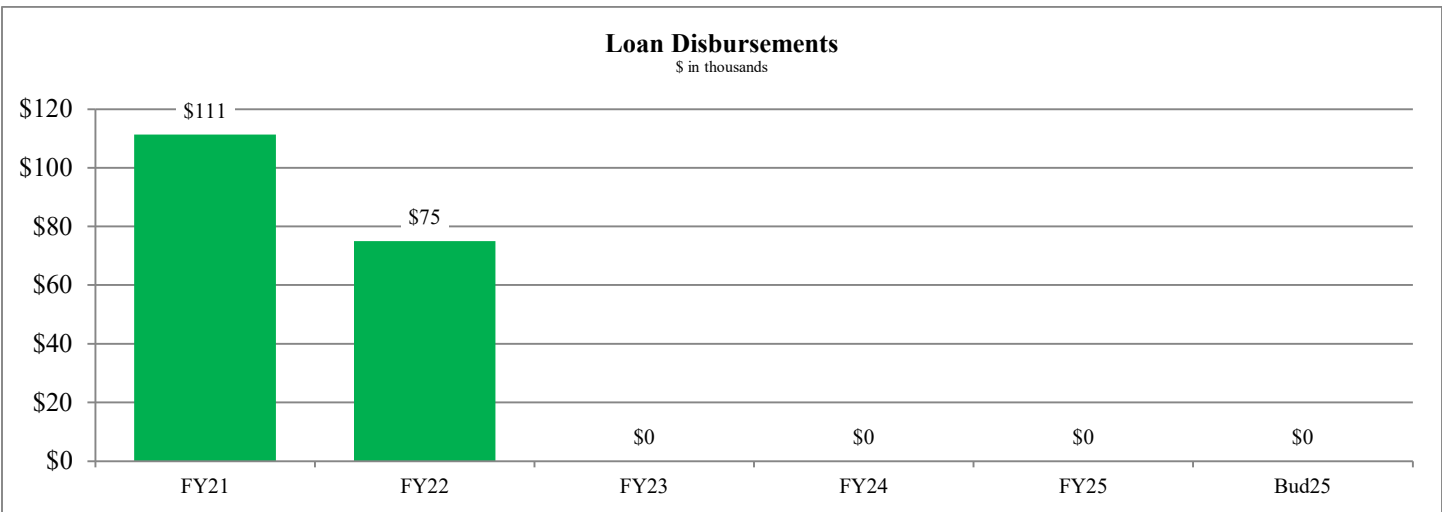
Operating Expense was \$137 or 21.3% below budget and \$94 or 15.7% below last year. Employee expense was below budget \$69 due to open positions in the Section 8 program.



NOIBG was \$1,167 above budget and \$57 below last year.

MF Portfolio Analysis (\$ in whole dollars)

	#	6/30/2024	Additions	Transfers	Reductions	End Bal	CHG	#
Multifamily Program Loans	38	22,919,985	0	0	74,561	22,994,547	0%	38
Multifamily Loans	4	27,113,338	0	0	(54,851)	27,058,487	0%	4
	42	50,033,323	0	0	19,711	50,053,034		42
Loan Reserves		(1,995,000)	0	0	0	(1,995,000)	0%	
Capitalized Interest Reserves		0	0	0	0	0	0%	
Total Portfolio		48,038,323	0	0	19,711	48,058,034	0%	



MF Commitments (\$ in whole dollars)

	Commitment Date	Original Commitment	06/30/2024 Balance	Monthly Activity	7/31/2024 Balance	Remaining Commitment
Grants						
Mobile Response Team - FY24	10/2/2023	100,000	100,000	0	100,000	100,000
ICARE	12/1/2023	475,200	450,210	0	450,210	450,210
PSH Fund - FY24	4/3/2024	774,674	774,674	0	774,674	774,674
Total Grants		1,349,874	1,324,884	0	1,324,884	1,324,884
Construction Loans						
					0	0
Total Construction		0	0	0	0	0
Permanent Loans						
MF-XX-XXX - Grace Creek Snr Apts	6/1/2022	500,000	0	0	0	500,000
MF-XX-XXX - Westown Crossing Snr Apts	6/1/2022	1,400,000	0	0	0	1,400,000
MF-XX-XXX - Hiawatha Arro LLC	7/5/2023	1,995,000	0	0	0	1,995,000
MF-XX-XXX - The Crossing Apts	7/5/2023	2,300,000	0	0	0	2,300,000
MF-XX-XXX - NEX Senior	7/5/2023	1,850,000	0	0	0	1,850,000
Total Permanent		8,045,000	0	0	0	8,045,000

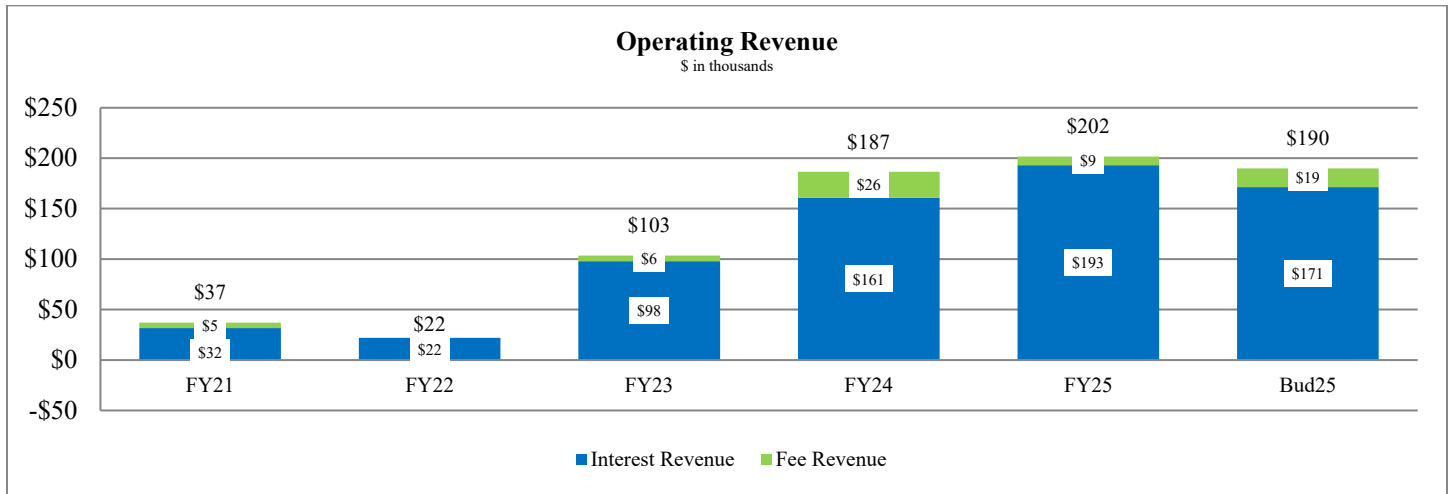
Balance Sheet	Multi Family (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	36,386,356	34,659,494	1,726,862	5.0	30,747,873	5,638,483	18.3
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	48,058,034	50,065,760	(2,007,727)	-4.0	56,246,620	(8,188,587)	-14.6
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	10,887	86,367	(75,480)	-87.4	279,408	(268,521)	-96.1
Deferred Outflows	-	11,169	(11,169)	-100.0	11,169	(11,169)	-100.0
Total Assets and Deferred Outflows	84,455,277	84,822,791	(367,514)	-0.4	87,285,070	(2,829,793)	-3.2
Liabilities, Deferred Inflows, and Equity							
Debt	27,264,220	27,265,860	(1,640)	0.0	31,573,034	(4,308,814)	-13.6
Interest Payable	113,972	108,271	5,701	5.3	118,458	(4,486)	-3.8
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	9,575,055	9,948,854	(373,799)	-3.8	10,035,572	(460,518)	-4.6
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	28,285	153,312	(125,027)	-81.6	10,728	17,557	163.7
Other Liabilities	-	11,169	(11,169)	-100.0	11,169	(11,169)	-100.0
Deferred Inflows	601	69,163	(68,561)	-99.1	69,163	(68,561)	-99.1
Total Liabilities and Deferred Inflows	36,982,133	37,556,630	(574,497)	-1.5	41,818,125	(4,835,991)	-11.6
Equity							
YTD Earnings(Loss)	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0
Prior Years Earnings	47,297,687	47,165,684	132,003	0.3	45,314,639	1,983,048	4.4
Transfers	(885,015)	207,960	(1,092,974)	-525.6	(964,443)	79,428	-8.2
Total Equity	47,473,144	47,266,161	206,982	0.4	45,466,945	2,006,198	4.4
Total Liabilities, Deferred Inflows, and Equity	84,455,277	84,822,791	(367,514)	-0.4	87,285,070	(2,829,793)	-3.2

Income Statement	Multi Family (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	309,397	253,511	55,886	22.0	324,039	(14,642)	-4.5	309,397	253,511	55,886	22.0	324,039	(14,642)	-4.5
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,257,808	284,272	973,535	342.5	1,395,126	(137,318)	-9.8	1,257,808	284,272	973,535	342.5	1,395,126	(137,318)	-9.8
Other Revenue	1,000	167	833	500.0	-	1,000	0.0	1,000	167	833	500.0	-	1,000	0.0
Total Operating Revenue	1,568,205	537,950	1,030,255	191.5	1,719,165	(150,960)	-8.8	1,568,205	537,950	1,030,255	191.5	1,719,165	(150,960)	-8.8
Operating Expense														
Interest Expense	103,010	98,509	4,501	4.6	110,150	(7,140)	-6.5	103,010	98,509	4,501	4.6	110,150	(7,140)	-6.5
Authority Expense	54,226	54,117	109	0.2	61,774	(7,548)	-12.2	54,226	54,117	109	0.2	61,774	(7,548)	-12.2
Employee Expense	228,139	296,592	(68,453)	-23.1	255,596	(27,457)	-10.7	228,139	296,592	(68,453)	-23.1	255,596	(27,457)	-10.7
Shared Expense	62,019	36,040	25,979	72.1	68,133	(6,114)	-9.0	62,019	36,040	25,979	72.1	68,133	(6,114)	-9.0
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	39,534	130,074	(90,540)	-69.6	66,540	(27,006)	-40.6	39,534	130,074	(90,540)	-69.6	66,540	(27,006)	-40.6
Claim and Loss Expense	-	-	-	0.0	(1,000)	1,000	-100.0	-	-	-	0.0	(1,000)	1,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	20,806	30,101	(9,295)	-30.9	41,223	(20,418)	-49.5	20,806	30,101	(9,295)	-30.9	41,223	(20,418)	-49.5
Total Operating Expense	507,734	645,433	(137,699)	-21.3	602,416	(94,682)	-15.7	507,734	645,433	(137,699)	-21.3	602,416	(94,682)	-15.7
Net Operating Income (Loss) Before Grants	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0
Net Grant (Income) Expense														
Grant Revenue	(6,253,519)	(6,100,000)	(153,519)	2.5	(5,997,361)	(256,158)	4.3	(6,253,519)	(6,100,000)	(153,519)	2.5	(5,997,361)	(256,158)	4.3
Grant Expense	6,253,519	6,100,000	153,519	2.5	5,997,361	256,158	4.3	6,253,519	6,100,000	153,519	2.5	5,997,361	256,158	4.3
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0	1,060,471	(107,483)	1,167,954	-1086.6	1,116,749	(56,278)	-5.0
IFA Home Dept Staff Count	20	30	(10)	-32.2	24	(4)	-16.7	20	30	(10)	-32.2	24	(4)	-16.7
FTE Staff Count	16	26	(10)	-38.2	22	(6)	-27.5	16	26	(10)	-38.2	22	(6)	-27.5

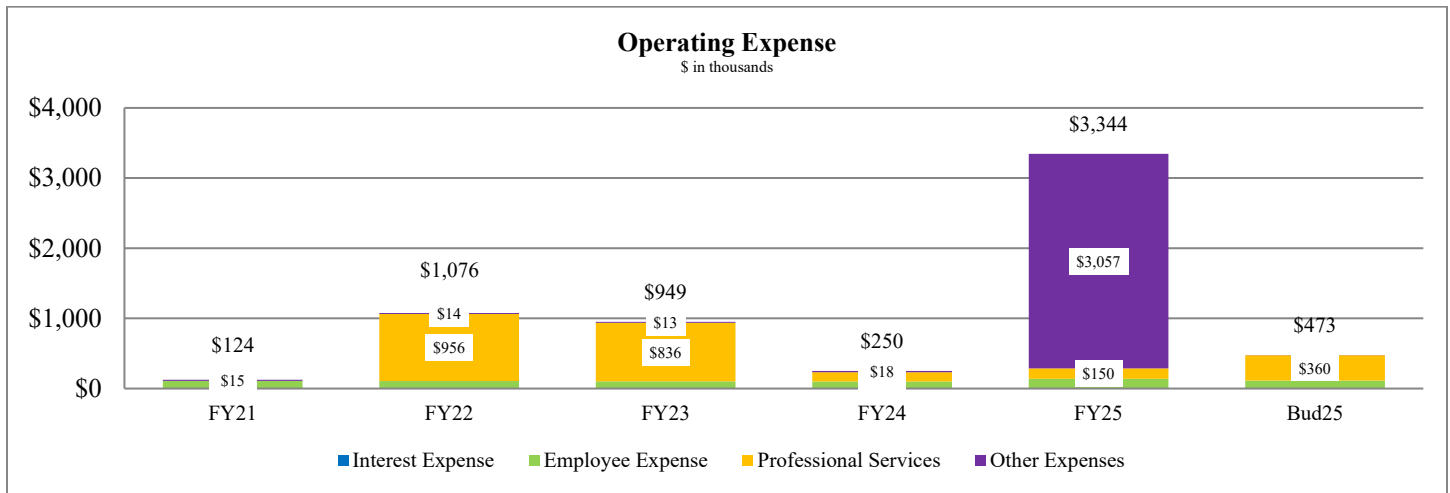
To: IFA Board Members
 From: Linda Day / Andy Gjerstad
 Date: August 19, 2024
 Re: July 2024, YTD Financial Results

Federal and State Programs (\$ in thousands)

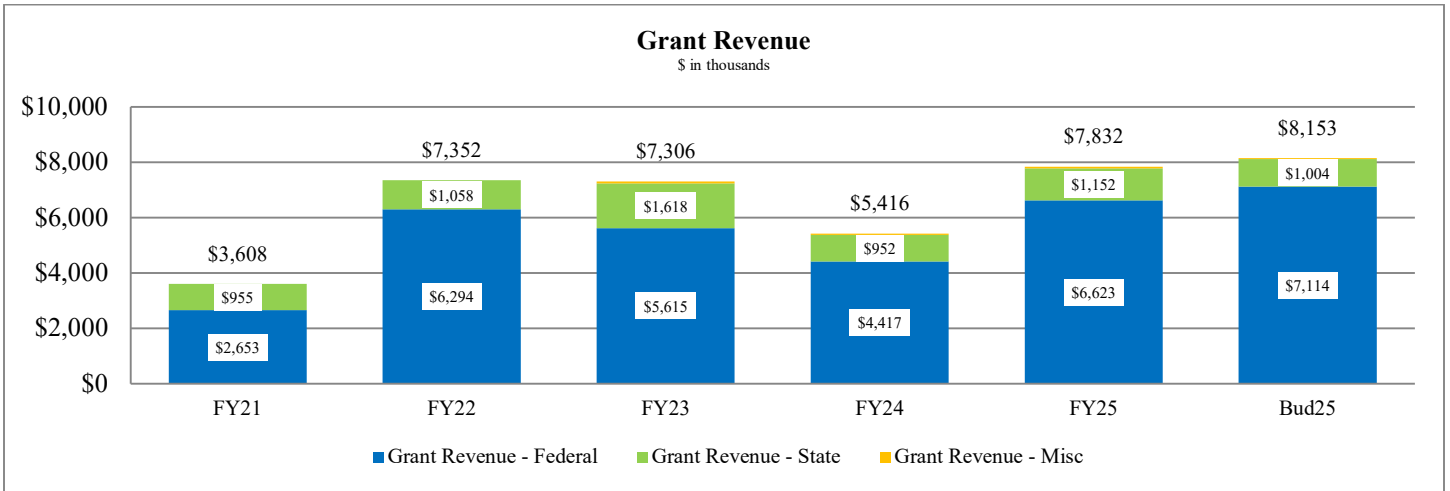
Federal and State programs are operating at budget as of July 2024.



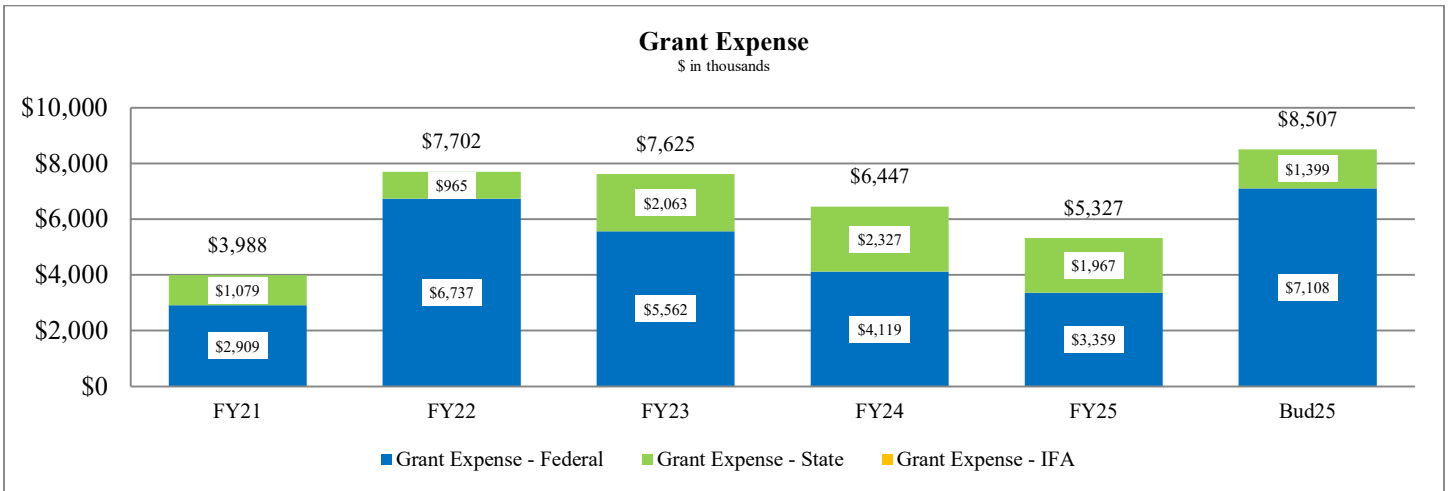
Operating Revenue was favorable to budget by \$12 and prior year by \$15. Interest revenue was \$22 above budget, which was derived from the State Housing Trust Fund and Title Guaranty.



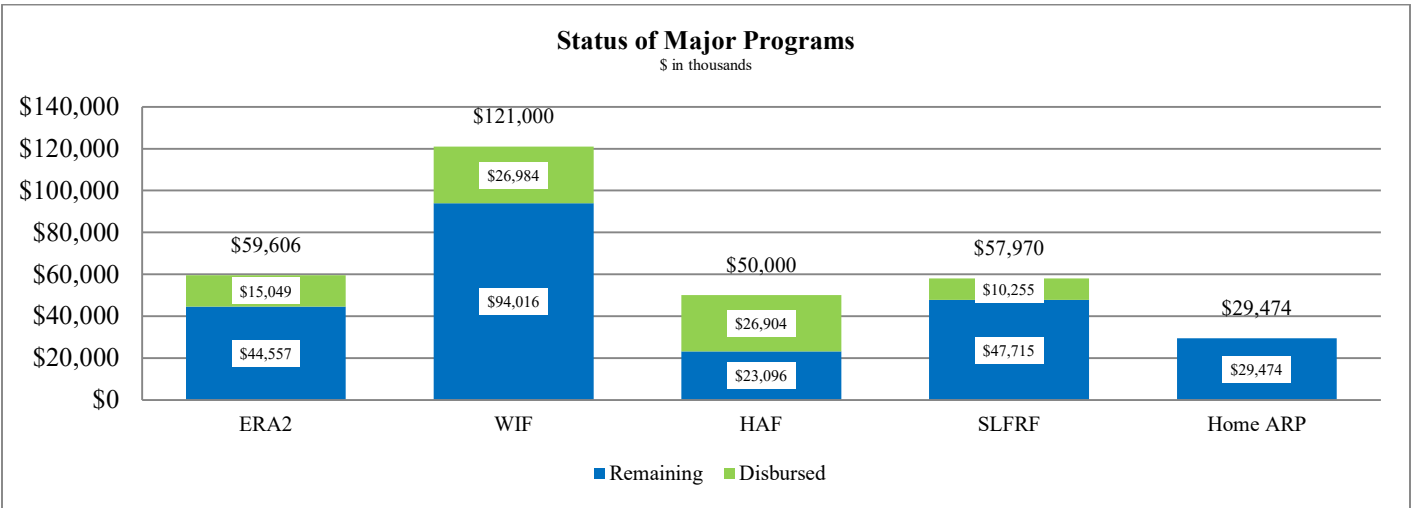
Operating Expense was unfavorable to budget by \$2,871 and unfavorable to prior year by \$3,094. FY25 Other Expenses is unfavorable to budget by \$3,057 due to an increase in Claim and Loss Expenses related to disbursements for the Federal ARPA-LIHTC loans.



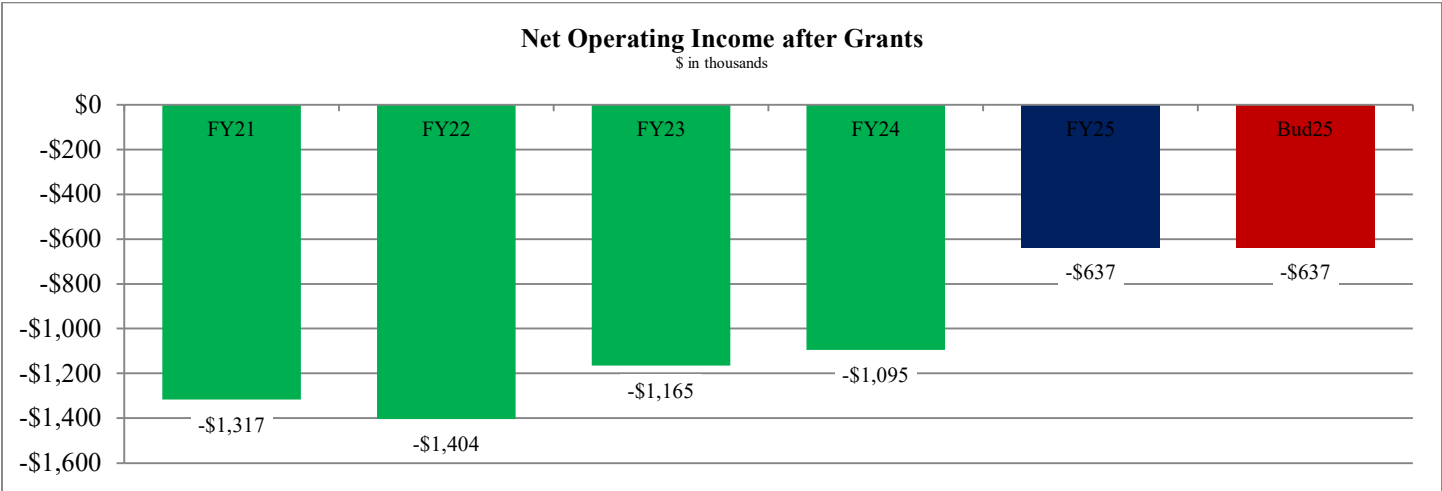
Grant Revenue was less than budgeted by \$321 or 3.9%, which is largely due to the below-mentioned programs disbursing less than expected, and the inflows from real estate transfer tax being less than anticipated. Grant Revenue was more than prior year by \$2,416 or 44.6%.



Grant Expense was \$3,180 or 37.4% less than budgeted and \$1,120 or 17.4% lower than prior year. The Federal difference of \$3,749 from current year to budget is due to the variance between budgeted and fiscal year 2025 actuals for the ARPA LIHTC Program of \$3,383.

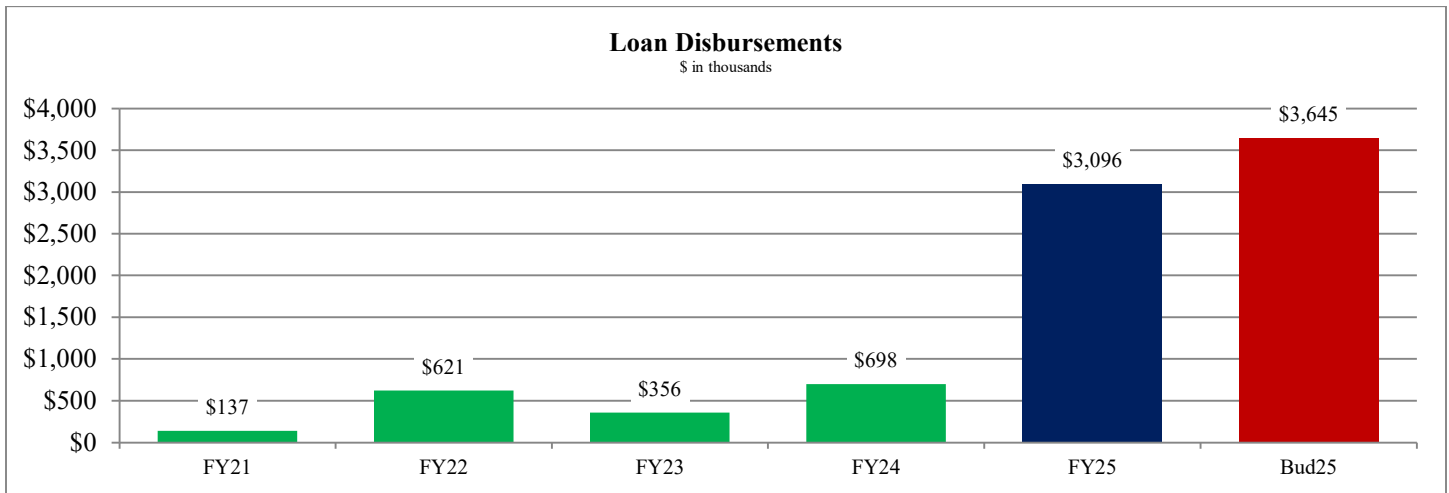


ERA2 consists of Rapid Rehousing Project (RRH), Refugee Resettlement Assistance (RRA), and Coordinated Entry (CE). SLFRF, which consists of the Home Rehab Block Grant, ARPA LIHTC, and Iowa Home Grant. Home ARP is for the Home American Rescue Plan.



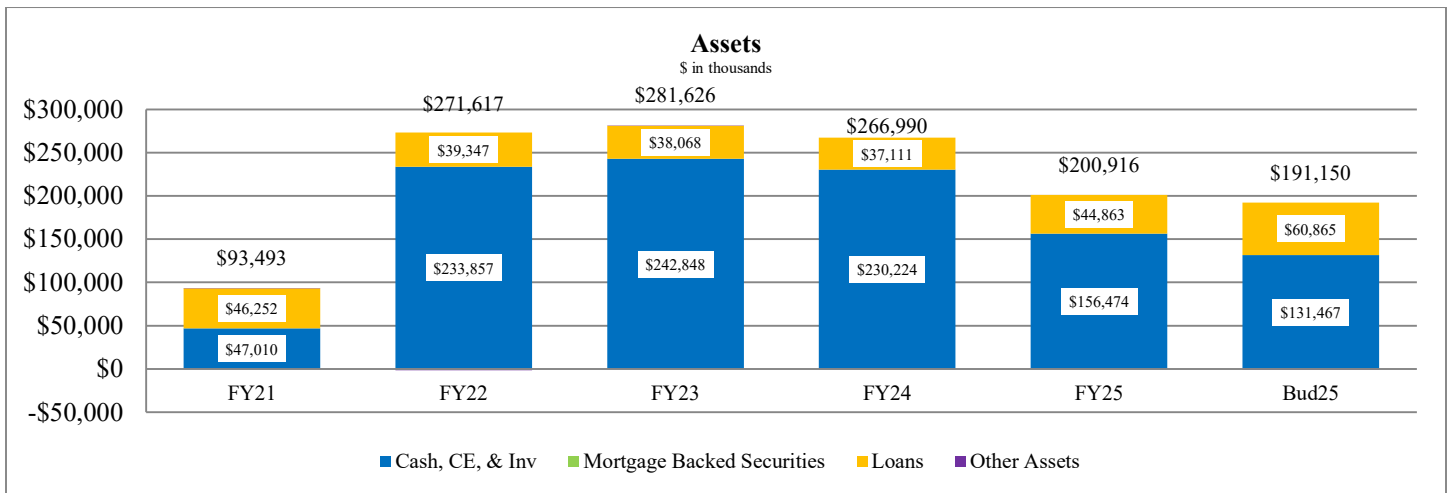
NOIAG was on pace to budget and was favorable to prior year by \$458.

FSP Loan Portfolio by Series	June 30, 2024		Additions	Payments	Ending Balance		
	#	Balance			Balance	Chg	#
500-047 SHTF - Loans	9	1,633,471		(8,000)	1,625,471	-0.5%	9
500-047 SHTF - Cash Flow Loans	1	217,509		-	217,509	0.0%	1
500-049 Senior Living Trust Lns	15	8,549,314		(23,639)	8,525,675	-0.3%	15
500-050 Home & Comm Tr Lns	7	1,153,980		(11,946)	1,142,033	-1.0%	7
500-051 Transitional Housing Lns	2	668,507		(3,947)	664,560	-0.6%	2
500-057 TCAP Loans	12	17,674,797		-	17,674,797	0.0%	12
500-058 HOME Loans	205	114,729,995	60,000	(364,941)	114,425,054	-0.3%	205
500-062 CHS Loans	11	2,060,301		(3,012)	2,057,289	-0.1%	11
500-067 Water Quality Loans (WQFA)	2	5,281,650		(88,000)	5,193,650	NA	2
500-083 ARPA LIHTC	2	7,218,212	3,036,440		10,254,652	NA	3
Total Portfolio before Cap Int & Reserves		159,187,736	3,096,440	(503,486)	161,780,690	1.6%	
Loan Capitalized Interest Reserve		(7,849,000)	-	52,000	(7,797,000)	-0.7%	
Loan Reserves		(106,337,000)	-	(2,784,000)	(109,121,000)	2.6%	
Total Portfolio	266	45,001,736	3,096,440	(3,235,486)	44,862,690	-0.3%	267



Loan disbursements are below budget by \$549 and above prior year by \$2,398. The ARPA – LIHTC loans were not included of the FY25 budget.

Revolving Loan Fund Commitments (\$ in whole dollars)							
Cash, Cash Equiv & Investments							State Loan Funds
	SLT 049						190,606
	HCBS 050						113,441
	THF 051						2,769,768
	CHS 062						813,913
							3,887,728
		Commitment Date	Original Commitment	6/30/2024 Balance	Monthly Activity	7/31/2024 Balance	Remaining Commitment
Loan Commitments							
	Graceview Courtyard Phase II	9/8/2021	1,000,000	-	-	-	-
	Vive	9/8/2021	1,000,000	1,000,000	-	1,000,000	1,000,000
	Shenandoah Senior Villas	9/8/2021	1,000,000	1,000,000	-	1,000,000	1,000,000
	NISHNA	2/28/2023	1,242,000	130,841	-	130,841	130,841
	Hope Haven	9/11/2023	405,000	38,812	-	38,812	38,812
Total Commitments			4,647,000	2,169,652	-	2,169,652	2,169,652
Net Funds Available							1,718,076



Assets are 5.1% ahead of budget. The large assets in Cash & CE are derived from the Emergency Rental Assistance II Programs (ERA 2) at \$44,557, Water Infrastructure Fund at \$13,848, and Homeowner Assistance Fund at \$23,096.

Balance Sheet	Federal and State Grant Programs (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	156,474,488	131,466,979	25,007,509	19.0	230,223,774	(73,749,286)	-32.0
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	44,862,691	60,865,341	(16,002,650)	-26.3	37,110,856	7,751,835	20.9
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	(421,021)	(1,182,609)	761,588	-64.4	(344,789)	(76,232)	22.1
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	200,916,157	191,149,711	9,766,446	5.1	266,989,841	(66,073,684)	-24.7
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	85,877,949	69,471,856	16,406,093	23.6	162,908,173	(77,030,225)	-47.3
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	391,435	2,400	389,035	16209.8	129,915	261,520	201.3
Other Liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	86,269,384	69,474,256	16,795,128	24.2	163,038,088	(76,768,705)	-47.1
Equity							
YTD Earnings(Loss)	(637,315)	(636,802)	(513)	0.1	(1,094,561)	457,246	-41.8
Prior Years Earnings	115,030,605	122,244,393	(7,213,789)	-5.9	105,061,959	9,968,645	9.5
Transfers	253,484	67,864	185,621	273.5	(15,645)	269,129	-1720.2
Total Equity	114,646,774	121,675,455	(7,028,681)	-5.8	103,951,753	10,695,021	10.3
Total Liabilities, Deferred Inflows, and Equity	200,916,157	191,149,711	9,766,446	5.1	266,989,841	(66,073,684)	-24.7

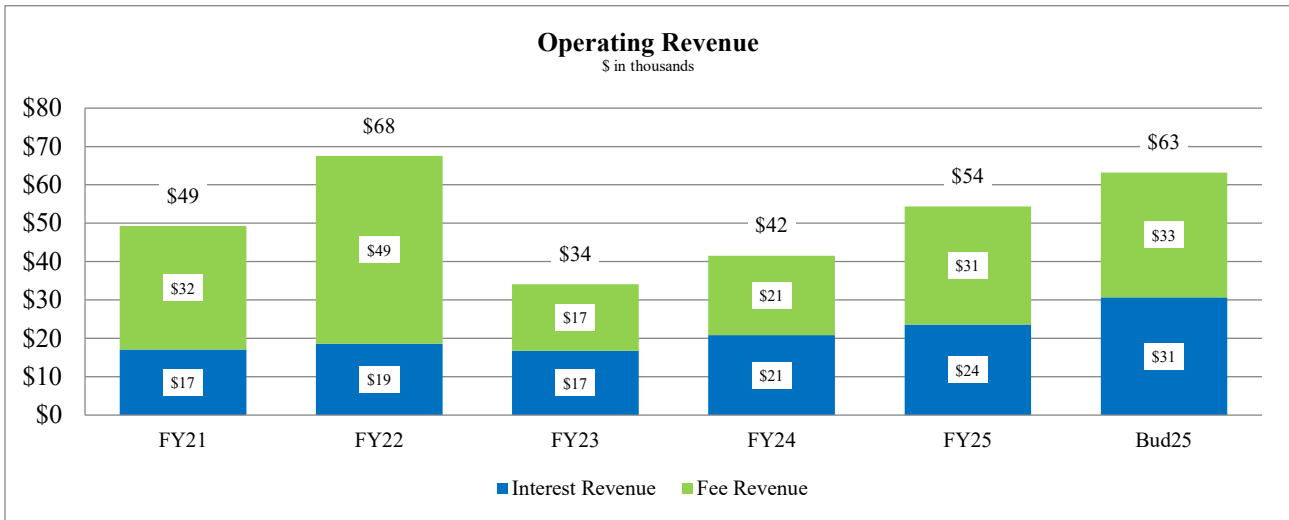
Income Statement	Federal and State Grant Programs (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	193,117	171,273	21,845	12.8	160,829	32,288	20.1	193,117	171,273	21,845	12.8	160,829	32,288	20.1
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	8,500	18,583	(10,083)	-54.3	25,731	(17,231)	-67.0	8,500	18,583	(10,083)	-54.3	25,731	(17,231)	-67.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	201,617	189,856	11,761	6.2	186,560	15,057	8.1	201,617	189,856	11,761	6.2	186,560	15,057	8.1
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	137,371	112,369	25,001	22.2	99,933	37,438	37.5	137,371	112,369	25,001	22.2	99,933	37,438	37.5
Shared Expense	7,286	113	7,173	6329.1	107	7,180	6733.3	7,286	113	7,173	6329.1	107	7,180	6733.3
Marketing Expense	-	417	(417)	-100.0	500	(500)	-100.0	-	417	(417)	-100.0	500	(500)	-100.0
Professional Services	149,555	360,132	(210,577)	-58.5	132,134	17,421	13.2	149,555	360,132	(210,577)	-58.5	132,134	17,421	13.2
Claim and Loss Expense	3,036,000	(12,000)	3,048,000	-25400.0	(1,000)	3,037,000	-303700.0	3,036,000	(12,000)	3,048,000	-25400.0	(1,000)	3,037,000	-303700.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	14,179	12,204	1,975	16.2	18,625	(4,446)	-23.9	14,179	12,204	1,975	16.2	18,625	(4,446)	-23.9
Total Operating Expense	3,344,391	473,234	2,871,156	606.7	250,298	3,094,093	1236.2	3,344,391	473,234	2,871,156	606.7	250,298	3,094,093	1236.2
Net Operating Income (Loss) Before Grants	(3,142,773)	(283,379)	(2,859,395)	1009.0	(63,737)	(3,079,036)	4830.8	(3,142,773)	(283,379)	(2,859,395)	1009.0	(63,737)	(3,079,036)	4830.8
Net Grant (Income) Expense														
Grant Revenue	(7,832,038)	(8,153,262)	321,224	-3.9	(5,416,009)	(2,416,029)	44.6	(7,832,038)	(8,153,262)	321,224	-3.9	(5,416,009)	(2,416,029)	44.6
Grant Expense	5,326,579	8,506,685	(3,180,106)	-37.4	6,446,833	(1,120,253)	-17.4	5,326,579	8,506,685	(3,180,106)	-37.4	6,446,833	(1,120,253)	-17.4
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	(2,505,458)	353,423	(2,858,882)	-808.9	1,030,824	(3,536,282)	-343.1	(2,505,458)	353,423	(2,858,882)	-808.9	1,030,824	(3,536,282)	-343.1
Net Operating Income (Loss) After Grants	(637,315)	(636,802)	(513)	0.1	(1,094,561)	457,246	-41.8	(637,315)	(636,802)	(513)	0.1	(1,094,561)	457,246	-41.8
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	(637,315)	(636,802)	(513)	0.1	(1,094,561)	457,246	-41.8	(637,315)	(636,802)	(513)	0.1	(1,094,561)	457,246	-41.8
IFA Home Dept Staff Count	7	8	(1)	-6.7	9	(2)	-22.2	7	8	(1)	-6.7	9	(2)	-22.2
FTE Staff Count	12	10	1	14.5	10	1	13.7	12	10	1	14.5	10	1	13.7



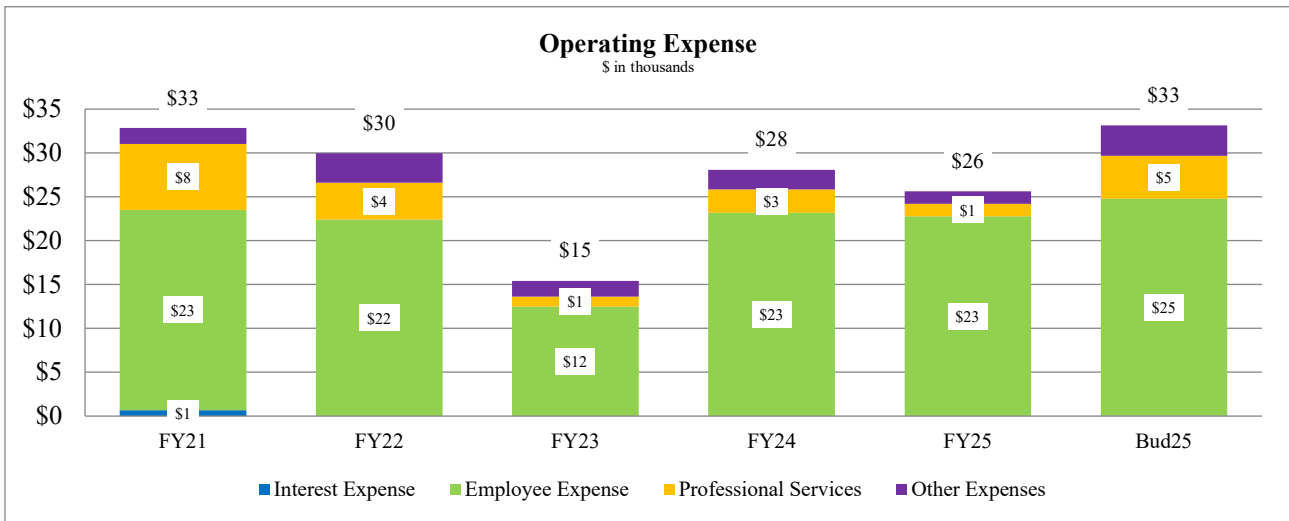
To: IFA and IADD Board Members
From: Becky Wu
Date: August 21, 2024
Re: July 2024 YTD IADD Financial Results

Iowa Agricultural Development Division Results (\$ in thousands)

IADD Net Operating Income was unfavorable to budget at the end of July FY25.

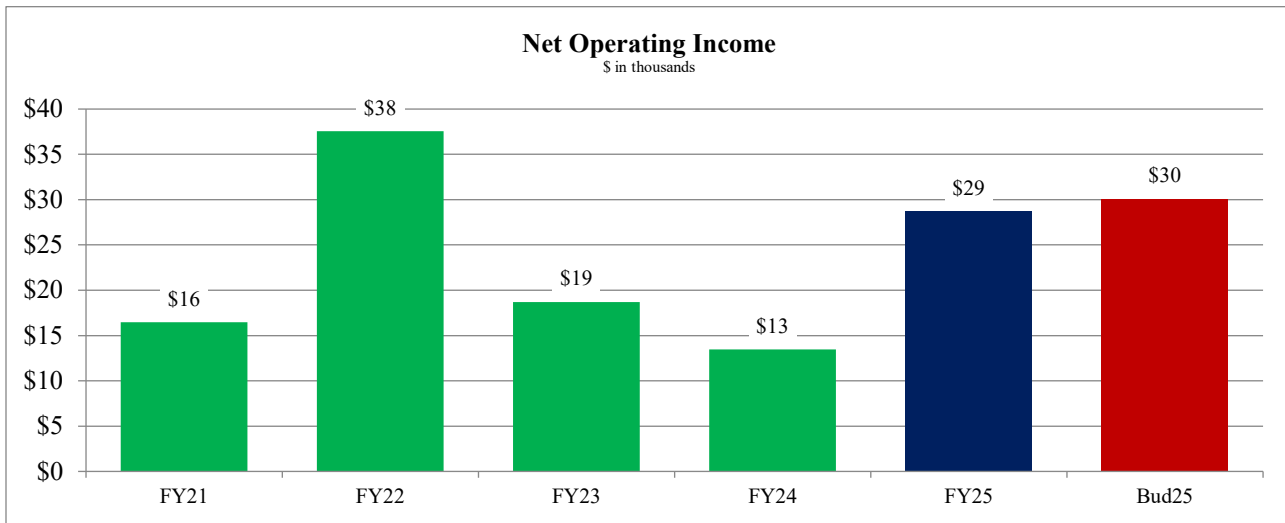


Operating Revenue was \$9 or 14.0% unfavorable to budget, but \$12 or 30.9% favorable to last year. Fee Revenue was comparable to budget. Interest Revenue was \$7 or 23.1% unfavorable to budget.

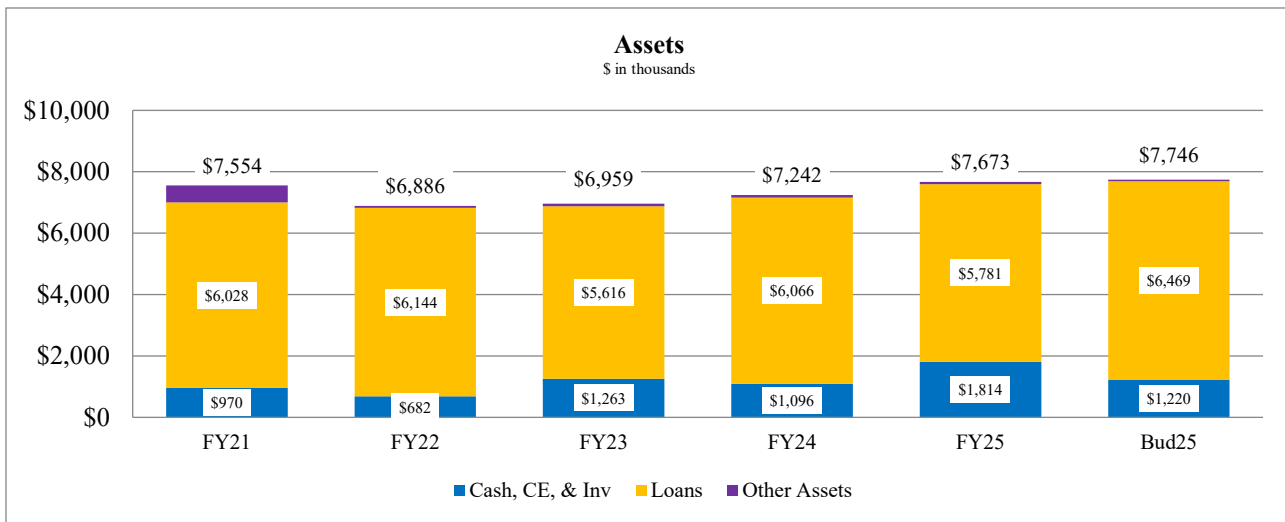


Operating Expense was \$7 or 22.6% favorable to budget, and slightly favorable to last year.

Employee Expense was comparable to budget; Professional Services Expense was \$4 favorable to budget.



Net Income was comparable to budget, but \$16 or 113.2% favorable to last year.



Notes:

- There was \$888 available for administrative expenses.
- Restricted Rural Rehab Trust funds (LPP loan funds, includes cash and LPP loan repayments) balance was \$996.
- There was not a LPP loan closed in the first month of FY25.
- The LPP loan balance was \$5,840. Loan balance net of reserves was \$5,781 and reserve was \$59.

LPP Loan Commitments

LPP	Bank	Commitment Date	Anticipated Closing Date	Original Commitment (\$ in actual)
P0324	Premier Bank	8/7/2024	8/1/2024	70,500
P0325	Premier Bank	6/5/2024	1/2/2025	200,000
P0326	American Bank, N.A.	6/5/2024	12/1/2024	200,000
P0327	American Bank, N.A.	7/3/2024	12/15/2024	100,000
P0328	American Bank, N.A.	7/3/2024	12/15/2024	100,000
Total Commitment				670,500

Balance Sheet	Agriculture Development Division (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	1,814,406	1,219,755	594,652	48.8	1,095,916	718,491	65.6
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	5,781,142	6,469,339	(688,197)	-10.6	6,066,460	(285,319)	-4.7
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	77,199	56,916	20,282	35.6	79,740	(2,541)	-3.2
Deferred Outflows	-	-	-	0.0	-	-	0.0
Total Assets and Deferred Outflows	7,672,747	7,746,010	(73,263)	-0.9	7,242,116	430,631	5.9
Liabilities, Deferred Inflows, and Equity							
Debt	-	50,000	(50,000)	-100.0	-	-	0.0
Interest Payable	-	1,792	(1,792)	-100.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	3,252	5,657	(2,405)	-42.5	2,680	572	21.3
Other Liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
Total Liabilities and Deferred Inflows	3,252	57,448	(54,196)	-94.3	2,680	572	21.3
Equity							
YTD Earnings(Loss)	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2
Prior Years Earnings	7,640,771	7,658,451	(17,680)	-0.2	7,225,966	414,805	5.7
Transfers	-	-	-	0.0	-	-	0.0
Total Equity	7,669,495	7,688,562	(19,067)	-0.2	7,239,436	430,059	5.9
Total Liabilities, Deferred Inflows, and Equity	7,672,747	7,746,010	(73,263)	-0.9	7,242,116	430,631	5.9

Income Statement	Agriculture Development Division (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	23,566	30,663	(7,098)	-23.1	20,865	2,701	12.9	23,566	30,663	(7,098)	-23.1	20,865	2,701	12.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	30,800	32,583	(1,783)	-5.5	20,680	10,120	48.9	30,800	32,583	(1,783)	-5.5	20,680	10,120	48.9
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	54,366	63,247	(8,881)	-14.0	41,545	12,821	30.9	54,366	63,247	(8,881)	-14.0	41,545	12,821	30.9
Operating Expense														
Interest Expense	-	42	(42)	-100.0	-	-	0.0	-	42	(42)	-100.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	22,781	24,731	(1,950)	-7.9	23,174	(393)	-1.7	22,781	24,731	(1,950)	-7.9	23,174	(393)	-1.7
Shared Expense	-	380	(380)	-100.0	-	-	0.0	-	380	(380)	-100.0	-	-	0.0
Marketing Expense	-	800	(800)	-100.0	-	-	0.0	-	800	(800)	-100.0	-	-	0.0
Professional Services	1,442	4,917	(3,475)	-70.7	2,680	(1,238)	-46.2	1,442	4,917	(3,475)	-70.7	2,680	(1,238)	-46.2
Claim and Loss Expense	-	930	(930)	-100.0	(1,000)	1,000	-100.0	-	930	(930)	-100.0	(1,000)	1,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	1,418	1,337	81	6.1	3,221	(1,803)	-56.0	1,418	1,337	81	6.1	3,221	(1,803)	-56.0
Total Operating Expense	25,641	33,136	(7,495)	-22.6	28,075	(2,434)	-8.7	25,641	33,136	(7,495)	-22.6	28,075	(2,434)	-8.7
Net Operating Income (Loss) Before Grants	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2	28,724	30,111	(1,386)	-4.6	13,470	15,254	113.2
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	2	2	0	5.3	2	0	4.9	2	2	0	5.3	2	0	4.9

Income Statement	Agriculture Development Division (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Income														
Interest Revenue - Loans	17,588	18,367	(779)	-4.2%	18,035	(447)	-2%	17,588	18,367	(779)	-4%	18,035	(447)	-2%
Interest Revenue - CE & Inv	5,978	12,297	(6,318)	-51.4%	2,830	3,148	111%	5,978	12,297	(6,318)	-51%	2,830	3,148	111%
Fee Inc - BFLP	16,400	20,833	(4,433)	-21.3%	5,630	10,770	191%	16,400	20,833	(4,433)	-21%	5,630	10,770	191%
Fee Inc - LPP	200	1,750	(1,550)	-88.6%	100	100	100%	200	1,750	(1,550)	-89%	100	100	100%
Fee Inc - BFTC	14,200	10,000	4,200	42.0%	14,950	(750)	-5%	14,200	10,000	4,200	42%	14,950	(750)	-5%
Fee Inc - BFCH TC	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
Total Operating Income	54,366	63,247	(8,881)	-14.0%	41,545	12,821	31%	54,366	63,247	(8,881)	-14%	41,545	12,821	31%
Operating Expense														
Employee Expense	22,781	24,731	(1,950)	-7.9%	23,174	(393)	-2%	22,781	24,731	(1,950)	-8%	23,174	(393)	-2%
Shared Expense	-	380	(380)	-100.0%	-	-	0%	-	380	(380)	-100%	-	-	0%
Marketing Expense	-	800	(800)	-100.0%	-	-	0%	-	800	(800)	-100%	-	-	0%
Professional Services	1,442	4,917	(3,475)	-70.7%	2,680	(1,238)	-46%	1,442	4,917	(3,475)	-71%	2,680	(1,238)	-46%
Claim and Loss Expense	-	930	(930)	-100.0%	(1,000)	1,000	-100%	-	930	(930)	-100%	(1,000)	1,000	-100%
Operating Expense	25,641	33,136	(7,495)	-22.6%	28,075	(2,434)	-9%	25,641	33,136	(7,495)	-23%	28,075	(2,434)	-9%
Net Grant (Income) Expense	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
Net Income (Loss)	28,724	30,111	(1,386)	-4.6%	13,470	15,254	113%	28,724	30,111	(1,386)	-5%	13,470	15,254	113%

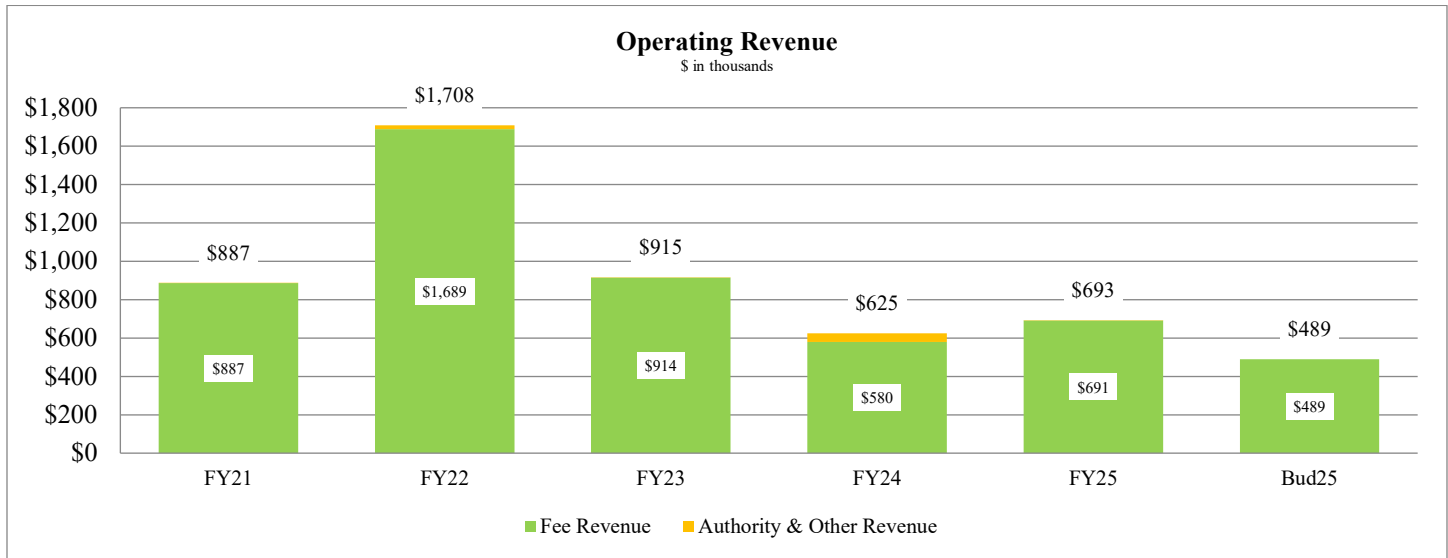
Balance Sheet	Admin	RRTF	Total
Assets			
Cash & Cash Equivalents	884,032	930,375	1,814,406
Investments	-	-	-
Loans - net of reserves	74,992	5,706,150	5,781,142
Other Assets	(19,903)	97,102	77,199
Total Assets	939,121	6,733,627	7,672,747
Liabilities and Equity			
A/P - STATE	-	-	-
A/P - IFA	-	-	-
A/P - MISC	3,252	-	3,252
Total Liabilities	3,252	-	3,252
Equity			
Current Years Earnings	8,893	19,831	28,724
Prior Years Earnings	926,975	6,713,795	7,640,771
Equity	935,869	6,733,627	7,669,495
Total Liabilities and Equity	939,121	6,733,627	7,672,747



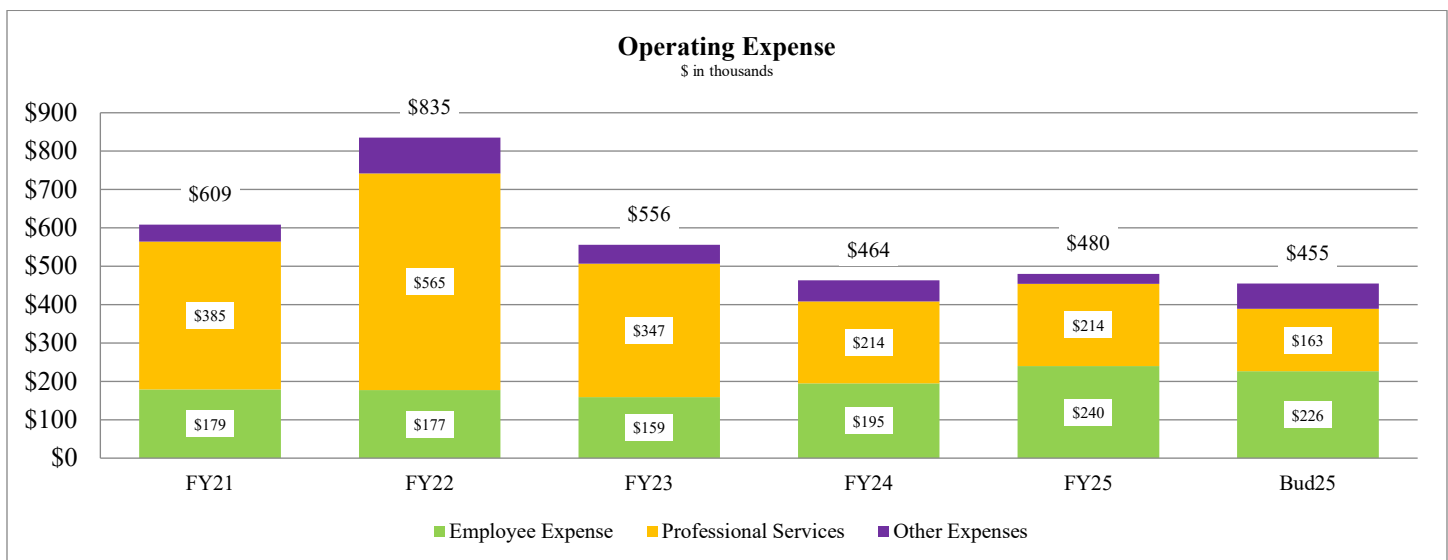
To: IFA & ITG Board Members
From: Michelle Bodie
Date: August 21, 2024
RE: July 2024 YTD Financial Results

Iowa Title Guaranty Financial Results (\$ in thousands)

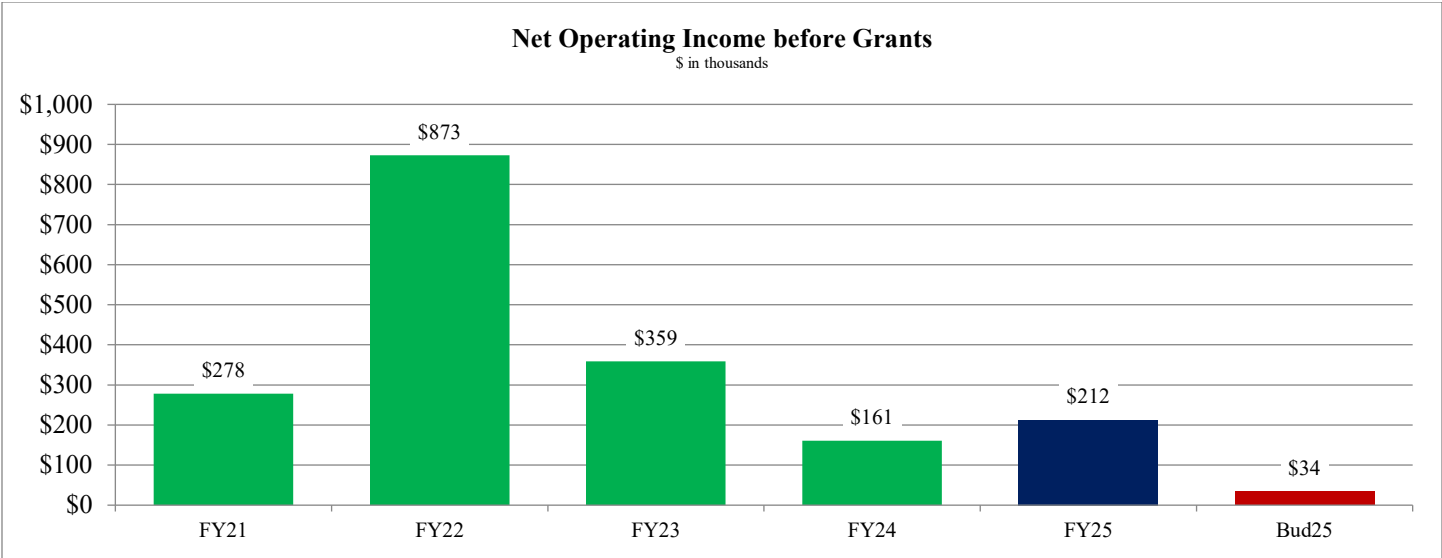
ITG operated favorably to budget for the first month of Fiscal Year 2025.



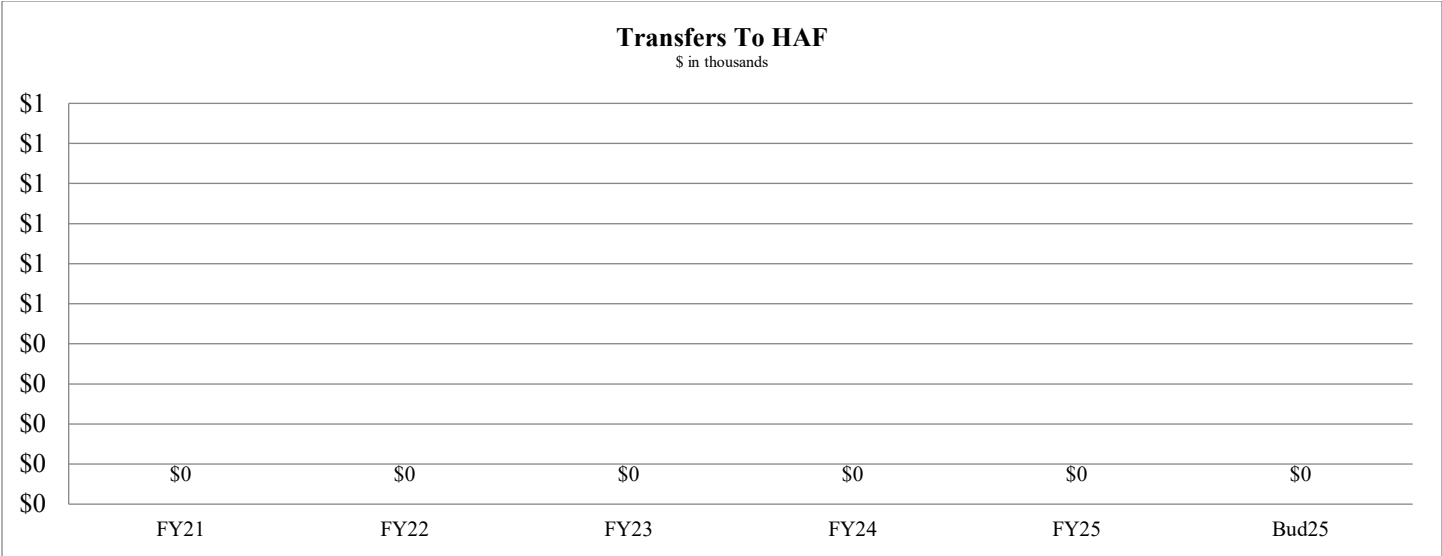
Operating revenue was \$204 or 41.7% above budget and \$68 or 10.9% above prior year. July revenue was \$693 of which \$584 was generated from residential transactions and \$109 from commercial transactions. Residential and commercial activity exceeded budget by 43.8% and 31.9%, respectively.



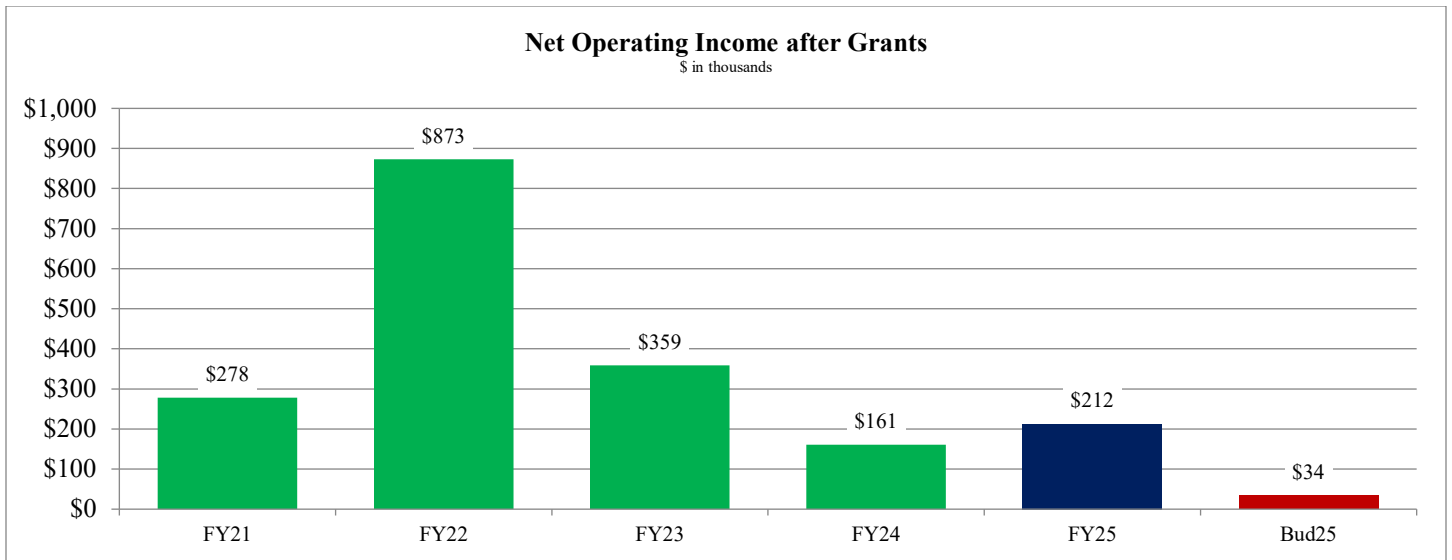
Operating expense was \$25 or 5.6% unfavorable to budget and \$16 or 3.6% unfavorable to last year. Incentive payments in Professional Services and Employee Expenses were both higher than budget.



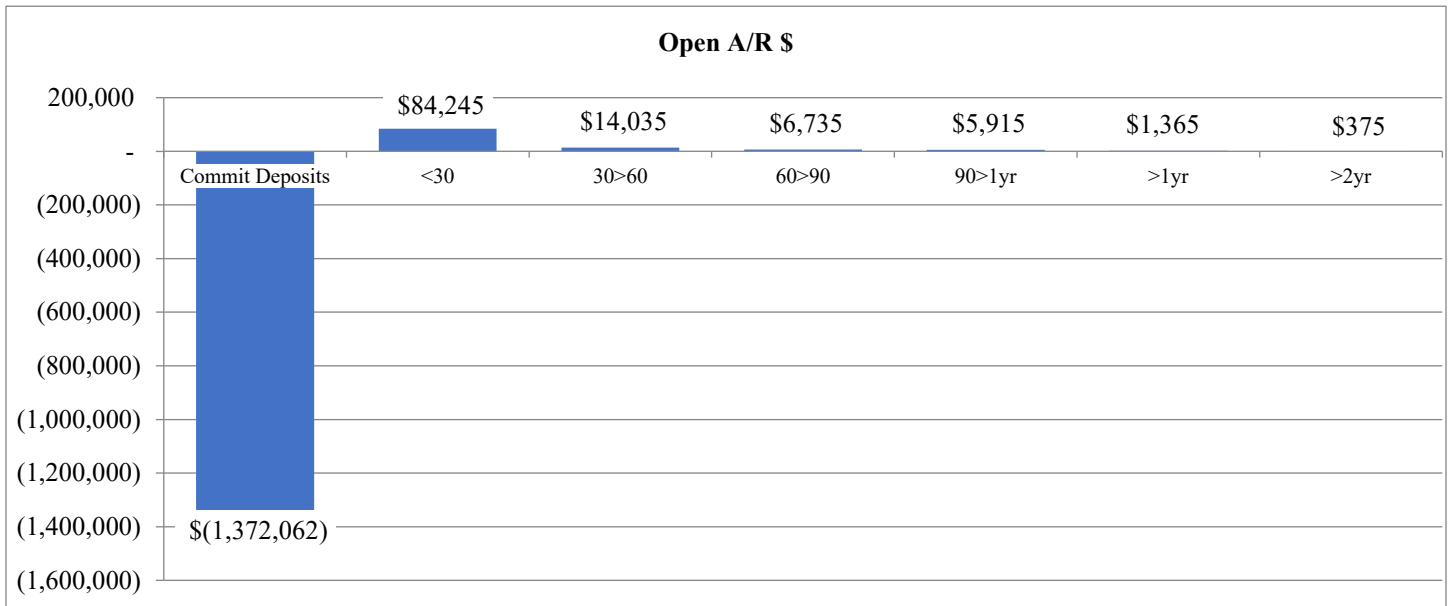
Net Operating Income before Grants (NOIBG) is favorable to budget by \$178 and favorable to last year by \$51.



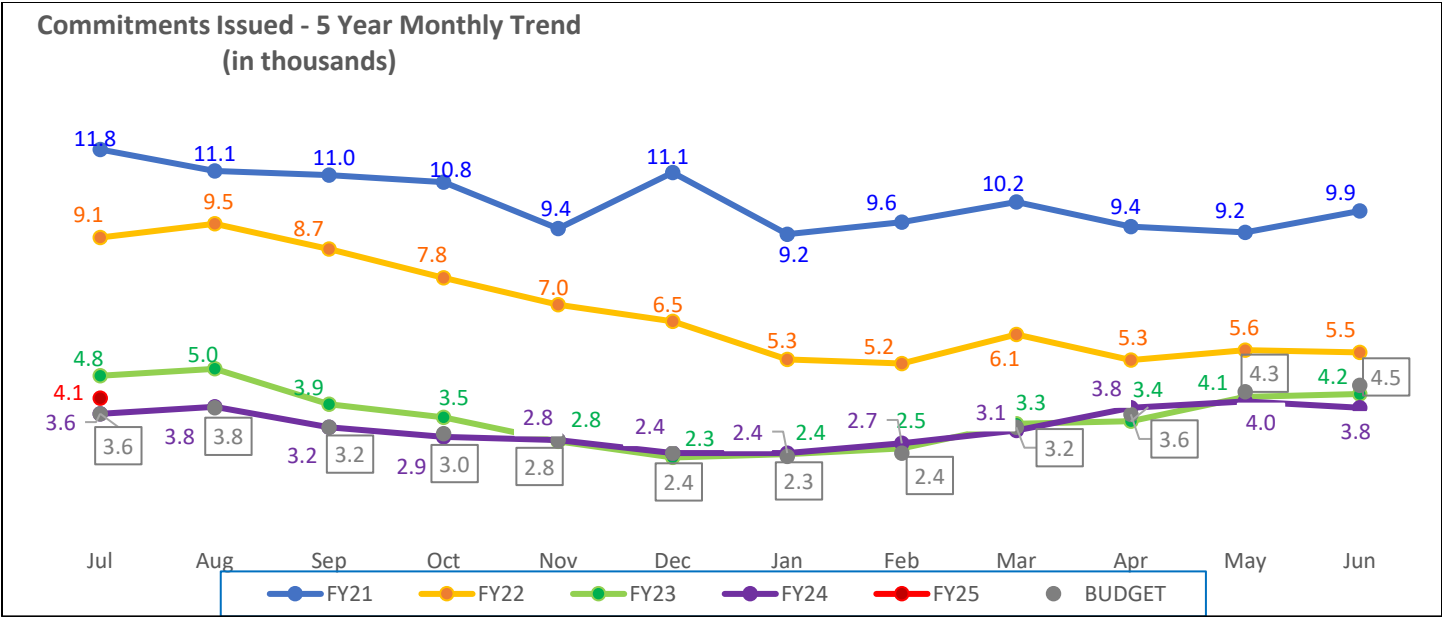
Transfers to the Housing Assistance Fund (HAF) from Title Guaranty are calculated quarterly and no transfer was recommended for the quarter ended June 30, 2024. Per State Code, the interest earned on ITG funds held by the state treasurer are deposited directly to the State Housing Trust Fund (SHTF) monthly. For the month of July, \$75.8 in interest was earned on ITG funds and deposited with SHTF.



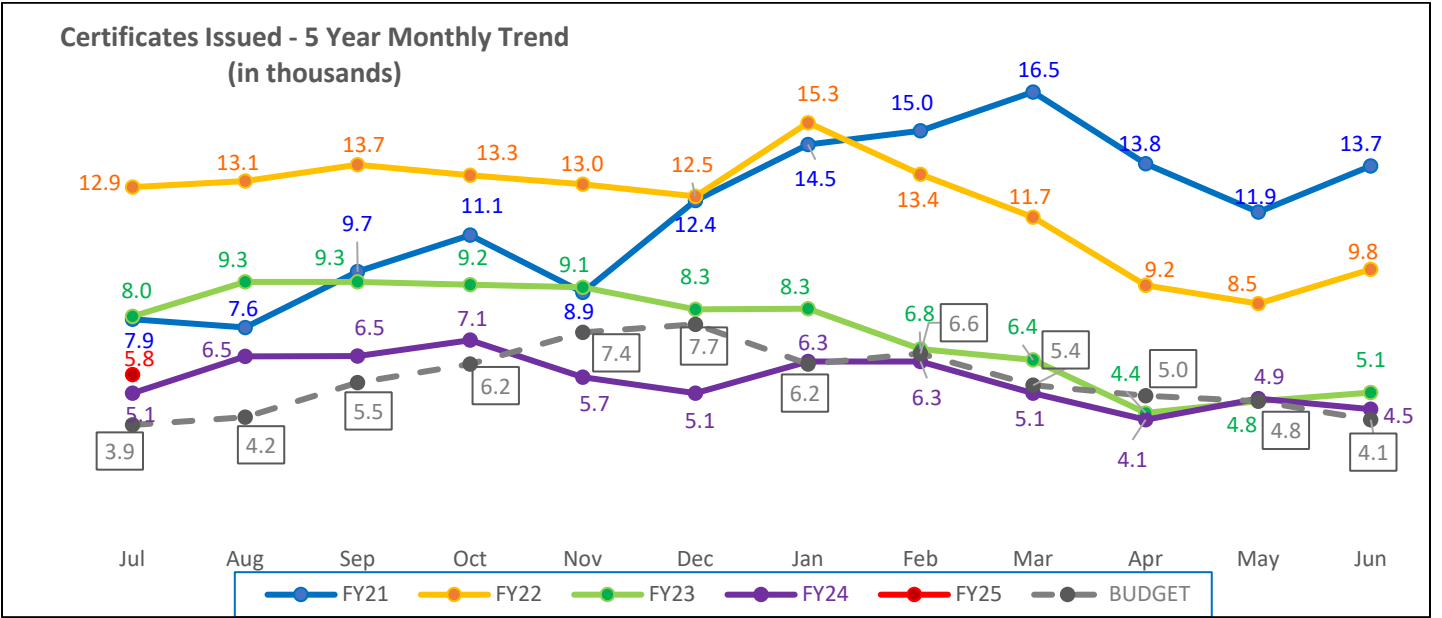
Net Operating Income after Grants (NOIAG) is the same as NOIBG as no transfers to HAF have been approved in the fiscal year.



July receivables increased 41% over the June balance (\$112.7 vs \$79.9) primarily due to timing, while commitments were up 8% compared to the prior month (\$1.37 M vs \$1.27 M).



Fiscal year actual commitments issued of 4.1 compared to 3.6 budget and 3.6 in prior year.



Fiscal year actual certificates issued of 5.8 compared to 3.9 budget and 5.1 in prior year.

Balance Sheet	Iowa Title Guaranty Division (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	21,562,165	20,191,969	1,370,196	6.8	21,809,365	(247,200)	-1.1
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	-	-	-	0.0	-	-	0.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	57,962	99,249	(41,287)	-41.6	266,740	(208,778)	-78.3
Deferred Outflows	414,673	309,225	105,448	34.1	309,225	105,448	34.1
Total Assets and Deferred Outflows	22,034,800	20,600,443	1,434,357	7.0	22,385,330	(350,530)	-1.6
Liabilities, Deferred Inflows, and Equity							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	1,317,553	389,826	927,727	238.0	1,760,228	(442,675)	-25.1
Reserves for Claims	2,080,845	1,580,977	499,868	31.6	1,777,801	303,044	17.0
Accounts Payable & Accrued Liabilities	1,620,718	1,450,765	169,953	11.7	1,846,565	(225,847)	-12.2
Other Liabilities	1,044,519	1,322,887	(278,368)	-21.0	930,578	113,941	12.2
Deferred Inflows	162,527	152,105	10,422	6.9	242,905	(80,378)	-33.1
Total Liabilities and Deferred Inflows	6,226,162	4,896,559	1,329,603	27.2	6,558,077	(331,915)	-5.1
Equity							
YTD Earnings(Loss)	212,210	33,610	178,600	531.4	161,151	51,060	31.7
Prior Years Earnings	15,596,428	15,670,273	(73,846)	-0.5	15,666,102	(69,674)	-0.4
Transfers	-	-	-	0.0	-	-	0.0
Total Equity	15,808,638	15,703,884	104,754	0.7	15,827,252	(18,615)	-0.1
Total Liabilities, Deferred Inflows, and Equity	22,034,800	20,600,443	1,434,357	7.0	22,385,330	(350,530)	-1.6

Income Statement	Iowa Title Guaranty Division (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	690,966	488,674	202,292	41.4	580,062	110,904	19.1	690,966	488,674	202,292	41.4	580,062	110,904	19.1
Other Revenue	1,718	-	1,718	0.0	44,773	(43,055)	-96.2	1,718	-	1,718	0.0	44,773	(43,055)	-96.2
Total Operating Revenue	692,684	488,674	204,010	41.7	624,835	67,849	10.9	692,684	488,674	204,010	41.7	624,835	67,849	10.9
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	240,065	226,477	13,588	6.0	194,636	45,429	23.3	240,065	226,477	13,588	6.0	194,636	45,429	23.3
Shared Expense	14,845	21,799	(6,955)	-31.9	13,469	1,375	10.2	14,845	21,799	(6,955)	-31.9	13,469	1,375	10.2
Marketing Expense	-	1,100	(1,100)	-100.0	-	-	0.0	-	1,100	(1,100)	-100.0	-	-	0.0
Professional Services	214,357	162,735	51,622	31.7	213,753	604	0.3	214,357	162,735	51,622	31.7	213,753	604	0.3
Claim and Loss Expense	(2,275)	30,000	(32,275)	-107.6	(415)	(1,860)	448.1	(2,275)	30,000	(32,275)	-107.6	(415)	(1,860)	448.1
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	11,654	(11,654)	-100.0	-	-	-	0.0	11,654	(11,654)	-100.0
Overhead Allocation	13,483	12,952	531	4.1	30,587	(17,104)	-55.9	13,483	12,952	531	4.1	30,587	(17,104)	-55.9
Total Operating Expense	480,474	455,064	25,411	5.6	463,685	16,790	3.6	480,474	455,064	25,411	5.6	463,685	16,790	3.6
Net Operating Income (Loss) Before Grants	212,210	33,610	178,600	531.4	161,151	51,060	31.7	212,210	33,610	178,600	531.4	161,151	51,060	31.7
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	212,210	33,610	178,600	531.4	161,151	51,060	31.7	212,210	33,610	178,600	531.4	161,151	51,060	31.7
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	212,210	33,610	178,600	531.4	161,151	51,060	31.7	212,210	33,610	178,600	531.4	161,151	51,060	31.7
IFA Home Dept Staff Count	22	21	1	4.8	20	2	10.0	22	21	1	4.8	20	2	10.0
FTE Staff Count	23	22	1	3.3	21	1	5.0	23	22	1	3.3	21	1	5.0

Income Statement	800-020 Residential													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	583,494	405,874	177,620	43.8	519,360	64,134	12.3	583,494	405,874	177,620	43.8	519,360	64,134	12.3
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	583,494	405,874	177,620	43.8	519,360	64,134	12.3	583,494	405,874	177,620	43.8	519,360	64,134	12.3
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	186,627	179,033	7,594	4.2	152,010	34,617	22.8	186,627	179,033	7,594	4.2	152,010	34,617	22.8
Shared Expense	13,932	16,199	(2,267)	-14.0	13,099	833	6.4	13,932	16,199	(2,267)	-14.0	13,099	833	6.4
Marketing Expense	-	600	(600)	-100.0	-	-	0.0	-	600	(600)	-100.0	-	-	0.0
Professional Services	214,357	162,485	51,872	31.9	213,753	604	0.3	214,357	162,485	51,872	31.9	213,753	604	0.3
Claim and Loss Expense	(2,275)	30,000	(32,275)	-107.6	(415)	(1,860)	448.1	(2,275)	30,000	(32,275)	-107.6	(415)	(1,860)	448.1
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	1,140	(1,140)	-100.0	-	-	-	0.0	1,140	(1,140)	-100.0
Overhead Allocation	10,874	10,279	595	5.8	24,786	(13,913)	-56.1	10,874	10,279	595	5.8	24,786	(13,913)	-56.1
Total Operating Expense	423,516	398,596	24,920	6.3	404,374	19,141	4.7	423,516	398,596	24,920	6.3	404,374	19,141	4.7
Net Operating Income (Loss) Before Grants	159,978	7,278	152,700	2098.1	114,986	44,993	39.1	159,978	7,278	152,700	2098.1	114,986	44,993	39.1
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	159,978	7,278	152,700	2098.1	114,986	44,993	39.1	159,978	7,278	152,700	2098.1	114,986	44,993	39.1
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	159,978	7,278	152,700	2098.1	114,986	44,993	39.1	159,978	7,278	152,700	2098.1	114,986	44,993	39.1
IFA Home Dept Staff Count	18	17	1	5.9	16	2	12.5	18	17	1	5.9	16	2	12.5
FTE Staff Count	18	17	1	5.0	17	1	4.5	18	17	1	5.0	17	1	4.5

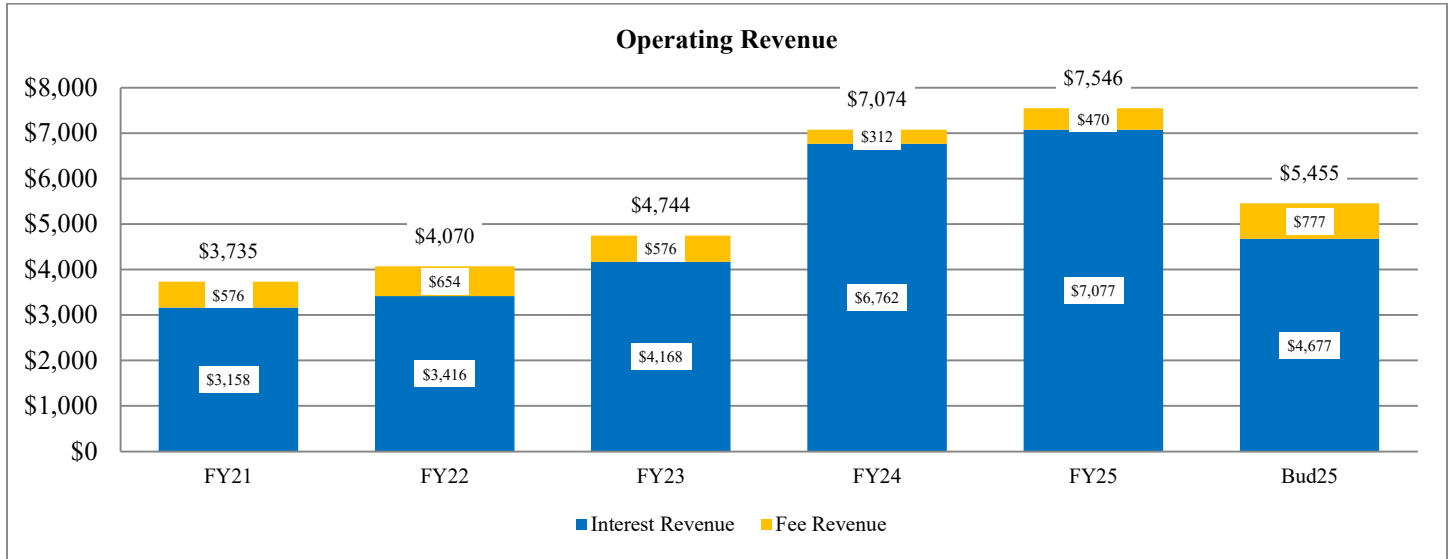
Income Statement	800-030 Commercial													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	107,472	82,800	24,672	29.8	60,702	46,770	77.0	107,472	82,800	24,672	29.8	60,702	46,770	77.0
Other Revenue	1,718	-	1,718	0.0	44,773	(43,055)	-96.2	1,718	-	1,718	0.0	44,773	(43,055)	-96.2
Total Operating Revenue	109,190	82,800	26,390	31.9	105,475	3,715	3.5	109,190	82,800	26,390	31.9	105,475	3,715	3.5
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	53,437	47,444	5,993	12.6	42,626	10,811	25.4	53,437	47,444	5,993	12.6	42,626	10,811	25.4
Shared Expense	912	5,600	(4,688)	-83.7	370	542	146.6	912	5,600	(4,688)	-83.7	370	542	146.6
Marketing Expense	-	500	(500)	-100.0	-	-	0.0	-	500	(500)	-100.0	-	-	0.0
Professional Services	-	250	(250)	-100.0	-	-	0.0	-	250	(250)	-100.0	-	-	0.0
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	10,514	(10,514)	-100.0	-	-	-	0.0	10,514	(10,514)	-100.0
Overhead Allocation	2,609	2,674	(64)	-2.4	5,801	(3,192)	-55.0	2,609	2,674	(64)	-2.4	5,801	(3,192)	-55.0
Total Operating Expense	56,959	56,468	491	0.9	59,311	(2,352)	-4.0	56,959	56,468	491	0.9	59,311	(2,352)	-4.0
Net Operating Income (Loss) Before Grants	52,232	26,332	25,899	98.4	46,165	6,067	13.1	52,232	26,332	25,899	98.4	46,165	6,067	13.1
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Operating Income (Loss) After Grants	52,232	26,332	25,899	98.4	46,165	6,067	13.1	52,232	26,332	25,899	98.4	46,165	6,067	13.1
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Net Income (Loss)	52,232	26,332	25,899	98.4	46,165	6,067	13.1	52,232	26,332	25,899	98.4	46,165	6,067	13.1
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	4	5	(0)	-3.1	4	0	7.1	4	5	(0)	-3.1	4	0	7.1



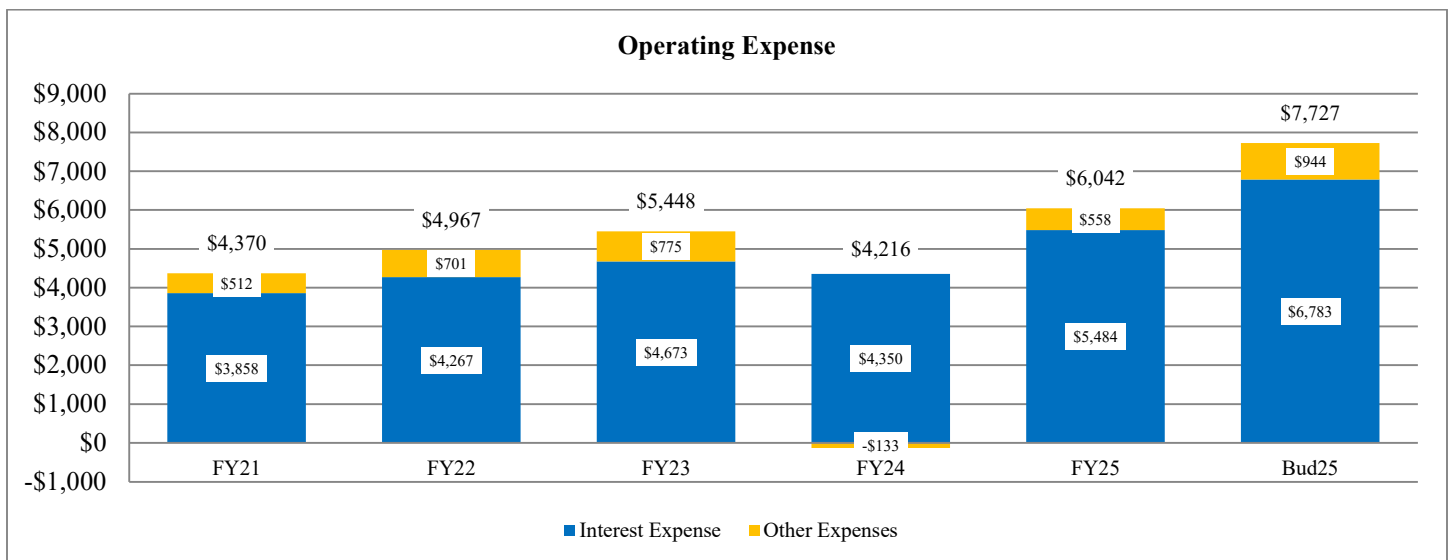
To: IFA Board Members
 From: Tawnya Jacobs
 Date: August 21, 2024
 Re: July 2024 YTD Financial Results

State Revolving Fund Results (\$ in thousands)

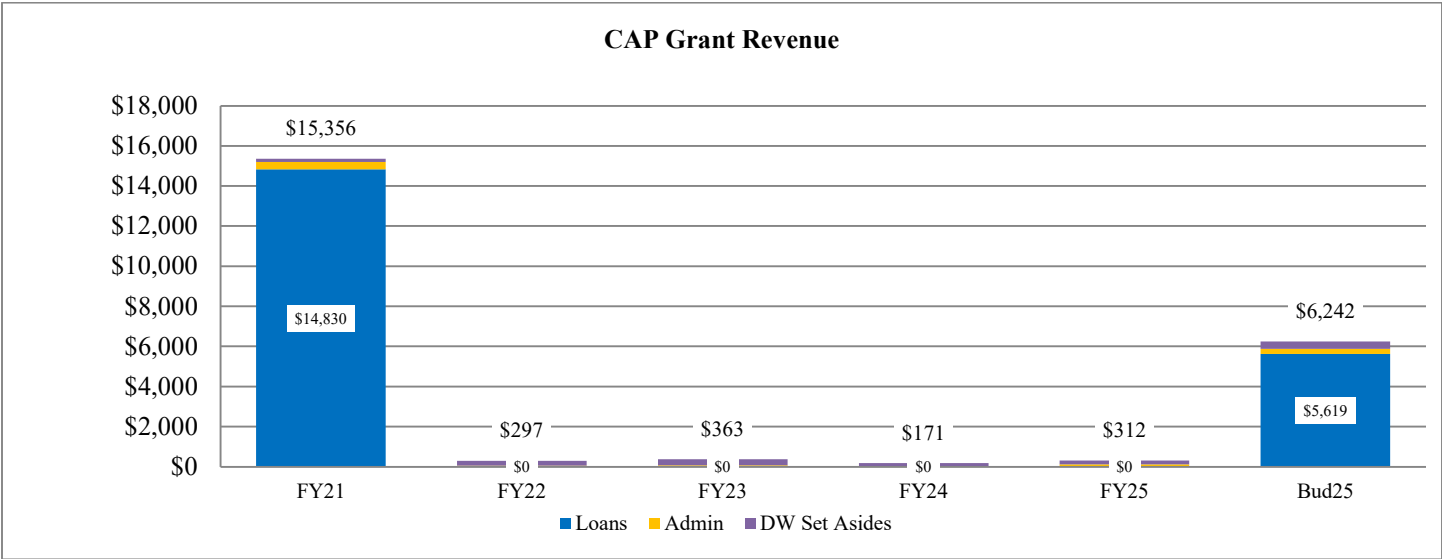
State Revolving Fund program operated favorably to budget after grants for the first month of FY2025.



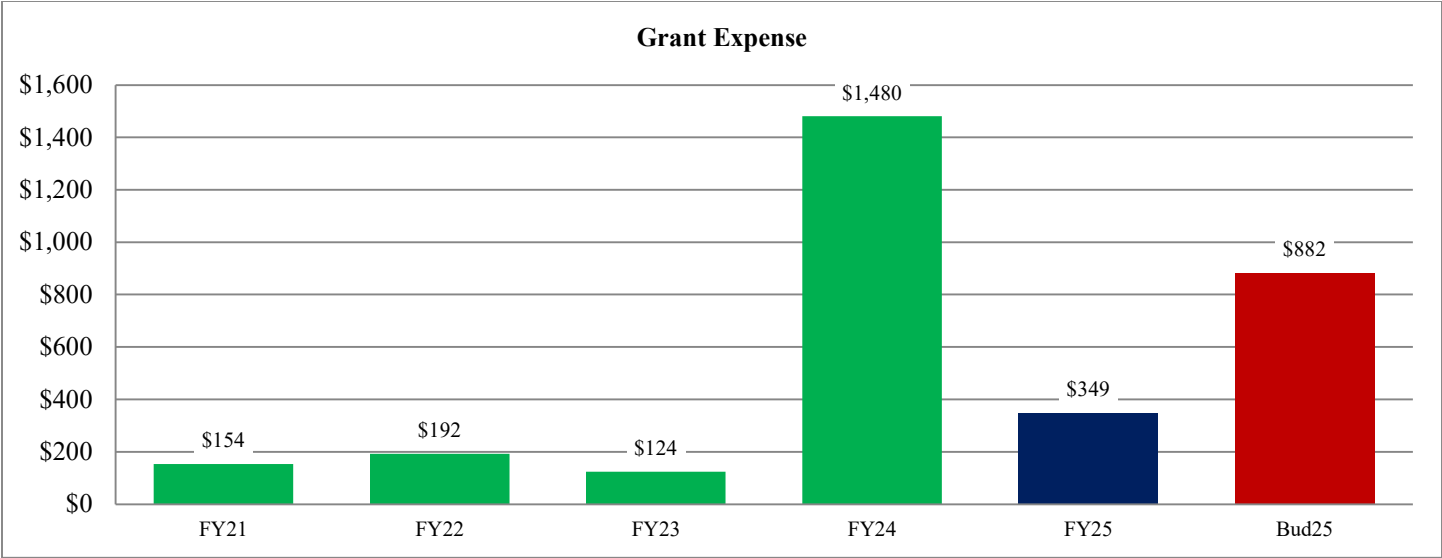
Operating Revenue was \$2,091 or 38.3% above budget and \$472 or 6.7% above last year. Interest Revenue was \$2,439 or 52.1% favorable to budget due to higher investment balances and higher interest return on investments.



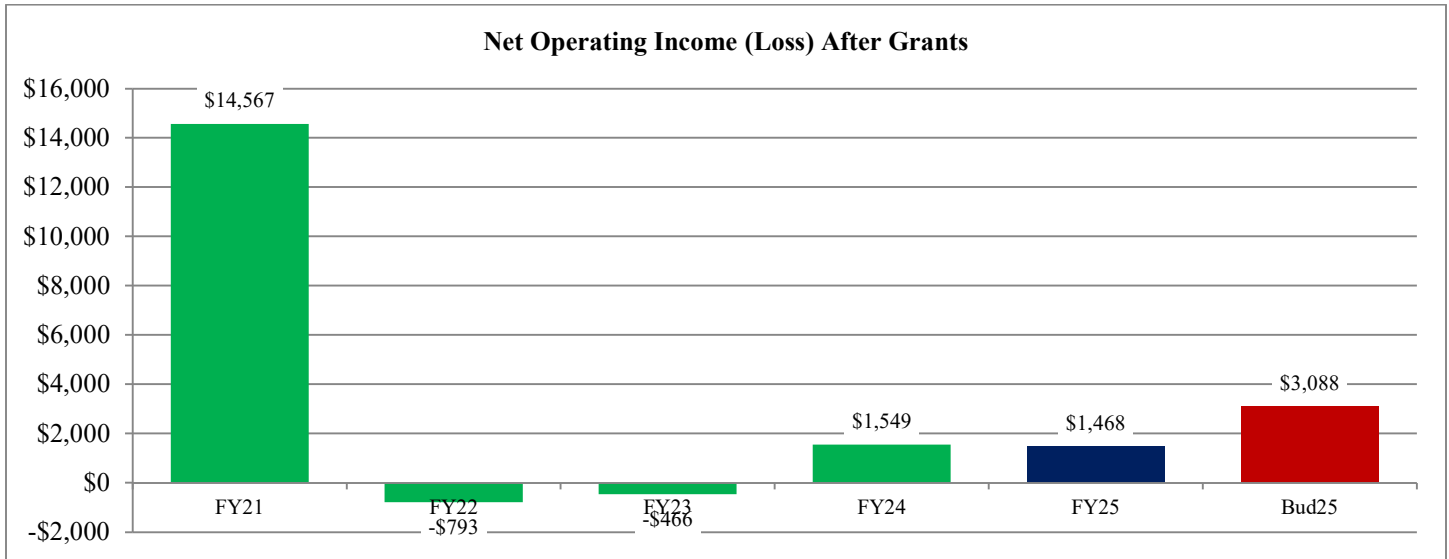
Operating Expense was \$1,685 or 21.8% favorable to budget but \$1,826 or 43.3% unfavorable to last year.



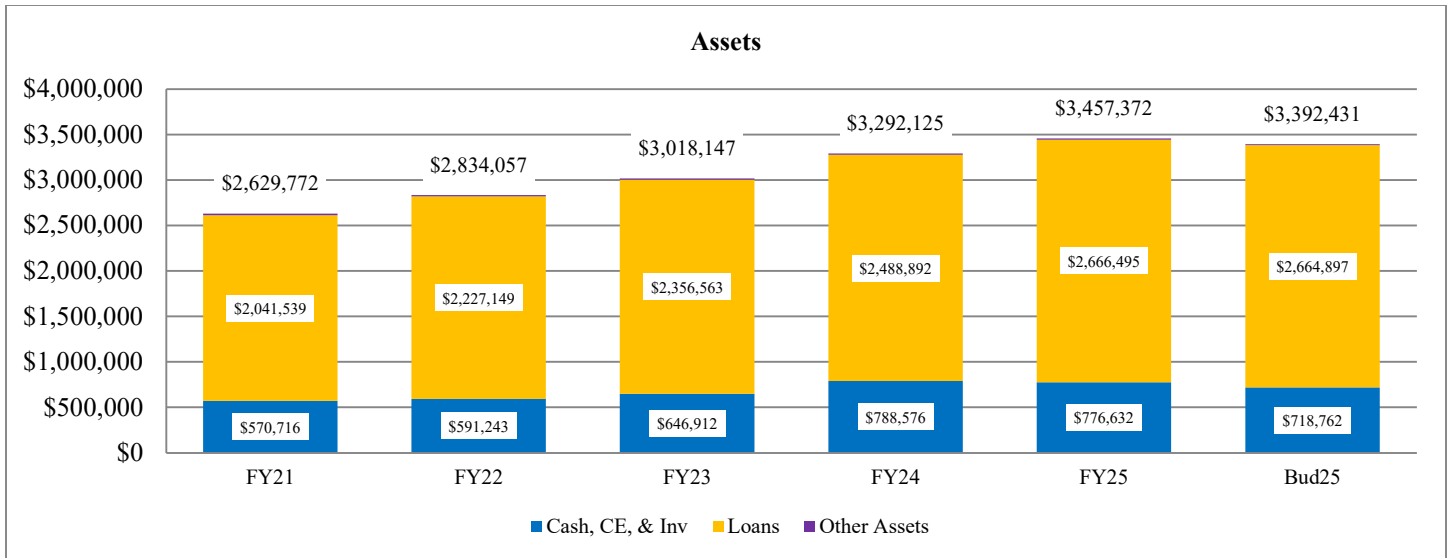
CAP Grant Revenue was \$5,930 or 95.0% unfavorable to budget and \$141 or 82.3% favorable to last year.



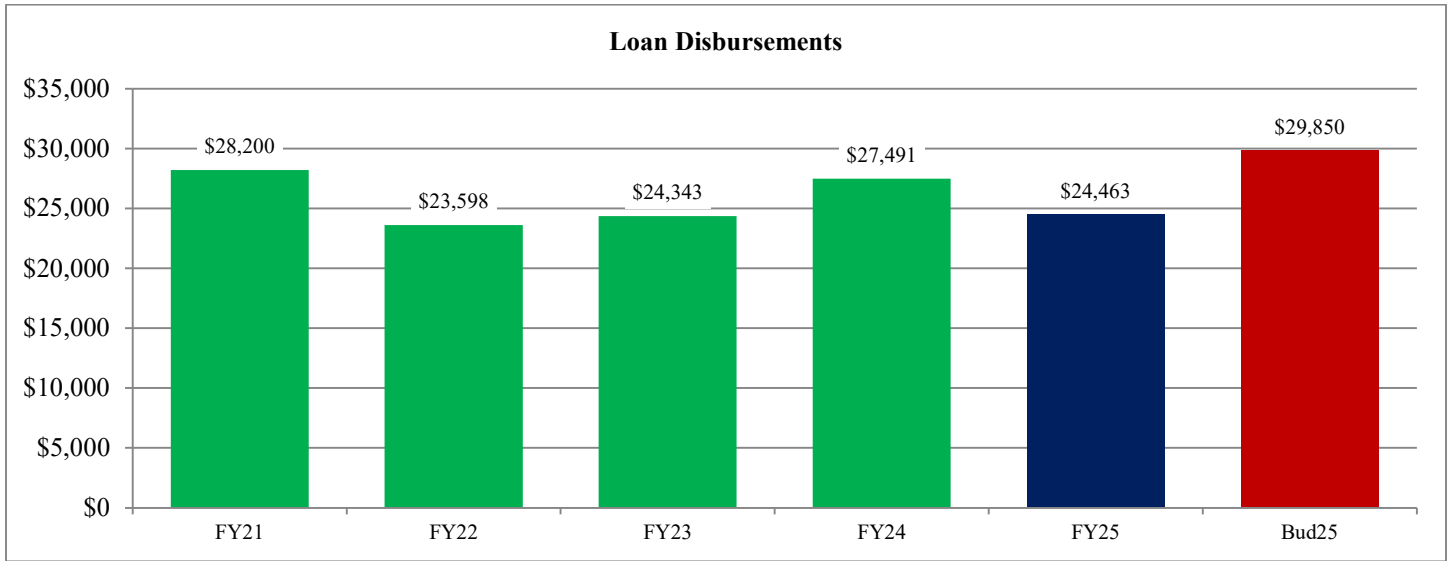
Grant Expense was \$533 or 60.4% favorable to budget and \$1,131 or 76.4% favorable to last year. Grant Expense relates to the forgivable portion of specific SRF loans which is applied upon project completion.



NOIAG was \$1,620 or 52.5% unfavorable to budget and \$81 or 5.3% unfavorable to last year.



Assets were \$64,941 or 1.9% above budget and \$165,247 or 55.0% above last year.



Year to date loan disbursement was \$5,387 or 18.0% below budget and \$3,028 or 11.0% below last year. July loan disbursement was \$24,463 and total loan commitments were \$500,155 at the end of July.

Equity/Program/Admin Fund Balances

<u>Program</u>	<u>Uses</u>	<u>Account</u>	<u>Balance at 6/30/2024</u>	<u>Net Cash Inflows</u>	<u>Balance at 7/31/2024</u>
Equity Fund	Construction Loans Debt Service				
Clean Water Equity		12069250/1	276,021	(16,002)	260,019
Clean Water Revenue		12069208/09	129,074	554	129,628
Drinking Water Equity		12069253/4	189,019	(1,897)	187,122
Drinking Water Revenue		12069211/12	44,703	613	45,316
Total			<u>638,817</u>	<u>(16,733)</u>	<u>622,084</u>
Program Fund	P&D, CW GNPS, DW SWP				
Clean Water		22546000	37,041	(3,845)	33,196
Drinking Water		22546001	11,577	(223)	11,354
Total			<u>48,618</u>	<u>(4,068)</u>	<u>44,550</u>
Administration Fund	Administrative Expenses				
Clean Water		22546002	57,447	(4,149)	53,298
Drinking Water		22546003	23,248	37	23,285
Total			<u>80,695</u>	<u>(4,112)</u>	<u>76,583</u>

Federal Capitalization Grants		7/31/2024					
<u>Grant Award Year</u>	<u>Clean Water</u>		<u>Drinking Water</u>		<u>Total SRF</u>		
	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>	
Prior Years	594,023	-	326,708	-	920,731	-	
2020	21,483	-	17,378	-	38,861	-	
2021	21,505	-	17,427	-	38,932	-	
2022	39,673	1,250	39,765	56,917	79,438	58,167	
2023	<u>39,627</u>	<u>416</u>	<u>98,325</u>	<u>12,613</u>	<u>137,952</u>	<u>13,029</u>	
Total	716,311	1,666	499,603	69,530	1,215,914	71,196	
Total federal capitalization grants received to date:						\$ 1,144,718	
<u>Grant Award Year</u>	<u>Clean Water</u>		<u>Drinking Water</u>		<u>Total</u>		
	<u>Available for Loan Draws</u>	<u>Available for Set-asides</u>	<u>Available for Loan Draws</u>	<u>Available for Set-asides</u>			
2020	-	-	-	-	-		
2021	-	-	-	-	-		
2022	1,250	-	56,882	35	58,167		
2023	<u>-</u>	<u>416</u>	<u>-</u>	<u>12,613</u>	<u>13,029</u>		
Total	1,250	416	56,882	12,648	71,196		

SRF Loan Portfolio	6/30/2022	6/30/2023	6/30/2024	7/31/2024	YTD Increase
Clean Water	1,815,279	1,935,206	2,095,470	2,114,680	0.9%
Drinking Water	528,104	541,873	572,392	577,002	0.8%
Total SRF Loan Portfolio	2,343,383	2,477,079	2,667,862	2,691,682	0.9%

Balance Sheet	State Revolving Fund (Rollup)						
	Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	652,001,371	661,868,868	(9,867,497)	-1.5	698,046,280	(46,044,909)	-6.6
Investments	124,630,208	56,893,626	67,736,582	119.1	90,529,879	34,100,329	37.7
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	2,666,494,893	2,664,896,848	1,598,045	0.1	2,488,891,863	177,603,029	7.1
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	11,660,227	6,830,004	4,830,223	70.7	11,598,119	62,108	0.5
Deferred Outflows	2,585,092	1,941,862	643,230	33.1	3,059,210	(474,118)	-15.5
Total Assets and Deferred Outflows	3,457,371,790	3,392,431,207	64,940,583	1.9	3,292,125,351	165,246,439	5.0
Liabilities, Deferred Inflows, and Equity							
Debt	2,229,040,347	2,241,158,182	(12,117,835)	-0.5	2,133,354,335	95,686,012	4.5
Interest Payable	43,476,529	43,243,828	232,700	0.5	35,650,204	7,826,325	22.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	605,745	1,486,308	(880,562)	-59.2	192,838	412,908	214.1
Other Liabilities	340,677	652,102	(311,425)	-47.8	298,290	42,387	14.2
Deferred Inflows	7,746,968	46,597	7,700,371	16525.5	8,256,466	(509,498)	-6.2
Total Liabilities and Deferred Inflows	2,281,210,266	2,286,587,017	(5,376,751)	-0.2	2,177,752,132	103,458,133	4.8
Equity							
YTD Earnings(Loss)	1,837,128	3,087,608	(1,250,480)	-40.5	1,599,215	237,913	14.9
Prior Years Earnings	1,174,324,396	1,102,756,582	71,567,814	6.5	1,113,874,014	60,450,383	5.4
Transfers	-	-	-	0.0	(1,100,011)	1,100,011	-100.0
Total Equity	1,176,161,524	1,105,844,190	70,317,334	6.4	1,114,373,218	61,788,306	5.5
Total Liabilities, Deferred Inflows, and Equity	3,457,371,790	3,392,431,207	64,940,583	1.9	3,292,125,351	165,246,439	5.0

Income Statement	State Revolving Fund (Rollup)													
	Jul-2024							YTD as of Jul-2024						
	Actuals	Bud25	Difference	%	Last Year	Difference	%	Actuals	Bud25	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	7,076,667	4,677,442	2,399,225	51.3	6,761,879	314,788	4.7	7,076,667	4,677,442	2,399,225	51.3	6,761,879	314,788	4.7
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	469,693	777,466	(307,773)	-39.6	312,383	157,310	50.4	469,693	777,466	(307,773)	-39.6	312,383	157,310	50.4
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Operating Revenue	7,546,360	5,454,908	2,091,452	38.3	7,074,263	472,098	6.7	7,546,360	5,454,908	2,091,452	38.3	7,074,263	472,098	6.7
Operating Expense														
Interest Expense	5,484,374	6,782,943	(1,298,569)	-19.1	4,349,610	1,134,764	26.1	5,484,374	6,782,943	(1,298,569)	-19.1	4,349,610	1,134,764	26.1
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expense	93,241	90,572	2,669	2.9	71,788	21,453	29.9	93,241	90,572	2,669	2.9	71,788	21,453	29.9
Shared Expense	50	18,417	(18,367)	-99.7	5,550	(5,500)	-99.1	50	18,417	(18,367)	-99.7	5,550	(5,500)	-99.1
Marketing Expense	-	2,292	(2,292)	-100.0	50	(50)	-100.0	-	2,292	(2,292)	-100.0	50	(50)	-100.0
Professional Services	16,100	34,420	(18,320)	-53.2	(625,681)	641,781	-102.6	16,100	34,420	(18,320)	-53.2	(625,681)	641,781	-102.6
Claim and Loss Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	431,848	781,250	(349,402)	-44.7	396,281	35,567	9.0	431,848	781,250	(349,402)	-44.7	396,281	35,567	9.0
Overhead Allocation	16,773	17,391	(618)	-3.6	18,567	(1,795)	-9.7	16,773	17,391	(618)	-3.6	18,567	(1,795)	-9.7
Total Operating Expense	6,042,385	7,727,284	(1,684,899)	-21.8	4,216,164	1,826,220	43.3	6,042,385	7,727,284	(1,684,899)	-21.8	4,216,164	1,826,220	43.3
Net Operating Income (Loss) Before Grants	1,503,976	(2,272,375)	3,776,351	-166.2	2,858,098	(1,354,123)	-47.4	1,503,976	(2,272,375)	3,776,351	-166.2	2,858,098	(1,354,123)	-47.4
Net Grant (Income) Expense														
Grant Revenue	(312,382)	(6,241,833)	5,929,451	-95.0	(171,371)	(141,011)	82.3	(312,382)	(6,241,833)	5,929,451	-95.0	(171,371)	(141,011)	82.3
Grant Expense	348,777	881,850	(533,073)	-60.4	1,480,314	(1,131,537)	-76.4	348,777	881,850	(533,073)	-60.4	1,480,314	(1,131,537)	-76.4
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Total Net Grant (Income) Expense	36,394	(5,359,983)	5,396,378	-100.7	1,308,943	(1,272,548)	-97.2	36,394	(5,359,983)	5,396,378	-100.7	1,308,943	(1,272,548)	-97.2
Net Operating Income (Loss) After Grants	1,467,581	3,087,608	(1,620,027)	-52.5	1,549,155	(81,574)	-5.3	1,467,581	3,087,608	(1,620,027)	-52.5	1,549,155	(81,574)	-5.3
Other Non-Operating (Income) Expense	(369,547)	-	(369,547)	0.0	(50,060)	(319,487)	638.2	(369,547)	-	(369,547)	0.0	(50,060)	(319,487)	638.2
Net Income (Loss)	1,837,128	3,087,608	(1,250,480)	-40.5	1,599,215	237,913	14.9	1,837,128	3,087,608	(1,250,480)	-40.5	1,599,215	237,913	14.9
IFA Home Dept Staff Count	6	6	-	0.0	5	1	20.0	6	6	-	0.0	5	1	20.0
FTE Staff Count	7	7	0	1.6	7	1	13.2	7	7	0	1.6	7	1	13.2

To: Iowa Finance Authority Board of Directors
From: Cindy Harris, Chief Financial Officer
Date: September 3, 2024
Re: Single Family Mortgage Bonds (“1991 Indenture”), 2024 Series GH (“2024 Bonds”)

This resolution authorizes the issuance of bonds in an amount not to exceed \$175 million. However, the expected par amount of the 2024 Bonds is currently anticipated to be about \$100 million. The proceeds will be used to finance new Fannie Mae, Freddie Mac and GNMA mortgage-backed securities (“MBS”) in addition to down payment assistance for the FirstHome and Homes for Iowans loan programs. The 2024 Bonds will be issued within the 1991 Indenture.

Single family reservations have continued to be strong, ranging from \$10-19 million per week between its FirstHome and Homes for Iowans programs since April 1st.

Proposed Transaction and Timing

The Authority expects to begin reserving FirstHome and Homes for Iowans loans the week of September 23rd into the 2024 Bonds. These loans will be securitized and delivered into the Single Family 2024 Bonds. We estimate FirstHome and Homes for Iowans net reservations of approximately \$9.0 million per week and anticipate approximately \$40 million of loan reservations by the mid-October pricing date. The current anticipated structure of the 2024 Bonds is expected to be a combination of both tax-exempt and taxable bonds to fund new MBS. We expect to issue all fixed rate bonds.

- Tax-exempt and taxable bonds will fund new FirstHome MBS and down payment assistance.
- Taxable bonds fund Homes for Iowans MBS and down payment assistance.
- Anticipated pricing of the bonds – October 2024
- Anticipated closing of the bonds – November 2024



RESOLUTION FIN 24-17

Resolution Adopting and Approving Series Resolution Relating to Single Family Mortgage Bonds (Mortgage-Backed Securities Program) in one or more series and Authorizing the Issuance, Sale and Delivery of the Authority's Single Family Mortgage Bonds Pursuant to Such Series Resolution; and Delegating Certain Responsibilities to Authorized Officers for Finalizing Certain Matters, Forms and Contents of Certain Documents

BE IT RESOLVED BY THE IOWA FINANCE AUTHORITY (the "Authority"), as follows:

Section 1. Approval of Series Resolution. The Authority did on July 10, 1991, adopt its Single Family Mortgage Bond Resolution and has adopted certain amendments and supplements thereto (as amended and supplemented, the "General Resolution"), which General Resolution provides for the issuance from time to time of series of bonds upon adoption of Series Resolutions. To provide additional funding for the Program (as defined in the General Resolution), and subject to the parameters set forth in Section 2 of this Resolution, the Authority determines to proceed with the issuance of additional series of its Single Family Mortgage Bonds (Mortgage-Backed Securities Program), in one or more series, a portion of which may be issued as bonds bearing interest at a fixed rate (the "Fixed Rate Bonds") and a portion of which may be issued as bonds bearing interest at a variable rate (the "Variable Rate Bonds" and, together with the Fixed Rate Bonds, the "Bonds"). The Bonds shall be issued pursuant to one or more Series Resolutions (the "Series Resolution") substantially in the form now before this meeting, which is hereby adopted and approved. Authority is hereby delegated to the Director, Chief Financial Officer or Chief Bond Programs Director (each an "Authorized Officer"), and each of them without the other is hereby authorized to execute and to approve such changes, modifications, amendments, revisions and alterations in and to said Series Resolution as such Authorized Officer shall in the exercise of her or his own independent judgment and discretion and upon the advice of counsel determine to be necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery by the Authority of the Bonds as provided and described in this Resolution and said Series Resolution as finally approved and executed by the Authorized Officer (including, without limitation, the authority, subject to the general parameters contained in Section 2 hereof, to designate the series of the Bonds to be issued, to determine the aggregate principal amount of Bonds, and the principal amount of any series of Bonds and to determine which series, if any, shall be composed of Bonds the interest on which shall be includable in gross income for federal income tax purposes). For purposes of this Resolution, Bonds issued with interest not includable in gross income for federal income tax purposes are hereinafter referred to as the "Tax-Exempt Bonds" and Bonds issued with interest includable in gross income for federal income tax purposes are hereinafter referred to as the "Taxable Bonds."

Section 2. Authority for Contracts of Purchase, Continuing Covenant Agreement and Standby Bond Purchase Agreement; Terms of Bonds. Any Authorized Officer, with assistance of counsel, is hereby authorized to negotiate the terms of (a) one or more contracts of purchase

(singularly, the “Contract of Purchase” and, collectively, the “Contracts of Purchase”) with respect to the Bonds with Morgan Stanley & Co. LLC as representative of the underwriters purchasing the Bonds, or with another firm or firms as may be determined by either the Director or Chief Financial Officer (such firm or firms, the “Underwriters”), and to execute on behalf of the Authority any Contract of Purchase so negotiated; provided that the Contracts of Purchase shall be substantially in the form previously utilized with the Underwriters, in connection with bonds previously issued pursuant to the General Resolution, and/or (b) a continuing covenant agreement or similar agreement (a “Continuing Covenant Agreement”) with a financial institution for the purchase of a portion of the Bonds in such form as approved by the Director or Chief Financial Officer in consultation with counsel; provided that in either case the aggregate principal amount of the Bonds sold pursuant to such Contracts of Purchase or Continuing Covenant Agreement shall not exceed \$175,000,000, the final maturity date of the Bonds shall not be later than January 1, 2063, and the underwriting discount or origination or other fee shall not exceed 2% of the principal amount of the Bonds. The average coupon rate for the Tax-Exempt Bonds, if issued as Fixed Rate Bonds, shall not exceed 7.00% per annum and the average coupon rate for the Taxable Bonds, if issued as Fixed Rate Bonds, shall not exceed 8.50% per annum. The Variable Rate Bonds may be issued bearing interest at a variable rate in accordance with an index or formula set forth in the Series Resolution and may be subject to conversion to other variable rate modes based on differing formulas or indices, or to conversion to fixed interest rates, as provided in said Series Resolution and, in connection with any Variable Rate Bonds, any Authorized Officer may at any time negotiate and execute a standby bond purchase agreement with a bank or financial institution selected by an Authorized Officer (the “Standby Bond Purchase Agreement”), and may enter into derivative transactions as further authorized by Section 6 of this Resolution.

Section 3. Authority for Preliminary Official Statement and Official Statement. Any Authorized Officer, with assistance of counsel, is authorized to assist in the preparation of a Preliminary Official Statement to be used by the Underwriters in the offering and sale of a portion or all of the Bonds and to approve the use thereof for such purpose. Any Authorized Officer, with assistance of counsel, is further authorized to approve and execute a final Official Statement, substantially in the form of the Preliminary Official Statement, but with such changes, modifications, amendments, revisions and alterations therein, thereof and thereto as the Authorized Officer shall in the exercise of her or his own independent judgment and discretion and upon advice of counsel determine to be necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of a portion or all of the Bonds. Any Authorized Officer is further authorized to execute and deliver such certifications and to take such steps as are necessary to comply with SEC Rule 15c2-12.

Section 4. Authority for Continuing Disclosure Agreement. Any Authorized Officer, with assistance of counsel, is authorized to negotiate the terms of a continuing disclosure agreement and/or a disclosure dissemination agent agreement (the “Continuing Disclosure Agreement”), to be entered into between the Authority and Digital Assurance Certification, L.L.C. (the “Dissemination Agent”), with provisions substantially similar to continuing disclosure agreements entered into by the Authority in connection with bonds previously issued under the General Resolution, wherein the Authority will covenant for the benefit of the beneficial owners of the Bonds to provide annually certain financial information and operating data relating to the Authority and to provide notices of the occurrence of certain enumerated

events with respect to the Bonds and the Authority, and to execute and deliver such Continuing Disclosure Agreement on behalf of the Authority.

Section 5. Holding of Hearing and Report to Governor. Prior to the issuance and delivery of the Bonds, any Authorized Officer is authorized to establish a date for the holding of the public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and publish the required notice of intention to issue Single Family Mortgage Bonds, in one or more series, in an aggregate principal amount not to exceed \$175,000,000 as required by Section 147(f) of the Code and the Treasury Regulations promulgated thereunder not less than 7 days prior to the date established for the hearing. Subsequent to the hearing, an Authorized Officer is directed to make a report of such hearing to the Governor, and to request the Governor's approval of the issuance of the Tax-Exempt Bonds.

Section 6. General and Specific Authorizations. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby (1) authorizes and directs all of the officers, employees and agents of the Authority to carry out or cause to be carried out, and to perform such obligations of the Authority and such other actions as they, or any one of them, in consultation with counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, the General Resolution, the Series Resolution, the Contracts of Purchase, the Continuing Covenant Agreement, the Standby Bond Purchase Agreement, the Continuing Disclosure Agreement, the Official Statement, and the issuance, sale and delivery of the Bonds, including without limitation and whenever appropriate, the execution and delivery thereof by any Authorized Officer of all other related documents, instruments, certifications and opinions and amendments to documents as may be deemed necessary by an Authorized Officer, and also including (i) giving any required notices of redemption in connection with the redemption, whether mandatory, special or optional, of bonds to be refunded, in whole or in part, from the proceeds of the Bonds and (ii) entering into any derivative transactions and necessary related documents in connection therewith, and (2) delegates the right, power and authority to any Authorized Officer of the Authority to exercise her or his own independent judgment and discretion upon advice of counsel in determining and finalizing the terms, provisions, form and contents of each of the documents hereinbefore referenced and identified, if applicable. The execution and delivery by any Authorized Officer or by any such other officer, officers, agent or agents of the Authority of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the Authority's and their approval of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the Authority and the authorization, approval and ratification by the Authority of the documents, instruments, certifications and opinions so executed and the action so taken.

Section 7. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 3rd day of September, 2024.

Jennifer Cooper, Chairperson

Attest:

Deborah Durham
Director/Secretary

(Seal)

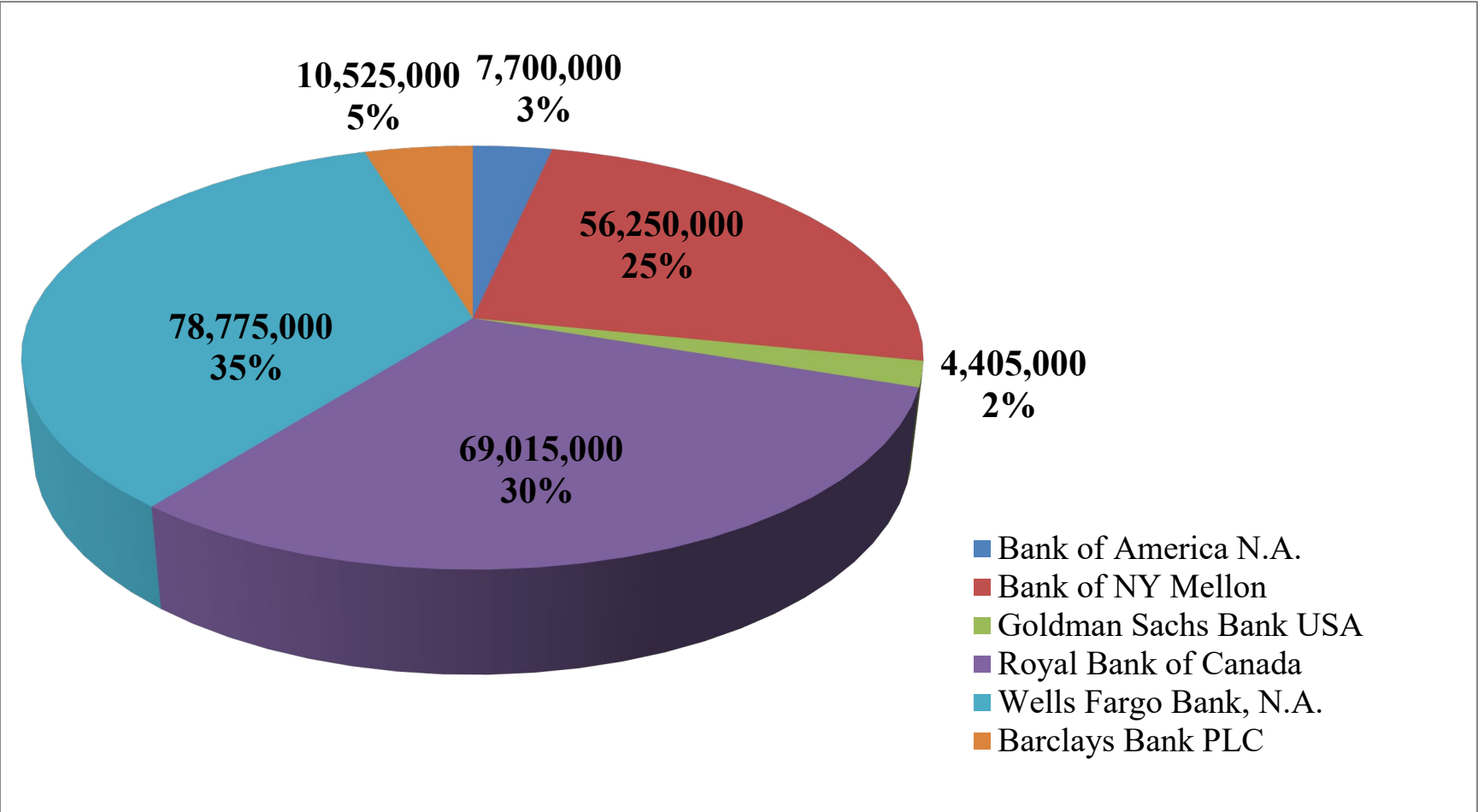
Iowa Finance Authority

Derivative and Liquidity Summary

As of 7/31/2024

Derivative Counterparty Exposure

\$226.7 Million



Variable Rate Debt Derivative Hedge Position

Single Family

(millions)

85% Hedged

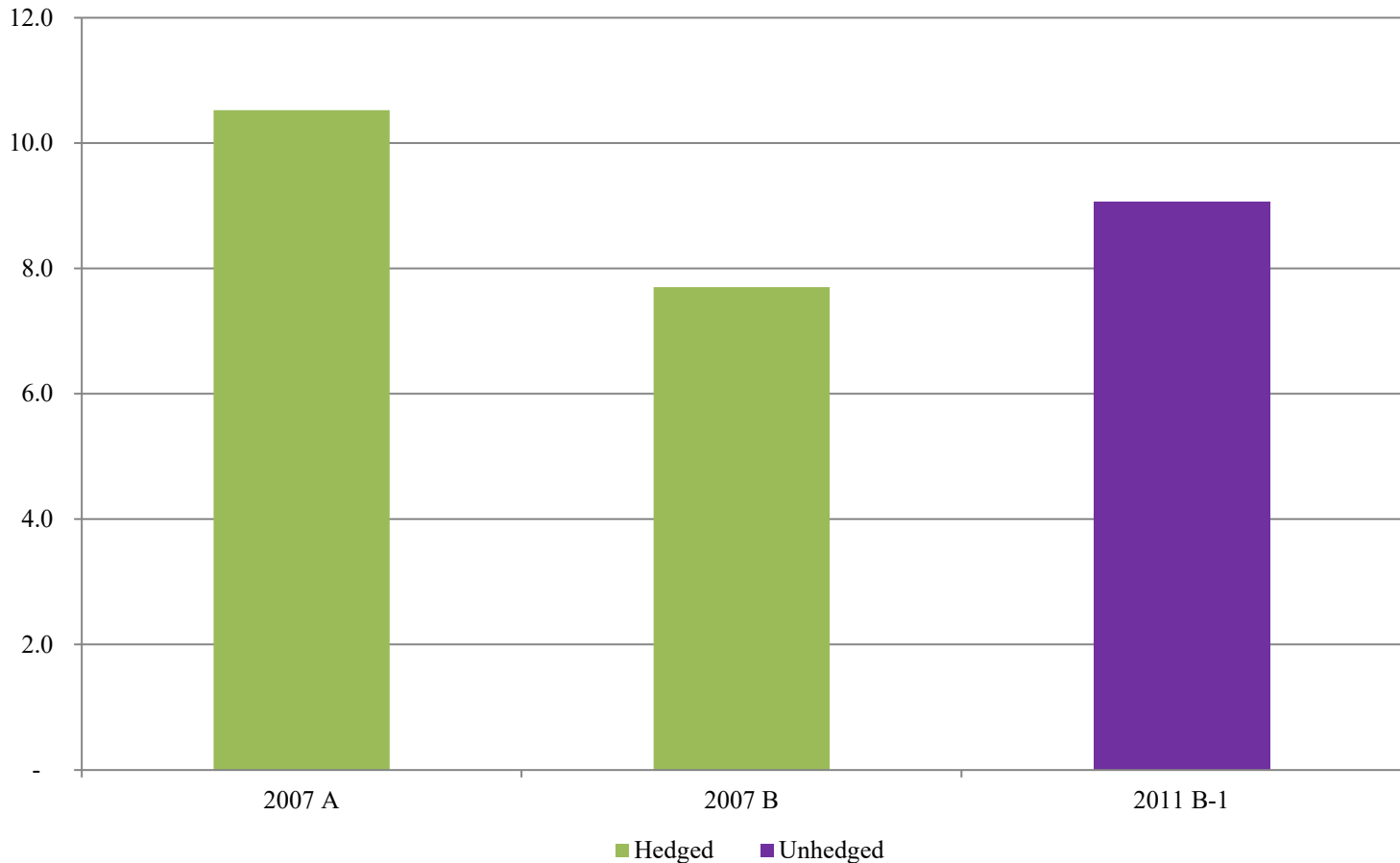


Variable Rate Debt Derivative Hedge Position

Multifamily

(millions)

67% Hedged



Iowa Finance Authority Derivative Summary as of 7/31/2024

Single Family 1991 Indenture

Bond Series	Bond Type	Swap Counterparty	Counter Party Rating*	Derivative Type	Bonds Outstanding	Notional Outstanding Amount	Over (Under) Hedged	Swap Rate Paid by IFA	Rate Received by IFA (7/31/24)	Spread	Swap Market Value	Weighted Average Remaining Life (years) **	Remaining Term of swap notional (years)	Maturity Date
Retired Account	VRDN	Goldman Sachs Bank USA	A1/A+/A+	Fixed-to-Floating Swap		1,925,000		3.766%	3.672%	-0.094%	17,421		0.0	1/1/2036
	VRDN	Royal Bank of Canada	Aa1/AA-/AA-	Fixed-to-Floating Swap		27,765,000		2.518%	3.682%	1.164%	498,429	-	21.4	1/1/2046
Retired Account Total					-	29,690,000	29,690,000				515,850			
2016 Series B	VRDN	Bank of NY Mellon	Aa2/AA-/AA	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	0.870%	3.510%	2.641%	933,469	3.4	3.4	1/1/2028
2016 Series E	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	14,690,000	9,400,000		2.292%	3.510%	1.218%	303,826	-	21.9	7/1/2046
	VRDN	Goldman Sachs Bank USA	A1/A+/A+	Fixed-to-Floating Swap	-	1,240,000		5.289%	5.495%	0.206%	-942	-	0.9	7/1/2025
		Goldman Sachs Bank USA	A1/A+/A+	Floating-to-Floating Basis swap***		1,240,000		5.160%	5.750%	0.590%	2,591	-	0.9	7/1/2025
2016 Series E Total					14,690,000	11,880,000	(4,050,000)				305,476			
2017 Series B	VRDN				7,500,000		(7,500,000)	N/A	N/A	N/A	N/A			
2017 Series D	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	17,500,000	13,125,000	(4,375,000)	2.126%	3.510%	1.384%	560,499	-	22.4	1/1/2047
2018 Series B	VRDN	Bank of NY Mellon	Aa2/AA-/AA	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	2.490%	3.846%	1.356%	1,028,735	0.5	22.9	7/1/2047
2018 Series D	VRDN	Royal Bank of Canada	Aa1/AA-/AA-	Fixed-to-Floating Swap	15,000,000	11,250,000	(3,750,000)	2.638%	3.846%	1.208%	739,704	3.4	23.9	7/1/2048
2019 Series B	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	1.939%	3.510%	1.571%	665,912	5.9	5.9	7/1/2030
2019 Series E	VRDN	Bank of NY Mellon	Aa2/AA-/AA	Fixed-to-Floating Swap	15,000,000	11,250,000	(3,750,000)	1.605%	3.510%	1.905%	1,711,649	4.4	24.4	1/1/2049
2020 Series B	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	1.691%	3.510%	1.819%	2,145,315	4.9	24.9	7/1/2049
2020 Series E	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	15,000,000	11,250,000	(3,750,000)	1.051%	3.510%	2.459%	1,849,667	4.9	10.9	7/1/2035
2021 Series E	FRN (SIFMA+0.34%)	Royal Bank of Canada	Aa1/AA-/AA-	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	1.332%	3.510%	2.178%	1,929,921	6.4	9.4	1/1/2034
2022 Series B	VRDN	Bank of NY Mellon	Aa2/AA-/AA	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	1.5215%	3.510%	1.989%	1,079,008	6.4	6.4	1/1/2031
2022 Series E	FRN (70% SOFR)	Royal Bank of Canada	Aa1/AA-/AA-	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	1.9859%	3.766%	1.780%	800,245	7.9	9.9	7/1/2034
2022 Series H	VRDN	Wells Fargo Bank, N.A.	Aa2/A+/AA-	Fixed-to-Floating Swap	20,000,000	15,000,000	(5,000,000)	2.3570%	5.320%	2.963%	1,182,382	7.4	17.9	7/1/2042
1991 Indenture Total					244,690,000	208,445,000	(37,485,000)				15,447,834			

Multifamily 2005 Indenture

Bond Series	Bond Type	Swap Counterparty	Counter Party Rating*	Derivative Type	Bonds Outstanding	Notional Outstanding Amount	Over (Under) Hedged	Swap or Cap Rate	Swap Market Value	Weighted Average Remaining Life (years) **	Remaining Term of swap notional (years)	Maturity Date
Multifamily 2007 A	VRDN	Barclays Bank PLC	A1/A+/A+	SIFMA Interest Rate Cap	10,525,000	10,525,000	-	6%	118	1.9	1.9	7/1/2026
Multifamily 2007 B	VRDN	Bank of America N.A.	Aa1/A+/AA	SIFMA Interest Rate Cap	7,700,000	7,700,000	-	5.00%	156	1.4	1.4	1/1/2026
Multifamily Private Placement 2011 B-1****	FRN (1M Term SOFR + 0.1148% + 1.12%)				9,063,216		(9,063,216)		-			
2005 Indenture Total					27,288,216	18,225,000	(9,063,216)		274			
Indenture Totals					271,978,216	226,670,000	(46,548,216)		15,448,108			

* Ratings are Moody's / S&P / Fitch

** Based on exercising the full par termination options of the swap as of 8/1/24

*** Basis swaps which are layered to match the amortization of the Fixed-to-Floating swaps.

IFA receives SOFR plus a spread from the counterparty on the basis swaps. In exchange for tax risk taken, IFA pays 147% of SIFMA to the counterparty

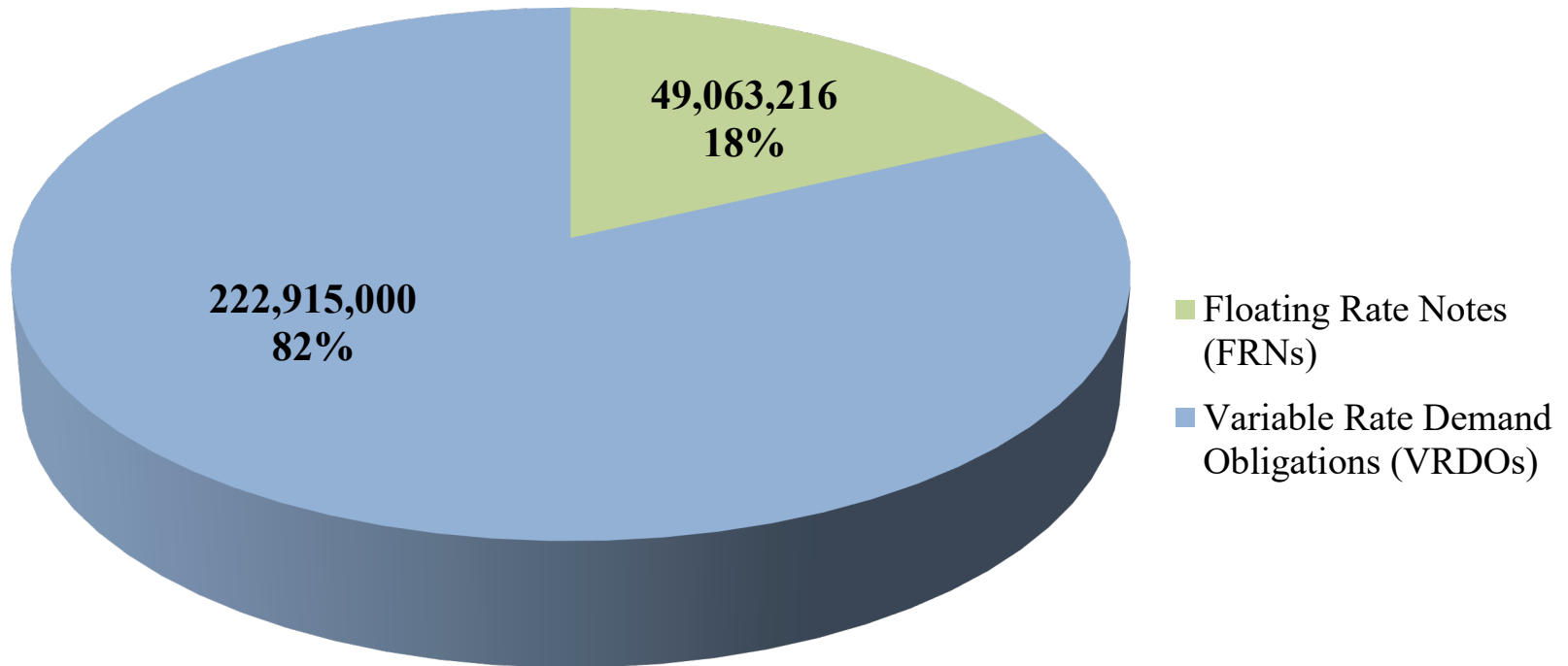
**** IFA entered into an interest rate exchange with the developer to lock in a net profit of 1.50%

83.34%

Variable Rate Debt

Floating Rate Notes (FRNs) and Variable Rate Demand Obligations (VRDOs)

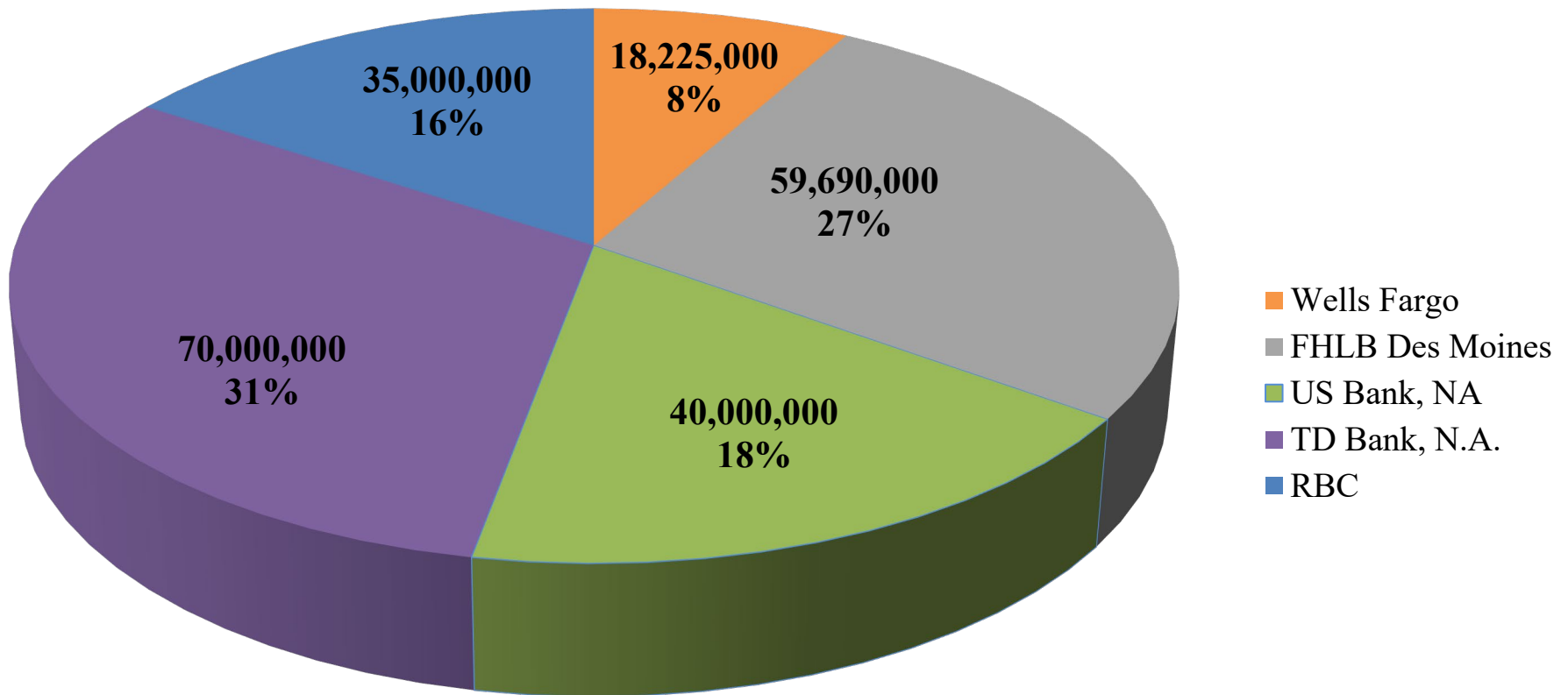
\$272 Million



Liquidity Counterparty Exposure

(Variable Rate Demand Obligations)

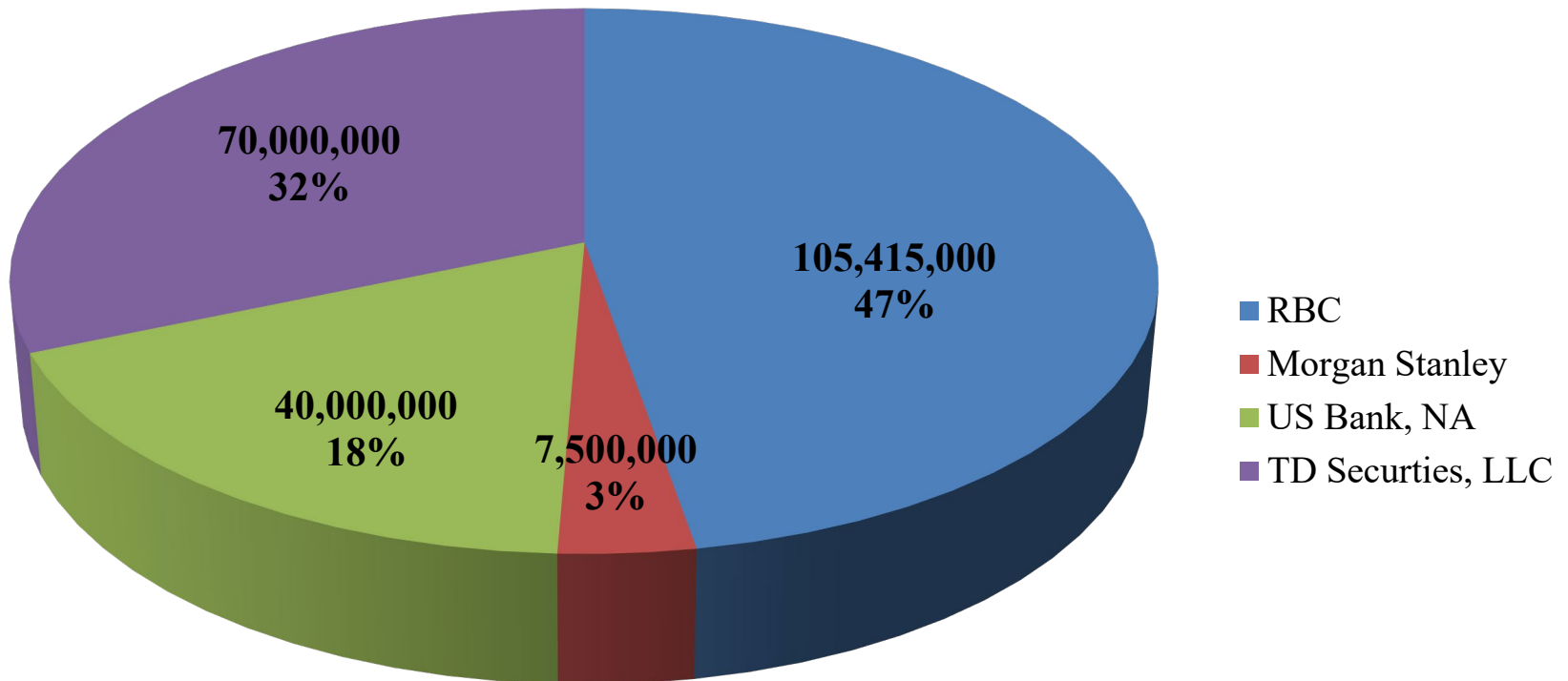
\$223 Million



Remarketing Counterparty Exposure

(Variable Rate Demand Obligations)

\$223 Million



Variable Rate Debt & Liquidity Provider Summary

Associated Bonds	Original	1/31/2022	7/31/2022	1/31/2023	7/31/2023	1/31/2024	7/31/2024	Liquidity Provider	Expiration Date	Remaining Term (years)	Annual Fee
<u>Single Family</u>											
2015 Series B	40,000,000	40,000,000	40,000,000	39,360,000	Refunded	Refunded	Refunded	Federal Home Loan Bank - Des Moines	N/A	N/A	N/A
2016 Series B	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	Federal Home Loan Bank - Des Moines	3/31/2027	2.7	0.26%
2016 Series E	15,000,000	14,690,000	14,690,000	14,690,000	14,690,000	14,690,000	14,690,000	Federal Home Loan Bank - Des Moines	10/26/2026	2.2	0.25%
2017 Series B	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000	Federal Home Loan Bank - Des Moines	5/16/2027	2.8	0.30%
2017 Series D	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	17,500,000	Federal Home Loan Bank - Des Moines	9/27/2024	0.2	0.27%
2018 Series B	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	TD Bank, NA	10/13/2026	2.2	0.20%
2018 Series D	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	RBC	5/19/2026	1.8	0.30%
2019 Series B	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	US Bank, NA	9/15/2027	3.1	0.22%
2019 Series E	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	TD Bank, NA	10/13/2026	2.2	0.26%
2020 Series B	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	TD Bank, NA	8/18/2025	1.1	0.26%
2020 Series E	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	TD Bank, NA	8/18/2025	1.1	0.24%
2021 Series E	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	N/A (Floating Rate Note)	3/28/2025	0.7	N/A
2022 Series B	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	RBC	2/9/2027	2.5	0.24%
2022 Series E	20,000,000		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	N/A (Floating Rate Note)	7/1/2025	0.9	N/A
2022 Series H	20,000,000			20,000,000	20,000,000	20,000,000	20,000,000	US Bank, NA	9/15/2027	3.1	0.22%
	285,000,000	244,690,000	264,690,000	284,050,000	244,690,000	244,690,000	244,690,000				
<u>Multifamily</u>											
2007 Series AB	22,000,000	19,105,000	19,105,000	19,105,000	19,105,000	18,225,000	18,225,000	Wells Fargo Bank, NA	11/1/2024	0.3	0.42%
2011 Series B-1	11,500,000	9,700,937	9,598,620	9,450,212	9,318,034	9,204,255	9,063,216	N/A (Floating Rate Note)	2/1/2026	1.5	N/A
	33,500,000	28,805,937	28,703,620	28,555,212	28,423,034	27,429,255	27,288,216				
Total	318,500,000	273,495,937	293,393,620	312,605,212	273,113,034	272,119,255	271,978,216				

Liquidity Exposure

	1/31/2022	7/31/2022	1/31/2023	7/31/2023	1/31/2024	7/31/2024	Counterparty Credit Rating*
Wells Fargo	19,105,000	19,105,000	19,105,000	19,105,000	18,225,000	18,225,000	Aa2/A+
FHLB Des Moines	99,690,000	99,690,000	99,050,000	59,690,000	59,690,000	59,690,000	Aaa/AA+
US Bank, NA	20,000,000	20,000,000	40,000,000	40,000,000	40,000,000	40,000,000	Aa3/A+
TD Bank, N.A.	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	Aa2/AA-
RBC	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000	Aa1/AA-
	243,795,000	243,795,000	263,155,000	223,795,000	222,915,000	222,915,000	

Remarketing Exposure

RBC	106,295,000	106,295,000	106,295,000	106,295,000	105,415,000	105,415,000	Aa1/AA-
Morgan Stanley	47,500,000	47,500,000	46,860,000	7,500,000	7,500,000	7,500,000	A1/A-
US Bank, NA	20,000,000	20,000,000	40,000,000	40,000,000	40,000,000	40,000,000	Aa2/AA-
TD Securities, LLC	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	Aa2/AA-
	243,795,000	243,795,000	263,155,000	223,795,000	222,915,000	222,915,000	

* Ratings are Moody's / S&P

To: Iowa Finance Authority Board of Directors
From: Samantha Askland, Underwriter
Date: September 3, 2024
Re: Emri Apartments

Background: This proposed new construction family project was approved for 9% LIHTC during the 2023 round. It will be located at 2000 Radford Road in Dubuque. The project will be a single, three-story apartment building and will be on a 2.91-acre site. There will be eight 1-bedroom units, twenty-two 2-bedroom units and eighteen 3-bedroom units. There will be twelve 40% AMI units and thirty-six 60% AMI units. Amenities will include: in unit washer/dryer, community room with kitchenette, patio/balcony area with each unit, picnic and BBQ area, elevator and an onsite leasing office.

Borrower:	Dubuque Housing, LLC
Developer:	St. Michael Development Group, LLC
Management Company:	Sand Property Management, LLC
Syndicator:	Wells Fargo Community Investment Holding, LLC
Construction Lender:	Wells Fargo Bank

1st Permanent Loan

Proposed Loan Amount:	\$1,805,000
Term & Amortization:	15-year term / 35-year amortization
Rate:	Fixed rate set at construction loan closing; currently 6.50% with a two-year lock
Debt Service Coverage Ratio:	1.33:1 (1.29:1 overall)

Loan closing parameters:	Upon 92% occupancy and a 1.15 to 1.00 debt service coverage for an average of three months
Operating Reserve Amount:	\$237,250 (held by IFA)
Replacement Reserve:	\$350/unit in year 1, escalate each year thereafter (held by IFA)
Loan-to-Value:	48%
IFA Fees:	1% of permanent loan

Staff recommendation: We recommend the Iowa Finance Authority (“IFA”) work with Dubuque Housing, LLC to provide a 1st mortgage permanent loan under the Multifamily Loan Program for the Emri Apartments project.

Proposed Motion: Motion to approve IFA providing a 1st mortgage permanent loan under the Multifamily Loan Program to Dubuque Housing, LLC.

Submitted By: Samantha Askland

Attachments: 15-year cash flow pro forma and renderings of the project



15 YEAR CASH FLOW PROFORMA

Name: **Emri Apartments**
 Address: 2000 Radford Road, Dubuque, Iowa Escalators:
 County: Dubuque
 Income: 2.00%
 Expenses: 3.00%
 Reserves: 3.00%
 Vacancy Rate: 7.00%
 Management Fee: 7.00%
 Replacement Reserves PUPA: \$350
 Bedroom type: 40% units 1 bedroom, 40% units 2 bedroom, 40% units 3 bedroom, 60% units 1 bedroom, 60% units 2 bedroom, 60% units 3 bedroom
 Projected Rent: \$ 620, \$ 740, \$ 840, \$ 873, \$ 1,000, \$ 1,195
 No. of Units: 5, 2, 2, 2, 19, 15
 40% HOME 1 bedroom \$ 571, 40% HOME 2 bedroom \$ 709, 40% HOME 3 bedroom \$813

	1st Mtge:	\$1,805,000	Rate 6.500%	Amort 35.00	Term 15.00
--	-----------	-------------	----------------	----------------	---------------

Income:	Year 1 2026	Year 2 2027	Year 3 2028	Year 4 2029	Year 5 2030	Year 6 2031	Year 7 2032	Year 8 2033	Year 9 2034	Year 10 2035	Year 11 2036	Year 12 2037	Year 13 2038	Year 14 2039	Year 15 2040
Gross Rent Revenue - 100%	564,288	575,574	587,085	598,827	610,803	623,020	635,480	648,190	661,153	674,376	687,864	701,621	715,654	729,967	744,566
Cable, Laundry, Misc.	4,500	4,590	4,682	4,775	4,871	4,968	5,068	5,169	5,272	5,378	5,485	5,595	5,707	5,821	5,938
Less: Vacancies (with bad debts)	(39,500)	(40,290)	(41,096)	(41,918)	(42,756)	(43,611)	(44,484)	(45,373)	(46,281)	(47,206)	(48,150)	(49,113)	(50,096)	(51,098)	(52,120)
Net Rental Revenue (NRR)	529,288	539,874	550,671	561,684	572,918	584,377	596,064	607,985	620,145	632,548	645,199	658,103	671,265	684,690	698,384
Operating Expenses:															
Advertising	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513
Office Expenses	8,700	8,961	9,230	9,507	9,792	10,086	10,388	10,700	11,021	11,352	11,692	12,043	12,404	12,776	13,160
Property Management Fee	40,320	41,126	41,949	42,788	43,644	44,517	45,407	46,315	47,241	48,186	49,150	50,133	51,136	52,158	53,201
Onsite Manager Salary	65,000	66,950	68,959	71,027	73,158	75,353	77,613	79,942	82,340	84,810	87,355	89,975	92,674	95,455	98,318
Legal Expenses	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025
Auditing Expenses	7,000	7,210	7,426	7,649	7,879	8,115	8,358	8,609	8,867	9,133	9,407	9,690	9,980	10,280	10,588
Electricity & Gas	23,000	23,690	24,401	25,133	25,887	26,663	27,463	28,287	29,136	30,010	30,910	31,837	32,793	33,776	34,790
Water & Sewer	22,000	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	30,453	31,367	32,308	33,277
Trash	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501	9,786	10,079	10,382	10,693	11,014	11,344
Maintenance Payroll	27,000	27,810	28,644	29,504	30,389	31,300	32,239	33,207	34,203	35,229	36,286	37,374	38,496	39,650	40,840
Maintenance Supplies	9,000	9,270	9,548	9,835	10,130	10,433	10,746	11,069	11,401	11,743	12,095	12,458	12,832	13,217	13,613
Snow Removal	12,000	12,360	12,731	13,113	13,506	13,911	14,329	14,758	15,201	15,657	16,127	16,611	17,109	17,622	18,151
Decorating	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610	2,688	2,768	2,852	2,937	3,025
Insurance	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378
Real Estate Taxes	30,369	33,211	36,072	38,990	41,902	42,885	45,815	46,761	49,714	50,689	50,869	50,869	50,869	50,869	50,869
Security System Expense	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513
IFA Compliance Fee	1,920	1,978	2,037	2,098	2,161	2,226	2,293	2,361	2,432	2,505	2,580	2,658	2,737	2,820	2,904
Telephone/cable/internet	11,000	11,330	11,670	12,020	12,381	12,752	13,135	13,529	13,934	14,353	14,783	15,227	15,683	16,154	16,638
Grounds Maintenance	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159	20,764	21,386	22,028	22,689
Repairs/Exterminating/Fire Safety	22,000	22,660	23,340	24,040	24,761	25,504	26,269	27,057	27,869	28,705	29,566	30,453	31,367	32,308	33,277
Total Operating Expenses	337,809	349,471	361,408	373,667	386,191	397,066	410,177	421,600	435,335	447,406	429,005	441,055	453,438	466,308	479,530
Net Operating Income	191,479	190,403	189,263	188,017	186,727	187,310	185,887	186,385	184,811	185,142	216,193	217,048	217,827	218,383	218,854
Reserve Replacement Funds	16,800	17,304	17,823	18,358	18,909	19,476	20,060	20,662	21,282	21,920	22,578	23,255	23,953	24,671	25,412
Adjusted N.O.I.	174,679	173,099	171,440	169,660	167,818	167,834	165,827	165,724	163,529	163,222	193,616	193,792	193,874	193,711	193,442
1st Mortgage Debt Service	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860	130,860
2nd loan - IFA State HOME Loan	5000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Debt Service Ratio - 1st Mortgage	1.33	1.32	1.31	1.30	1.28	1.28	1.27	1.27	1.25	1.25	1.48	1.48	1.48	1.48	1.48
Debt Service Ratio - Overall	1.29	1.27	1.26	1.25	1.24	1.24	1.22	1.22	1.20	1.20	1.43	1.43	1.43	1.43	1.42
Net Cash Flow	38,819	37,239	35,580	33,800	31,958	31,974	29,968	29,864	27,669	27,362	57,756	57,933	58,014	57,851	57,582

Source of Funds

1st Mortgage	\$1,805,000.00	
2nd Loan - IFA State HOME Loan	\$500,000.00	
Manager Loan	\$688,781.00	
Deferred Developer Fee	\$362,500.00	
City of Dubuque - 0% interest loan	\$480,000.00	
Manager - cash contribution	\$1,043.00	
Tax Credit Equity	\$10,430,741.00	
Total Source of Funds		\$14,268,065.00

Use of Funds

Purchase Land/buildings	\$530,000.00	
Total Site Work	\$739,537.00	
Total Construction Costs	\$9,886,186.00	
Construction Contingency	\$551,386.00	
Const. Interest/Origination Fee/Taxes During Const.	\$588,100.00	
Architectural and Engineering fees	\$423,000.00	
Rent-up/Marketing	\$45,800.00	
Title and Recording Fees	\$50,000.00	
Perm Loan Origination Fees	\$18,050.00	
Accounting/Cost Certification	\$18,000.00	
Market Study/Appraisal	\$14,000.00	
Borrower Legal/Real Estate fees	\$90,000.00	
IFA Compliance/Construction Monitoring Fees	\$14,436.00	
Tax Credit Fees	\$123,500.00	
Environmental Studies/Consultant/Energy audit	\$23,000.00	
Furnishings/Equipment	\$118,244.00	
Predevelopment Loan Fees and Interest	\$40,000.00	
Developer's Fee	\$725,000.00	
Operating Reserve & TIF Reserve	\$269,826.00	
Total Use of Funds		\$14,268,065.00



To: Iowa Finance Authority Board of Directors
 From: Terri Rosonke, Housing Programs and Strategic Initiatives Manager
 Date: September 3, 2024
 Re: State Housing Trust Fund (SHTF) – Project-Based Housing Program Award

Application Summary: #25-PBHP-01

Applicant: Iowa Heartland Habitat for Humanity
Project Location: Waterloo (Black Hawk County)
Project Name: New Home Construction – Wellington Street
Funding Request: \$50,000
Number of Units: 1
Total Budget: \$221,217
Project Type: Homeownership
Activity: New construction of affordable housing

Iowa Heartland Habitat for Humanity has requested a \$50,000 grant to help construct a single-family home on an infill lot located on Wellington Street in a neighborhood just north of downtown Waterloo. The new home, to be sold to an income-qualified homebuyer using a 0% interest Habitat mortgage, will include approximately 1,215 square feet of finished living space with three bedrooms and one and a half bathrooms. The home also will include a full unfinished basement and an attached single-car garage. The Habitat partner family purchasing the home will receive financial, home repair, homeownership, and foreclosure prevention education and must complete the required sweat equity hours prior to closing.

Iowa Heartland Habitat for Humanity has completed 211 home builds since its inception in 1990 plus an additional 249 critical home repair projects. The affiliate is currently the second largest builder of Habitat homes in Iowa.

Funding Recommendation

Applicant	Project Location	Funding Recommendation
#25-PBHP-01, Iowa Heartland Habitat for Humanity Project Location: Waterloo (Black Hawk County)	Waterloo (Black Hawk County)	\$50,000



Program Budget Summary

Total FY 2025 SHTF Project-Based Housing Program Budget	\$300,000
Total FY 2025 Funding Recommendations/Awards to Date (including this Board Report)	\$50,000
Total FY 2025 Funding Remaining Available for Award (if Funding Recommendation(s) in this Board Report are approved)	\$250,000

Staff Recommendation: IFA staff has reviewed the application referenced in this Board Report pursuant to the criteria set forth in the Allocation Plan and recommends that the Board award funds as set forth in this Board Report, contingent upon satisfaction of the following prior to the disbursement of any SHTF Project-Based Housing Program grant funds to the Grantee:

- IFA staff must review and approve the homebuyer’s gross annual household income verification documentation as submitted by the Grantee to ensure the homebuyer is income-qualified under program guidelines.

Proposed Motion: Award a \$50,000 SHTF Project-Based Housing Program grant to Iowa Heartland Habitat for Humanity under application #25-PBHP-01 and authorize IFA staff to prepare a grant award agreement consistent with this Board Report

Submitted By: Terri Rosonke, Housing Programs and Strategic Initiatives Manager

Attachments: None



THE POWER OF HOMEOWNERSHIP

The Effect of Iowa Heartland Habitat for Humanity Homeownership on Wealth Creation, Life Satisfaction, and Health

homeowners build instant wealth of **\$116K**

For many, homeownership is an essential component in building household wealth, but challenges to homeownership are many and varied for low to modest-income families.

Homeownership through Iowa Heartland Habitat's program keeps monthly payments affordable at no more than 29% of gross earnings. Iowa Heartland Habitat also offers mortgage down payment assistance and zero-interest loans.

Homeownership helps families build wealth and also affects their outlook on life and general health and well-being.

Research Questions & Methods

To better quantify the impacts of Iowa Heartland Habitat's homeownership program, the following tools were used:

- A financial analysis of Iowa Heartland Habitat home transactions over the past 10 years to determine household wealth
- A survey of 184 Iowa Heartland Habitat homeowners and applicants

Three critical factors that can affect homeownership and life satisfaction were examined: feelings of financial well-being, physical health, and psychological well-being.



Since 1990, Iowa Heartland Habitat for Humanity has operated in Black Hawk, Butler, Bremer, and Buchanan counties, building homes for homebuyers and completing critical home repairs in owner-occupied homes. We are dedicated to eliminating substandard housing through construction, rehabilitation, and preserving homes; by advocating for fair housing policies; and by providing access to resources to help families improve their shelter conditions.

Everyone deserves a decent place to live.

Key Findings

Iowa Heartland Habitat homeowners received financial rewards of \$116,000 per family, on average, over the last ten years. When calculated over 20 new and rehabbed homes from approximately \$2 million invested, the total immediate financial impact alone for 20 homeowner recipients is \$2.32 million.

Financial well-being correlates significantly with current health. In addition:

- Homeownership positively impacts life satisfaction, increasing it by 20%.

Financial well-being among homeowners increased by **15.8%**

- Psychological well-being among homeowners increased by 12%.
- The effect of homeownership on life satisfaction is enhanced by 49% when financial well-being, health, and psychological well-being are included.

When compared to Iowa Heartland Habitat applicants, homeowners were more likely to be employed full-time, obtain a 4-year college degree, and have higher income levels. They also had larger savings and retirement accounts and were more likely to remain married.

- Iowa Heartland Habitat's neighborhood and asset-based approach has already shown increases in home valuation over the past 10 years, which will lead to increased

property tax revenue & **improved home valuations**

- for previously economically distressed neighborhoods.
- Habitat has major impacts on minority and female-led households. Over half of all homeowners in the study were minority homeowners and a majority of homeowner respondents were female.

Research done in partnership with the University of Northern Iowa.
Study Neighborhoods: Church Row and Walnut

Conclusions

Homeownership through Iowa Heartland Habitat has a significant and immediate effect on people's finances and well-being, leading to improved life satisfaction.

Iowa Heartland Habitat homeowners feel better off financially than Iowa Heartland Habitat applicants. Financial well-being correlates significantly with current health.

Subsequent improvements are seen in psychological well-being allowing homeowners to pursue leisure activity and other pursuits associated with psychological calm. Improved health leads to psychological well-being.

Iowa Heartland Habitat's impact has predominantly helped those who historically experienced the most barriers to homeownership.

life satisfaction enhanced **49%**



Future Goals & Objectives

We'll continue to track homeowners and applicants over time in target neighborhoods to quantify the impact of Iowa Heartland Habitat's innovative neighborhood-focused and asset-based approach, expecting to see increasing positive outcomes for homeowners.

To: Iowa Finance Authority Board of Directors
From: Stacy Cunningham
Date: September 3, 2024
Re: 2025 First Amended 9% Qualified Allocation Plan “QAP”

Pursuant to Section 42 of the Internal Revenue Code and Iowa Code section 16.35, the Iowa Finance Authority (the “Authority”) must draft one or more qualified allocation plans which governs the allocation of tax credits under Section 42 of the Code. Last month, the Board approved the 2025 9% QAP with one modification to be completed. This has been completed. While doing that modification, it was discovered that in QAP Part C, Construction Requirements, Section 15 Building Standards that the two International Building Code “IBC” referenced were inadvertently changed to 2021 from the draft to the final and should have remained as 2015. The first amendment changes the year back to 2015 for both IBC references as well as a typographical error in Section 14.7(c).

The Authority’s proposed 2025 First Amended 9% QAP is attached as Exhibit A hereto.

Staff recommendation: Authority staff recommends that the Board approve the 2025 First Amended 9% QAP as set forth on Exhibit A hereto.

Proposed Motion: Motion to approve the 2025 First Amended 4% QAP as presented.

2025 — FIRST AMENDED 9% QUALIFIED ALLOCATION PLAN (QAP)

This Qualified Allocation Plan (QAP) governs the 2025 — 9% Low-Income Housing Tax Credit (LIHTC) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.



TABLE OF CONTENTS

INTRODUCTION 3

PART A – APPLICATION REQUIREMENTS 4

SECTION 1. SET-ASIDES AND TAX CREDIT LIMITS 5

SECTION 2. APPLICATION PROCESS OVERVIEW 8

SECTION 3. ELIGIBILITY 12

SECTION 4. APPLICATION UNDERWRITING STANDARDS 18

SECTION 5. BASIS BOOST 21

SECTION 6. SCORING CRITERIA 22

SECTION 7. SELECTION CRITERIA AND AWARD PROCESS 30

PART B – POST RESERVATION REQUIREMENTS 32

SECTION 8. CHANGES TO THE APPLICATION AFTER AWARD 33

SECTION 9. CARRYOVER ALLOCATION-TEN PERCENT TEST APPLICATION 33

SECTION 10. PRIOR TO PLACED-IN-SERVICE DOCUMENTS 34

SECTION 11. APPLICATION FOR IRS FORM 8609 34

SECTION 12. CASUALTY LOSS AND COMPLIANCE 34

SECTION 13. TERMS AND CONDITIONS 35

PART C. CONSTRUCTION REQUIREMENTS 37

SECTION 14. PRIOR TO INITIATION OF CONSTRUCTION 38

SECTION 15. BUILDING STANDARDS 43

PART D – GLOSSARY OF TERMS 44

INTRODUCTION

This Qualified Allocation Plan (QAP) governs the 2025 — federal 9% Low-Income Housing Tax Credit (Tax Credit) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.

The mission of the State of Iowa federal housing Tax Credit Program is to enhance the lives of Iowans by partnering with developers who share our mission of preserving and expanding affordable housing. The QAP, online application, and policies and procedures were developed to meet this mission, as well as all requirements of Section 42 of the Internal Revenue Code (Code).

The Code requires each Allocating Agency to develop a QAP for use in determining those developments that will receive an allocation of Tax Credits. If the relevant IRS Code or IRS regulations that govern this program are amended, the IFA Board may amend this QAP to ensure it conforms.

The Code requires that the QAP include three statutory preferences: developments serving the lowest-income tenants, developments affordable for the longest periods of time, and developments located in qualified census tracts (QCTs) designated by the U.S. Department of Housing and Urban Development (HUD) that contribute to a Concerted Community Revitalization Plan. The Code also requires the QAP to consider ten statutory selection criteria: project location; housing needs characteristics; project characteristics; sponsor characteristics; tenant populations with special housing needs; public housing waiting lists; tenant populations of individuals with children; projects intended for eventual tenant ownership; energy efficiency of the project; and historic nature of the project.

In addition to federal requirements, IFA has developed three goals for this QAP:

- A. Build durable rental units that will remain quality assets in communities,
- B. Build rental units in communities and sites that have high opportunity for residents, and
- C. Build rental units that are affordable for rent-burdened residents.

In the process of administering the Tax Credit program, IFA will make decisions and interpretations regarding this QAP, Applications, and Projects. Unless otherwise stated, IFA is entitled to full discretion in making such decisions.

IFA shall become the owner of the Applications. IFA is not responsible for any costs incurred by Applicants.

In all instances in which federal, state, or local requirements apply to the Project, the most restrictive requirements shall apply.

PART A – APPLICATION REQUIREMENTS

SECTION 1. SET-ASIDES AND TAX CREDIT LIMITS.

1.1 AMOUNT OF TAX CREDITS TO BE ALLOCATED. The amount of annual Tax Credits allocated to Iowa by the federal government for this program is based on a per-capita amount derived from population estimates released by the Internal Revenue Service (IRS). IFA intends to award all Tax Credits allocated in the current year along with any returned Tax Credits from previous years.

1.2 SET-ASIDES. The funding round will include the following set-asides. Projects competing in a set-aside may compete in the General Set-Aside except the Innovation Set-Aside.

- A. **Innovation Set-Aside.** IFA may award up to \$1,000,000 in Tax Credits to no more than one project that applies for the Innovation Set-Aside.
1. Refer to Appendix P – Innovation Set-Aside for more information on the Innovation Set-Aside.
 2. The Director may waive specific requirements of this QAP for projects applying under the Innovation Set-Aside.
- B. **Nonprofit Set-Aside.** Under this set-aside, Qualified Nonprofit Organizations shall receive at least 10% of all available Tax Credits. Not more than 90% of the available Tax Credits shall be allocated to projects other than to Projects qualifying for this set-aside. IFA will determine whether an Entity is a Qualified Nonprofit Organization for the purpose of this Set-Aside.

To qualify for the Nonprofit Set-Aside:

1. A Qualified Nonprofit Organization must be the Developer or Co-Developer.
2. The Nonprofit shall have a designation under Internal Revenue Code (IRC) Section 501(c)(3) or 501(c)(4), is tax-exempt from tax under Section 501(a), and be qualified to do business in Iowa.
3. The Nonprofit shall not be formed for the principal purpose of being included in the Nonprofit Set-Aside.
4. The Nonprofit shall not be affiliated with or controlled by a for-profit organization. IFA, in its sole discretion, shall make a determination that the Nonprofit is not affiliated with or controlled by a for-profit organization. Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any person or Affiliate thereof, whether through the ownership of voting securities, by contract or otherwise, including specifically, ownership of more than 50% of the General Partner interest in a limited partnership, or designation as General Partner/Managing Member of a limited liability company.

IFA shall consider all evidence available in determining, in its sole discretion, if a Nonprofit is affiliated with a for-profit organization, including but not limited to the following circumstances:

- Board independence.
- Nonprofit who is the sole member of the for-profit GP/MM is not also the sole manager of the for-profit GP/MM.
- Nonprofit organization using an address for their for-profit GP/MM entity or for their own, that is same as a for-profit entity.
- Organizational recordings for the Nonprofit organization or the GP/MM that the Nonprofit is the sole member, manager, or shareholder of, done by employees or attorneys employed by of a for-profit developer or affiliates thereof.

5. The Nonprofit and/or parent Nonprofit organization shall have, as one of its tax-exempt purposes, the fostering of low-income housing and shall have been so engaged for the two years prior to the Application submission date. The Applicant shall demonstrate that the Nonprofit's programs include a low-income housing component that previously placed Federal Housing Tax Credit Units in service. Consistent with Rev. Proc. 96-32, 1996-1 C.B. 717, the Applicant shall explain how the Nonprofit is pursuing a charitable purpose by fostering low-income housing.
 6. The Nonprofit shall be an Owner Representative, either directly as a General Partner or through a wholly owned subsidiary as defined in IRC Section 42(h)(5)(d)(i) and (ii) throughout the Compliance Period. If there are two or more Owner Representatives, each must be Nonprofit, but only one must meet the requirements of Section 1.2 A 5 above. The Nonprofit shall materially participate in the development and operation of the Project throughout the Compliance Period. Nonprofit material participation is defined in IRC Section 469(h) and Treasury Regulation 1.469-5T.
 7. The Nonprofit shall materially participate in the development and operation of the Project throughout the Compliance Period. Nonprofit material participation is defined in IRC Section 469(h) and Treasury Regulation 1.469-5T.
 8. The Nonprofit shall have a minimum of one paid employee.
 9. The Nonprofit shall receive no less than 50% of the combined total of the Developer and Consultant Fee
- C. **Rural Set-Aside.** IFA will award at least \$1,600,000 in Tax Credits to Applications in Rural counties. Refer to Appendix A – QCT's, DDA's and Rural Counties.
- D. **General Set-Aside.** IFA will award the remaining Tax Credits to Applications in a general competition.

1.3 PROJECT LIMITATIONS.

A. Per Unit Tax Credit Cap.

Project Type	Amount per Tax Credit Unit	Description
Family New Construction or Adaptive Reuse Projects	\$27,500 per Tax Credit Unit	Projects shall not include more than 20% 1BR or smaller Units, and the average bedroom size shall be at least 2.2 bedrooms.
	\$30,250 per Tax Credit Unit	Projects shall not include more than 20% 1BR or smaller Units, shall include at least 10% 4BR Units, and the average bedroom size shall be at least 2.5 bedrooms.
Senior New Construction or Adaptive Reuse Projects	\$24,750 per Tax Credit Unit	Projects shall not include more than 20% Studio Units, and the average bedroom size shall be at least 1.1 bedrooms.
Acquisition/Rehabilitation Projects	\$19,250 per Tax Credit Unit	
Permanent Supportive Housing Projects	\$27,500 per Tax Credit Unit	Project unit mix shall be appropriate for the population to be served.

- B. **Project Cap.** The maximum Tax Credit amount that will be awarded to any one Project is \$1,300,000.
- C. **Developer, General Partner/Managing Member Cap.** IFA will not award Tax Credits to any project in which the Developer, General Partner/Managing Member, or Affiliate is controlled by an individual or entity that is involved with other awarded projects in the same round that, in the aggregate, have been awarded 2 projects or \$1,600,000. Whether an individual's or entity's involvement in a project counts towards the calculation of the 2 projects or \$1,600,000 limit is in IFA's sole discretion. IFA reserves the right to waive this cap in order to meet the Nonprofit Set-Aside.
- D. **Open Projects Limitation.** A single individual, entity or entities controlled by such individuals, or entities involved as a Developer, General Partner/Managing Member or Affiliate that has a total of 4 or more open Tax Credit Projects in Iowa shall be eligible for only 1 award in the current funding round, regardless of team member role that the entity is listed as in the Tax Credit Application(s). A Project is considered open once it receives a Tax Credit Reservation and closed upon IRS Form 8609 issuance. IFA reserves the right to waive this limitation in order to meet the Nonprofit Set-Aside.
- E. **Community Cap.** A city in a rural county shall receive no more than 1 Tax Credit award, and a rural county shall receive no more than 2 9% Tax Credit awards. A city in other counties shall receive no more than 2 Tax Credit awards, and other counties shall receive no more than 3 awards. Refer to Appendix A – QCT's, DDA's, CCRP and Rural Counties. IFA reserves the right to waive this cap in order to meet the Nonprofit Set-Aside.

SECTION 2. APPLICATION PROCESS OVERVIEW.

2.1 TAX CREDIT RESERVATION SCHEDULE. To the extent possible, the following schedules apply to the Tax Credit Reservation Application process for 9% Tax Credits:

Process Step	Date
Application Package Available	November 2024
Qualified Service Provider due to IFA	Between February 1, and February 12, 2025, 4:30pm, Central Time
Application Package Submission due to IFA	February 19, 2025 4:30pm, Central Time
Application Deficiency Period	Late March or Early April 2025
IFA Tax Credit Reservation recommendations presented to Board	May 2025 IFA Board of Directors meeting
Issuance of 2024 Carryover Allocation Agreements	On or about September 1, 2025
Carryover-Ten Percent Test Application Package due to IFA	On or about August 1, 2026 (11 months following the date of Carryover Agreement)
IRS Form 8609 Application Package due to IFA	No later than November 1 of the first-year credit period

Any revisions to the schedule will be published on the IFA website.

2.2 FEES. Electronic payment of the fees is required. All fees are nonrefundable. IFA shall collect the fees described below for the Tax Credit Program.

Fee Type	All Applicants
Application Submission Fee	\$1,000 for Projects with a Nonprofit Developer, Co-Developer, GP or MM of the Ownership Entity and \$2,000 for all other Projects. Due at Application submission.
Application Review Fee	\$750 for Projects with a Nonprofit Developer, Co-Developer, GP or MM of the Ownership Entity \$1,500 for all other Projects. Due within 5 business days of the Application submission due date.
Reservation Fee	1% of the total 10-year Tax Credit amount due within 30 calendar days of the Tax Credit Reservation Date.
Material Change in Application Fee	\$7,500 for material change requests.
Late Submission of the Carryover-Ten Percent Test Application	If a late submission of the Carryover-Ten Percent Test Application is allowed by IFA, the Applicant will be billed \$5,000. Does not apply to extension exceptions allowed by IRS.
IRS Form 8609 Application Fee	\$6,000 for Projects awarded under the Nonprofit Set-Aside and \$12,000 for all other Projects.

Fee Type	All Applicants
Amended IRS Form 8609 Fee	\$1,000
Legal Fees	<p>Legal fees of IFA's in-house counsel and related to the Project may be billed at the rate of \$150 per hour. Legal fees of outside counsel and related to this Project will be billed at the rate charged to IFA.</p> <p>Fees and expenses in cases of unsuccessful appeals may be assessed and billed to the Applicant.</p>
Construction Monitoring Fees	A \$3,500 construction monitoring fee will be due with the Carryover-Ten Percent Test Application.
Fees for Failed and Missed Inspections	IFA charges an additional \$500 fee when conditions at the site warrant a return visit or any missed inspection or preconstruction meetings when IFA's construction analyst is not given 10 days advance notice.
Compliance Monitoring Fee	<p>\$40 per Unit x number of total Project Units, submitted annually on or before January 31 for each year of the Compliance Period and the Extended Use Period (if applicable). (Example: \$40 per Unit x 24-Unit Project = \$960 paid annually for 30 years.)</p> <p>Additional fees may apply if the Ownership Entity does not successfully elect to treat a Project as a multiple-building Project on the IRS Form 8609, if eligible to do so.</p> <p>Annual rate increases may apply. Other fees as provided in the IFA compliance manual.</p> <p>The first annual payment shall be submitted with the IRS Form 8609 Application. The Ownership Entity has the option of paying the compliance monitoring fee in advance for the entire Compliance Period and the Extended Use Period (if applicable); however, additional fees may be assessed to the Property during the Compliance Period and Extended Use Period if annual rate increases are applied during that time.</p>

2.3 CONTACT WITH IFA.

- A. **Prior to Application Submittal.** Prior to the submittal of the Application, Applicants may submit questions regarding an interpretation or clarification of the QAP, IFA policies, procedures, or rules relating to this Tax Credit Program to housingtaxcredits@iowafinance.com. IFA shall not be bound by any oral or written representation made in connection with the Application or award of Tax Credit Reservations other than those provided on its website.
- B. **After Application Submittal.** Applicants shall not contact IFA staff or Board members regarding their Application until after award. Once the Application has been submitted, IFA will only discuss supplemental or clarifying data during the Application Deficiency Review Period.

2.4 APPLICATION SUBMITTAL. Applicants shall pay the Application Submission Fee when submitting the Application prior to the Submission Due Date. Within 1 business day of the Application submission deadline, preliminary scoring for all submitted applications shall be posted on the IFA website, www.iowafinance.com. Within 5 days of the Submission Due Date, Applicants must pay the Application Review Fee if they want their application submitted for full Application Review.

2.5 MARKET STUDY. All applications shall include a comprehensive market analysis with a full narrative report following IFA's current market study guidelines. The study must be prepared by an independent third-party National Council of Housing Market Analysts member unaffiliated with the developer. The Market Study Provider shall acknowledge the study is being completed for IFA's use and benefit. IFA may contact the Market Study Provider at any time. Refer to Appendix O — Market Study Requirements.

- A. **Market Study Timing.** The Market Study is due upon application submission. The Market Study and field survey must have been completed no more than 6 months prior to the application due date. The Applicant is solely responsible for providing a Market Study for a Project within these timeframes; failure to do so will result in IFA rejecting the Application.
- B. **IFA Market Study Review.** The Market Study must reflect the Application submitted, including but not limited to unit mix, income targeting, rent levels, minimum set-aside, and other property attributes and amenities. IFA may permit or require Applicants to comply with recommendations made by the Market Study Provider during the deficiency period. IFA may reject an Application if the Market Study submitted does not meet the IFA Market Study guidelines.

2.6 COMPLETE APPLICATION. For IFA to review an Application fairly and accurately, it shall be complete. If there is not adequate information provided to review the Application, IFA shall reject the Application.

- A. **Application Package.** Applicants shall use the forms contained in the Application Package and include all information required by the QAP or as otherwise required. Applicants shall submit the Application and exhibits through the online Application.
- B. **Prior Years.** Application determinations made in prior years are not binding on IFA for the current funding round.
- C. **Site Plans and Site Visits.** Applications shall include a preliminary site plan, floor plans, elevations of all sides of all buildings. Applicants shall provide IFA building access for inspection.
- D. **Authorization Forms.** IFA may request an executed IRS Form 8821, Tax Information Authorization.

- E. **Document Timeliness.** Required supporting documentation shall not be more than 180 days old, unless otherwise noted, on the date the Application is submitted. Exceptions include documents not specifically produced for the Application, such as a valid purchase agreement, deed, land title document, Articles of Incorporation, and IRS letters to a Nonprofit stating it is an exempt organization.
- F. **Opinions and Certifications.** All certifications, professional opinions, and related documents must be based on an independent investigation into the facts and circumstances regarding the proposed Project, in the form specified by IFA, and made under penalty of perjury.
- G. **Local Jurisdiction Notification.** The Applicant shall supply the contact information of the Chief Executive Officer of the Local Jurisdiction.
- H. **Application Deficiency Period.** During the Application deficiency review, IFA may request additional information on the Application via email through the online Application. The Applicant will have a period of time determined solely by IFA (Application Deficiency Period) to remedy all deficiency items. Changes made by the Applicant that were not recommended by IFA and changes that improve the score shall not be allowed. If applicable, IFA may adjust underwriting and/or scoring. IFA may contact the Applicant in other ways to clarify information contained in the Application.
- I. **Scoring Determination.** IFA shall make the final determination of the Applicant's score.
- J. **Joint Review.** IFA may conduct joint reviews with any other party. IFA may contact other sources to obtain information regarding the materials contained in the Application.

2.7 PUBLIC INFORMATION. At the conclusion of the selection process, the contents of all Applications will be in the public domain and be public records available for review by interested parties, unless, at the time of submitting the application, the Applicant properly requests that specific parts of the Application be treated as confidential AND the information is confidential under Iowa or other applicable law. IFA's release of public records is governed by Iowa Code Chapter 22. Applicants are encouraged to familiarize themselves with Chapter 22 before submitting an Application. IFA will make records available as required to comply with Chapter 22 or other applicable law.

The following are automatically confidential records and will be withheld from public inspection even without a request for confidential treatment:

- A. **Confidential Request.** An applicant who desires confidential treatment of information must contact IFA staff prior to requesting confidential treatment or submitting an Application for which confidential treatment is requested. Applicants must contact IFA staff at least 15 business days prior to the submission deadline. Failure to contact IFA staff prior to submitting the Application may result in the complete Application being treated as a public record. Any request for confidential treatment must (1) enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law that supports treatment of the material as confidential, (2) provide adequate justification as to why the material should be maintained in confidence, (3) explain why disclosure of the material would not be in the best interest of the public, and (4) set forth the name, address, telephone, and e-mail for the person authorized by applicant to respond to inquiries by IFA concerning the confidential status of such material. Requests to maintain an entire Application as confidential will be rejected.
- B. **Release.** If the Applicant fails to comply with the request process set forth herein, if Applicant's request for confidentiality is unreasonable or inconsistent with applicable laws, or if Applicant rescinds its request for confidential treatment, IFA may release such information or material with or without providing advance notice to Applicant and with or without affording Applicant the opportunity to obtain an order restraining its release from a court possessing competent jurisdiction.
- C. **Waiver.** The Applicant's failure to request confidential treatment of material will be deemed a waiver of any right to confidentiality the Applicant may have had.

SECTION 3. ELIGIBILITY.

3.1 LEGAL OWNERSHIP ENTITY. The Ownership Entity shall be formed prior to Application submission and shall be a single-asset entity to which the Tax Credits will be awarded. All members, managers, partners, and officers of all entities of the Ownership Entity shall be disclosed in an organizational chart.

The Ownership Entity shall waive the right to a qualified contract in accordance with Section 42(h)(6)(F).

3.2 QUALIFIED DEVELOPMENT TEAM. The Application shall identify all members of the Qualified Development Team (QDT) and Affiliates. The Developer/Co-Developer (Developer), General Partner/Managing Member (GP/MM), and Affiliates thereof may not change between Tax Credit reservation and issuance of the IRS Form 8609.

A. **Qualifying Entity.** At least one Developer or General Partner/Managing Member, and affiliates thereof, of the Ownership Entity shall be a Qualifying entity and meet the following requirements:

1. **Developer.** The Developer or an affiliate thereof shall have been listed in an awarded Tax Credit application as a Developer (may be a joint venture) and a Developer or affiliate thereof is currently serving as a Managing Member/ General Partner or sole shareholder/member of the General Partner/Managing Member of the legal ownership entity for at least one Tax Credit project that has received an IRS Form 8609 prior to the Application submission due date. As the qualifying entity, the Developer shall receive a combined total of at least 50% of the total Developer and consultant fee for the Project.
2. **General Partner/Managing Member.** The General Partner/Managing Member or an affiliate thereof of the Ownership Entity shall have been listed in an awarded Tax Credit application as a GP/MM, Affiliate thereof, or member/manager thereof, and GP/MM or affiliate thereof currently serving as a General Partner/Managing Member or sole shareholder/member of the GP/MM of the legal ownership entity for at least one Tax Credit project that has received an IRS Form 8609 prior to the Application submission due date. As the qualifying entity, the GP/MM shall have at least 50% ownership of the GP/MM of the Project.

B. **Qualified Development Team Members.** The Application must identify the following QDT Members, if applicable:

- Developer/Co-Developer
- General Partner/Managing Member
- Syndicator or Direct Investor
- Special Limited Partner
- Management Company
- Architect
- Energy Consultant
- Tax Attorney
- Tax Accountant
- Contractor
- Engineer
- Development Consultant

C. **New Developer and General Partner/Managing Member.** Developers or GP/MM with no prior Tax Credit awards, with a prior Tax Credit award without an issued 8609, or with an 8609 issued from another state shall be eligible as listed below. Principal(s) of a Developer or GP/MM entity with the applicable experience will not be considered a New Developer or New GP/MM.

Developer or GP/MM with no prior Tax Credit Award	Up to one Tax Credit award in 9% funding round and shall not be eligible for a second award in any team member role until the project meets 10% Test and places in service.
Developer or GP/MM with prior Tax Credit Award in Iowa, but no 8609	No Tax Credit award until project awarded Tax Credits in Iowa meets 10% Test and placed in service.
Developer or GP/MM new to Iowa with 8609 from another state	Up to one award in the 9% funding round

- D. **Direct Investor.** A direct investor shall have a Tax Credit asset management department with at least 3 years' experience.
- E. **Management Company.** The management company shall have at least 3 years of Tax Credit management experience and is currently managing at least 3 Tax Credit Properties.
- F. **Architect.** The Architect, and not just the architectural firm, must be duly licensed to do business in Iowa.
- G. **Energy Consultant.** The Energy Consultant shall be an independent Residential Energy Services Network (RESNET) certified individual or a licensed engineer capable of determining applicable building performance standards and ensuring conformance to relevant code requirements.
- H. **Development Consultant.** A copy of the executed Development Consultant Agreement shall be submitted in the Application.

3.3 INELIGIBILITY. Any QDT member or Affiliates thereof may be deemed ineligible by the Executive Director to participate in the Tax Credit Program for the following:

- A. Evidence of involvement in a financial crime or crime related to dishonesty.
- B. Evidence of involvement in a crime or a violation of laws or regulations. Including, but not limited to, laws and regulations related to the development or management of housing, taxes, public health, safety (including workplace safety), environmental laws, or antitrust laws.
- C. Making misrepresentation or providing materially false information in an application.
- D. Allowing an affordable rental housing property to enter into foreclosure.
- E. Exiting a Tax Credit ownership entity voluntarily or involuntarily.
- F. Being suspended, debarred, or otherwise excluded from doing business with any federal housing program.
- G. Not being in good standing with any affordable rental housing program administrator, state agency, or local authority.
- H. Having been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance.
- I. A history of repeated or numerous Tax Credit allocation or compliance issues, even if such issues have not resulted in an uncorrected IRS Form 8823.
- J. Has returned a full credit Allocation or has failed to comply with a Carryover allocation.

3.4 SITE REQUIREMENTS. The proposed Project shall be in an incorporated city at Application submission. Applications shall not contain or propose alternate sites. The Applicant shall be ready to proceed with the Project by documenting site control and site suitability.

- A. **Zoning.** The Applicant shall provide confirmation from the city of the current zoning, including special or conditional use permits and any other discretionary land use for each site on which the Project will be located. The city zoning department shall verify whether the official plat is properly zoned. The Applicant shall provide site plans to the city that show the Project will have:
1. The proper number of parking stalls.
 2. Direct contiguous access to a publicly dedicated paved road.
 3. Any legal easement(s) necessary to not be landlocked; and
 4. Right of ways, if applicable.
- B. **Scattered Sites.** The Application shall reflect the total of all sites as well as separate site-specific exhibits for each site included in the Project. A Scattered Site is a Project where multiple buildings with the same occupancy type are not located in proximity to one another but are owned by the same Ownership Entity and financed under the same agreement(s) and are located within the same county. For Scattered Site Projects, all Units shall be qualified Tax Credit Units.
- C. **Submission of Site Characteristics.** The site shall be suitable for the proposed Project and shall not include excess acreage unnecessary for the construction and use of the Project.

The Applicant shall provide:

1. A narrative of the current use of the Property, all adjacent Property land uses, and the surrounding neighborhood.
 2. Labeled colored photographs (or color copies) of the proposed Property and all adjacent properties.
 3. A clear map or an aerial photo identifying the exact location of the Project site.
 4. A plat map of the site or proposed replat of the site.
- D. **Detrimental Site Characteristics.** If the site includes any detrimental characteristics, the Applicant shall provide a remediation plan and budget, subject to IFA's approval, to make the site suitable for the Project. The Applicant shall not change the site location.

IFA may reject sites:

1. Located within one-half mile of storage areas for hazardous or noxious materials, sewage treatment plants or other solid waste facilities, businesses or equipment producing foul odors or excessive noise, or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste.
2. Where the slope/terrain is not suitable for a Project based on extensive earth removal/replacement required for development.
3. Where there are obvious physical barriers to the Project.
4. Located within one-half mile of a sanitary landfill or sites that were previously used as a sanitary landfill.

5. Located within a flood hazard area, or a 500-year flood zone as determined by the Iowa Department of Natural Resources, a FEMA map, or a FIRM map. Sites that are located within a 100-year flood zone are not permitted.
 6. Located within 500 feet of an airport runway clear zone or accident potential zone.
 7. That are landlocked.
 8. That are native prairie land or designated wetlands.
 9. Within 300 feet of an electrical power substation, natural gas substation, or similar substation; or that are otherwise unsuitable as a home for Tax Credit households as determined by IFA.
- E. **Site Control.** The Application must demonstrate the Applicant has site control by providing executed documents described below.

1. **Evidence of Site Control.**

The evidence shown below must be binding on the contractor/lessor/optionor of the Property (i.e. there must be no conditions for the termination within the sole discretion of the contractor/lessor/optionor, and the evidence must provide that the contractor/lessor/optionor cannot unilaterally withdraw, revoke, or rescind the obligation to the sale or lease of the Property to the Applicant unless the Applicant is in default under the contract).

- a. The Applicant holds sole fee simple title to the Property on which the Project will be located by a properly executed and recorded warranty deed; or
- b. The Applicant has an executed and exclusive purchase option or contract with the fee simple owner of the Property, not with a third party that holds a purchase option or contract with the fee simple owner, that is valid for nine months following the date of the Application due date; or
- c. The Applicant has an executed lease or an option on a lease with the fee simple owner of the Property, not with a third party that holds a purchase option, contract, lease, or option on a lease with the fee simple owner, which has a term not less than 35 years. If the Applicant is purchase or leasing parking space from a unit of local government, a project specific resolution would suffice.

2. **Requirements for Site Control.**

- a. There shall be a common ownership between all Units and buildings within a single Project for the duration of the Compliance Period and the Extended Use Period.
- b. The Applicant shall provide the location of existing and proposed easements on the site, the most current real estate tax assessment, and documentation that the Project meets or exceeds the City requirements for parking (unless subject to an exemption).

3.5 PROJECT REQUIREMENTS.

- A. **Qualified Residential Rental Property.** The Applicant shall certify that the Project as proposed is a Qualified Residential Rental Property. IFA may require the Applicant to supply a legal opinion.
- B. **Community Service Facility.** A Community Service Facility is a facility meeting the requirements of IRC Section 42(d)(4)(C)(iii) and Revenue Ruling 2003-77.

- C. **Minimum Set-Aside Elections.** The Applicant shall make a minimum set-aside election of income and rent levels from the options listed below. Any Owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing project under IRC Section 42(g) cannot be changed once made in the initial submitted Application. If a Project has an existing LURA, the minimum set-aside election shall remain the same.
1. **20-50 Test.** At a minimum, 20% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 50% or less of AMI; or
 2. **40-60 Test.** At a minimum, 40% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 60% or less of AMI; or
 3. **Average Income Test.** At a minimum, 40% or more of the residential Units in a Project serve households earning as much as 80% AMI, as long as the average income/rent limit in the Property is 60% or less of AMI. The Average Income Test is not available for Scattered Site Projects, Projects with Market Rate units, Project Based Rental Assistance, or PHA Project Based Vouchers.
- D. **Senior Projects Standards.** Senior Projects are not allowed anything greater than 2 bedrooms per Unit. If layered with an existing Federal Program, the federal occupancy restrictions shall apply.
- E. **Units.** All Tax Credit Units shall be evenly distributed in terms of location and number of bedrooms throughout the Project, be of comparable quality, and offer a range of sizes and number of bedrooms to any unrestricted Units.
- F. **Market Rate Standards.** Market-rate single-family homes shall not be allowed.
- G. **Acquisition/Rehab.**
1. **Capital Needs Assessment (CNA).** Acquisition/Rehab or Rehab Projects shall submit a complete Capital Needs Assessment. The CNA shall be prepared by a third party that regularly provides CNAs as a basic or core service. The third party may be a member of the Qualified Development Team with prior approval by IFA but may not be the Ownership Entity or Developer. The CNA shall assess the rehabilitation needs of each existing structure, including:
 - a. A site visit and physical inspection of the interior and exterior of Units and structures.
 - b. An interview with on-site property management and maintenance personnel to inquire about past repairs/ improvements, pending repairs, and existing or chronic physical deficiencies.
 - c. The presence of hazardous materials.
 - d. A detailed opinion as to the proposed budget for recommended improvements.
 - e. Identify critical building systems or components that have reached or exceeded their expected useful lives.
 - f. A projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per Unit per annual basis.
 - g. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines.
 - h. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, stairs, and drainage.

- i. Interiors, including Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint conditions, etc.), Unit kitchen finishes, cabinets and appliances, Unit bathroom finishes and fixtures, and common area lobbies and corridors.
- j. Mechanical and electrical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, security, low voltage systems, and elevators.

The CNA shall conform to standards outlined in ASTM E 2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. An assessment done for and accepted by USDA Rural Development is acceptable.

- 2. **Existing Tax Credit Project Resyndication.** A Project is eligible to apply for Tax Credits following the close of the initial 15-year Compliance Period.
- 3. **Rehabilitation Expenditures.** The Applicant shall provide information regarding rehabilitation expenditures for each building. The information shall address how the Applicant will meet all of the building standards and minimum development characteristics. The Applicant shall identify, with respect to each building as required by the Application, the rehabilitation expenditures as defined in IRC Section 42(e)(2) that shall be allocable to or substantially benefit the Low-Income Units in such building. Each building in the Project must meet the greater of the IRS minimum expenditures requirement set forth in Section 42(e)(3) or a \$35,000 rehabilitation expenditure limited to hard construction costs per Low-Income Unit.
- 4. **Eligibility for Acquisition Credits.** Project must meet all IRS requirements for acquisition credits including the 10 Year Rule and Related Parties Rule in IRC Section 42(d)(A) – (D)(ii).

3.6 DISPLACEMENT OF RESIDENTIAL TENANTS. IFA may reject any Application that fails to minimize permanent displacement of tenants and/or provide an adequate relocation plan. The Application must include a formal relocation plan if the Project scope requires any form of temporary or permanent relocation of existing tenants. The plan shall provide an overview of the need for relocation, a proposed timeline, an estimated budget, and other information as requested in the Application. If the project has a federal funding source, the most restrictive relocation plan requirements shall apply.

SECTION 4. APPLICATION UNDERWRITING STANDARDS.

IFA may adjust the amount of Tax Credits based upon the underwriting. All Projects shall meet underwriting standards.

4.1 PROJECT DEVELOPMENT COSTS.

- A. **Developer Fees.** The total Developer fees, including Developer overhead/profit and development consultant fees, shall not exceed the amounts described below. The Developer fee is calculated as a percentage of Total Project Costs minus land, existing structures, Developer fee, Developer overhead and profit, Consultant fees, and Project reserves. Developer Fee is not permitted for acquisition costs.

All Projects	Fee Limit
First 24 Units	Not to exceed 18%
Remaining Units within the Project above 24	Not to exceed 15%

- B. **Builder and General Contractor Fees.** Builder and general contractor fees shall be limited to a total of 15% of the hard construction costs (site improvements or work, new construction, rehabilitation, accessory buildings, garages, general requirements, construction contingency, asbestos abatement, lead-based paint measures, builder's overhead, builder's profit, builder bond fee, architect's fees, engineering fees, and other fees).
- C. **Professional and Other Fees.** IFA may limit professional fees and other fees related to services rendered to the Project.
- D. **Construction Contingency Funding.** Construction contingency shall be used to cover costs for unknown conditions discovered and cost overruns incurred during construction. Applicants shall obtain IFA approval for the use of construction contingency funds for items that were not part of the initial scope of work. The following are the allowed construction contingency amounts:

Project Type	Percentage of Hard Construction Costs less Construction Contingency
New Construction	5% - 6%
Acquisition/Rehab or Rehab Projects	8% - 15%
Adaptive Reuse	12% - 16%

- E. **Soft-Cost Contingency.** Soft-cost contingencies are restricted to the lesser of \$20,000 or 6% of the subtotals of the interim costs, financing fees and expenses, and soft costs minus the soft-cost contingency.
- F. **Operating Reserve.** The operating reserve will be at least 6 months of debt service, operating expenses,

and real estate taxes. The operating reserve shall be fully funded within 6 months from the date IFA sent the IRS Form 8609 to the Ownership Entity. The operating reserves may be funded with an irrevocable letter of credit. If a letter of credit is used, the proceeds shall not be included in the Project costs. The fees associated with obtaining the letter of credit may be included in Project costs. Operating reserves are required to stay with the Project at the time of investor exit or sale of the property.

- G. **Appraisals.** An appraisal by an active Member Appraisal Institute (MAI)-certified appraiser who is not a related party at the Applicant's expense is required for the following reasons unless waived by IFA:
1. For land or buildings that are acquired from a party with an Identity of Interest.
 2. For Acquisition/Rehab Projects requesting acquisition credits.
 3. During the Application review, if IFA may determine that cause exists to question the fair market value of the land and/or buildings being acquired and require an appraisal.
- H. **Projects Costs Not Allowed In Eligible Basis.** The following project costs are not allowed in Eligible Basis:
1. **Existing Reserve Accounts.** Cash from Project reserve accounts transferred to the Ownership Entity with the acquisition of a Project.
 2. **Construction and Permanent Lender Fees.** Construction fees if the construction and permanent lender are the same.
 3. **Paved Roads.** The cost of construction of a de minimis paved road on public property may be included in the Project costs, as determined by IFA. The cost of construction of an extensive paved road on public property shall not be included in the Project costs.
 4. **Off-Site Utilities.** Costs that are not normal connections or extensions to existing utilities shall not be included in the Project costs.
 5. **Tenant Paid Amenities.** Garages, storage units, or other amenities where the Ownership Entity is charging tenants for use, except when part of normal rent for all of Units.
 6. **Predevelopment Loan Costs.** Financing costs on land acquisition or other costs not allowable in Eligible Basis.

4.2 PROJECT FUNDING SOURCES.

- A. **Tax Credit Investor Letter of Intent.** Applicant shall provide a letter of intent from the investor for the Tax Credits on the company letterhead with the price and approximate equity amount.
- B. **Financing Letters of Intent.** Applicant shall provide a letter of intent from each funding source for construction and permanent financing on the institution's letterhead. The letter for loans shall state the amount of the loan, interest rate, term, amortization period (minimum 30 years required for first mortgage debt), fees, prepayment penalties, anticipated security interest in the Property, and lien position. The letter for all other sources (including any existing debt to be assumed, grants, loans, tax credits, etc.) shall state the value of the funding, the purpose the funds may be used for, and any time limitations.
- C. **Deferred Developer Fees.** Deferred Developer fees cannot exceed 50% of the total Developer fee, and

the Application must demonstrate the full amount being paid within 15 years. The deferred Developer fee shall be paid from the net cash flow and not be calculated into the minimum Debt Service Coverage Ratio (DSCR).

- D. **Federal and State Historic Tax Credits.** Projects with historic significance shall use equity invested for the maximum amount of state and federal historic tax credits as proposed or awarded by the appropriate allocating agency as a funding source. Applicants shall not create a subrecipient of the Federal Historic Tax Credits to become eligible for more Tax Credits.
- E. **Senior Living Revolving Loan Program.** Refer to Appendix B – Senior Living Revolving Loan Program.
- F. **HOME Funds.** Refer to Appendix C – HOME Rental with LIHTC Requirements.
- G. **Multiple Funding Scenarios.** IFA shall not consider multiple funding scenarios except as listed in Appendix B – Senior Living Revolving Loan Program and the HOME Appendices Package.
- H. **Additional State and Federal Funding.** If available, refer to Appendix R - Additional State and Federal Funding.

4.3 PROJECT OPERATING COSTS AND CASH FLOW.

- A. **Operating Expenses.** Operating expenses are based on thresholds provided by the Tax Credit equity investor partner, and subject to IFA review.
- B. **Escalators.** IFA will underwrite Projects with income escalating at 2% and operating expenses escalating at 3%. Management fees will escalate at the same rate as income.
- C. **Vacancy Rate Standards.** IFA will underwrite Projects at a 7% vacancy rate unless otherwise recommended by a lender or investor.
- D. **Debt Service Coverage Ratio (DSCR) Standards.** The Application may not show DSCR as less than 1.15 in any year. IFA will evaluate high DSCR and cash flow to determine if the requested resources are necessary for sustainability.
- E. **Replacement Reserve.** All Family Projects shall budget replacement reserves of \$350 per Unit per year, escalating at the same rate as operating expenses or a flat \$435 per Unit per year. All Older Persons Projects shall budget replacement reserves of \$300 per Unit per year, escalating at the same rate as operating expenses or a flat \$375 per Unit per year. Replacement reserves are required to stay with the Project at the time of investor exit or sale of the property.
- F. **Subsidy Layering Review.** IFA shall complete a subsidy layering review for each Project that receives HUD housing assistance (other than HOME and CDBG).

SECTION 5. BASIS BOOST.

A Project may receive up to a 30% increase in Eligible Basis and Per Unit Tax Credit Cap, but is still subject to the Project Cap.

5.1 PROJECTS LOCATED IN QUALIFIED CENSUS TRACTS (QCT) AND DIFFICULT DEVELOPMENT AREAS (DDA). IFA allows up to a 10% increase in Eligible Basis for Projects where all buildings are located in QCTs and DDAs. Refer to Appendix A – QCTs, DDAs, and Rural Counties.

5.2 PROJECTS LOCATED IN A RURAL COUNTY. IFA allows up to a 20% increase in Eligible Basis for Projects in a Rural County as designated by IFA. Refer to Appendix A – QCTs, DDAs, and Rural Counties.

Sections 5.1 – Projects Located in QCT’s and DDA’s and 5.2 – Projects Located in a Rural County cannot be combined.

5.3 PROJECTS PROVIDING PERMANENT SUPPORTIVE HOUSING. IFA allows up to a 10% increase in Eligible Basis for Projects providing at least 10% of the Units as permanent supportive housing, or a 15% increase in Eligible Basis for Projects providing at least 15% of the Units as permanent supportive housing under Section 6.1.D – Projects Providing Permanent Supportive Housing. Refer to Appendix D – Permanent Supportive Housing.

5.4 SINGLE FAMILY, TOWNHOME, or DUPLEX. IFA allows up to 10% increase in Eligible Basis for Projects providing at least 20% of the Units as duplex or rowhouses, or 20% in Eligible Basis for Projects providing 20% of the Units as single family. Each Unit shall extend from foundation to roof. Family Projects may be 1 to 3 stories and Senior Projects must be 1 story. Each unit has separate exterior entrances in both the front and rear of the Unit and some open space in a rear yard with a suitable patio that may be used by the occupants.

Sections 5.3 – Projects Providing Permanent Supportive Housing and 5.4 – Single Family, Townhome, or Duplex cannot be combined.

SECTION 6. SCORING CRITERIA.

IFA shall make the final determination of the Applicant's score. IFA will award points based on the evidence provided in the Application and exhibits. All sites and buildings within the Project must qualify to be eligible to receive points. The online Application provides a tentative non-binding score based on the submitted information. Scoring determinations made in prior years are not binding on IFA for the current funding round. Scoring exhibits are based on a point-in-time data and will not be updated after they are posted on the IFA website, except for Disaster Recovery or administrative corrections.

If a project has an existing Tax Credit Land Use Restriction Agreement (LURA), all existing LURA requirements must be maintained.

6.1 AFFORDABILITY FOR RESIDENTS.

30 points Maximum

To achieve the 30 points maximum, an Applicant may select one or multiple categories below. No Units shall count for points in more than one Affordability for Resident categories, except for Projects Providing Permanent Supportive Housing or project-based vouchers from a local PHA. For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. The Affordability for Resident categories A through E are not available to an Applicant that elects the minimum set aside as Average Income Test.

- A. **Serving 40% AMI LIHTC Residents.** Projects that provide Units that are set-aside and occupied by tenants with incomes at 40% AMI or less and are rent-restricted. Annual recertifications shall be required, and tenant incomes may increase up to 60% AMI and still be considered a 40% AMI resident as long as the rent is restricted at 40% AMI.
- For each 4.0% of the Tax Credit Units *5 points*
- B. **Rent Reduction.** Projects that provide Tax Credit rents for the 60% or 50% AMI units at 40% AMI rent levels. Tenant income eligibility will remain at 60% and 50% AMI (applies to the minimum set-aside Units), respectively. This category is not available to Projects with a Federal project-based rental assistance contract.
- For each 4.0% of the Tax Credit Units *5 points*
- C. **Projects Providing Permanent Supportive Housing.** Projects that provide Units for persons experiencing homelessness. These Units shall be leased only to qualified persons experiencing homelessness. Partnership with an IFA approved qualified service provider that provides supportive services to persons experiencing homelessness in the proposed Project's market area is required. Refer to Appendix D – Permanent Supportive Housing.
- For each 2.5% of the Tax Credit Units *5 points*

D. Project-Based Rental Assistance.

1. Projects with a Federal project-based rental assistance contract with HUD or RD must be a non-profit organization
 - At least 25% of the total Project Units covered by the rental assistance contract *20 points*
 - At least 75% of the total Project Units covered by the rental assistance contract *30 points*
2. Projects with project-based vouchers from a local PHA with a commitment for at least 10 years.
 - 10% of the total Tax Credit Units *10 points*

- E. Average Income Test with 40% AMI.** Projects that elect Average Income Test and provide at least 30% of the Units that are set-aside and occupied by tenants with incomes at 40% AMI or less and are rent-restricted. Annual recertifications shall be required.
- 30% of the Tax Credit Units at 40% AMI *30 points*

- F. Average Income Test.** Projects that elect Average Income Test and limit tax credit cap based on 6% tax credit rate.
- 100% Average Income Test Units *30 points*

6.2 LOCATION. All building addresses in a Project, including Scattered Site Projects, shall meet the Location scoring requirements to be eligible for points. IFA will award the lesser points within each scoring category based on building locations.

A. Underserved Cities. *0 to 2 points*

Projects located in an underserved city as shown in Appendix E – Underserved Cities.

- Project located in a city that has not received an award of Tax Credits in the last four years. *2 points*
- Project located in a city that has not received an award of Tax Credits in the last two years. *1 point*

An award of Tax Credits includes a supplemental Tax Credit award. Cities will not be excluded if a Project located in that city received an award of Tax Credits within the applicable timeframe, but later returned the entire tax credit award.

Refer to Appendix L – Acquisition Rehab/Rehab Projects located in Underserved Cities in the Application Package.

If a Scattered Site Project, all building addresses shall be located in the applicable underserved city.

B. Rent Burdened Households. *1 point*

Projects located in a city where an above average number of renter households are spending more than 50% of their income on housing costs as shown in Appendix F – Rent Burdened Households and provide an additional 4% of Tax Credit Units under 6.1 A – Serving 40% AMI Tax Credit Residents or 4% under 6.1 B - Rent Reduction

C. Density. *0 to 2 points*

Projects located in a census tract that has a low percentage of Tax Credit Units Placed-In-Service compared to the total number of households as shown in Appendix G – Tax Credit Unit Density.

- D. Disaster Recovery.** *0 to 5 points*
 Projects located in a county for which the Governor has issued a state major disaster proclamation with an Iowa Individual Assistance Grant Program (IIAGP) activation, or a federal major disaster declaration has been received that included federal individual assistance may be eligible for points. IFA may activate Disaster Recovery scoring consideration for one or more counties or a more narrowly defined geographic area, such as a city or targeted census tract(s), to address specific housing recovery needs. Refer to Appendix K – Disaster Recovery.
- E. High Quality Jobs Award.** *0 to 2 points*
 Projects located in cities that have received IEDA High Quality Job awards in the past 2 years as shown in Appendix I - High Quality Job Awards.
- F. Social Vulnerability Index.** *1 point*
 Projects located in a county with high Social Vulnerability as shown in Appendix J – Social Vulnerability Index.
- G. Iowa Thriving Communities.** *2 points*
 Projects located in cities designated as an Iowa Thriving Community as shown in Appendix Q – Iowa Thriving Communities.
- H. Site Appeal.** The Site Appeal scoring section is valued at a total of 5 points. The Applicant will provide the preliminary scoring and supporting information for each of the 13 categories in this section, but IFA will review and determine the final scoring. The category scores will be averaged and rounded to the nearest whole number (0 through 5) to determine the Site Appeal score for the Application. Misrepresentations in the preliminary scoring that are intentional or blatant as deemed by IFA may result in zero total points for the entire Site Appeal scoring section. Individual site scores will be averaged to determine the Site Appeal score for scattered site Projects.

Category 1 — Zoning			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Proper zoning in place prior to Application due date.			
Category 2 — Site Neighborhood			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
The area within a 1/2 mile radius has experienced significant residential and commercial new construction or renovation in the past 5 years.	The area within a 1/2 mile radius has experienced some residential or commercial new construction or renovation in the past 5 years.		

Category 3 — Neighborhood Location to Services			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile driving distance of at least 4 of the following services: park, food bank or pantry, bank, or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library.	Located within 2 miles driving distance of at least 4 of the following services: park, food bank or pantry, bank or credit union, police or fire station, convenience store or dollar store, pharmacy, or public library.	Located within 2 miles driving distance of at least 2 of the following services: park, food bank or pantry, bank or credit union, convenience store or dollar store, pharmacy, or public library.	
Category 4 — Location to Grocery Store			
A specialty food store may not qualify as a grocery store.			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1/2 mile driving distance of a grocery store.	Located within 1 mile driving distance of a grocery store.	Located within 2 miles driving distance of a grocery store.	
Category 5 — Location to Daycare Center, Public School or Senior Center			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Located within 1 mile driving distance of a licensed daycare center or K-12 public school (family only) or senior center (senior only).	Located within 2 miles driving distance of a licensed daycare center or K-12 public school (family only) or senior center (senior only).		
Category 6 — Location to Public Transportation			
Fixed-route is a system of transport for passengers by group travel available for use by the general public, typically managed on a schedule. In cities without fixed route service, dial-a-ride or on-demand services will be eligible for points if they serve the general public. Taxis, Uber, or Lyft-type services are not eligible for points.			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is 1/4 mile walking distance from a bus stop for a fixed-route service. or Any city that does not have a fixed-route service and dial-a-ride is available M-F.	Site is 1/2 mile walking distance from a bus stop for a fixed-route service.		

Category 7 — Adjacent Properties			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Adjacent on at least 3 sides to existing developments in which at least one side is a residential neighborhood. Excludes areas with adjacent manufacturing or industrial facilities.	Adjacent on at least 2 sides to existing developments in which at least one side is a residential neighborhood. Excludes areas with adjacent manufacturing or industrial facilities.	Adjacent to an existing development. Excludes areas with adjacent manufacturing or industrial facilities.	
Category 8 — Noise from Adjacent Uses			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Quiet residential neighborhood.	Urban city noise.		Sites close to train tracks, airports, industrial, interstate, or other sources of excessive noise as determined by IFA.
Category 9 — Site Frontage			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Access to the site from local or collector road that has 2 lanes (excluding turn lanes), and speed limit not greater than 35 mph.	Access to the site from local or collector road that has more than 2 lanes (excluding turn lanes), but speed limit not greater than 45 mph.		
Category 10 — Public Paved Road Complete With Storm Drainage			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Publicly paved road is already in place and appropriately sized.	Publicly paved road is at the edge of the site but an extension or road widening is needed that is only a de minimus extension.		
Category 11 — Offsite Utilities			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Offsite utilities are appropriately sized and do not require an extension beyond normal connections.	Offsite utilities are at the edge of the site but only a de minimus extension is necessary.		

Category 12a —Ease of Site Development – New Construction			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Site is open, clear, and ready for construction.	Minimal tree clearing, minor demolition, and moderate slopes on site.		Steep slopes, potential site drainage problems, extensive retaining walls needed, extensive tree clearing demolition, or site needs contamination cleanup.
Category 12b —Condition of Buildings – Rehab and Adaptive Re-use			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Good	Fair		Poor
Category 13 —Projects with Historical Significance or Community Revitalization			
<i>5 points</i>	<i>3 points</i>	<i>1 point</i>	<i>0 points</i>
Project has a National Park Service approved Part 2 application, and Federal and State Historic credits are included in the Application funding sources.	Project is listed on the National Register of Historic Places or has a National Park Service approved Part 1 application, and Federal and State Historic credits are included in the Application funding sources.	Site is in a QCT where affordable housing is part of a Concerted Community Revitalization Plan (CCRP) that was last updated no longer than 5 years ago. Refer to the Glossary for definition for CCRP.	

6.3 MARKET APPEAL.

5 points maximum

The amenities shall be provided at no cost to the tenants.

- A. **Kitchen Pantry:** *1 point*
2 ft. wide full-height cabinet or closet with minimum 5 shelves in every Unit.
- B. **Walk-In Closets:** *1 point*
Available in at least 1 bedroom of every Unit including studio Units.
- C. **Fitness Center:** *1 point*
An exercise room available 24 hours a day, with commercial-grade cardiovascular health, strength training, and flexibility equipment.
- D. **Patio/Balcony:** *2 points*
Each unit shall include a patio or balcony.
- E. **Free Heating:** *2 points*
Owner-paid heat for each Unit.

- F. Fenced Dog Walking Area:** *2 points*
Minimum 1,000 square feet with waste area.
- G. Storage Units:**
A dedicated and lockable (if outside the Unit) structurally strong and secure, floor-to-ceiling room that is at least 20 square feet. The storage unit shall be in addition to the required bedroom, linen, and coat closets and maintained in compliance with the requirements for fire safety and the 2020 NEC and the International Fire Code (IFC). Prefabricated steel mesh enclosures designed as storage units are acceptable.
1. Storage In Project; or *1 point*
 2. Storage In-Unit *2 points*
- H. Laundry:**
Acquisition/Rehab projects without in-unit laundry that provide tenants unlimited access to the community laundry facility at no charge, or Acquisition/Rehab projects that add or replace in-unit washers and dryers to all units during the rehabilitation.
1. Free Resident/Community Laundry; or *3 points*
 2. In-Unit washers and dryers (added or replaced to Acquisition/Rehab) *4 points*
- I. Olmstead Goals (Senior Projects Only):** *2 points*
Projects that provide at least 20% of the Units as accessible for persons with mobility disabilities (fully accessible and not adaptable or Type A). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.
- J. Single Family, Duplex, or Rowhouse:** *3 points*
At least 20% of the Project are single-family, duplex, or rowhouses where each Unit extends from foundation to roof. Family Projects may be 1 to 3 stories and Senior Projects must be 1 story. Each unit has separate exterior entrances in both the front and rear of the Unit and some open space in a rear yard with a suitable patio that may be used by the occupants.
- K. Exterior Materials:** *5 points*
Minimum of 30% of the gross exterior (excluding window and door areas), of 4" nominal brick, 4" nominal stone, stucco over masonry, architectural CMU block, or pre-cast concrete wall panels. The remaining 70% shall be constructed of 100% fiber cement board siding or engineered wood siding with quality standards similar to Smartside. The buildings' soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
- L. Iowa Green Streets:** *2 points*
The Project meets the requirements of Iowa Green Streets.

M. Energy Efficiency:

3 points

New construction up to 3 stories, or 4 stories or more with each Unit having its own heating, A/C and water heating: Home Energy Rating Systems (HERS) Index of 60 or less.

New Construction 4 stories or more without each Unit having its own heating, A/C and water heating: Exceed ASHRAE 90.1-10 by 25%.

Acquisition/Rehab or Adaptive Reuse excluding Historic Tax Credit projects: 2015 International Energy Conservation Code (IECC) exceeded by 8% or more. Projects that have HUD or Rural Development ("USDA") financing or assistance must comply with the applicable IECC standard applicable to their federal program requirements.

6.4 QUALIFYING DEVELOPMENT TEAM.

A. Tax Credit Experience.

0 to 2 points

Points available for one of the following categories under this section:

Prior to Application submission, the Developer or General Partner/Managing Member, or affiliates thereof, of this Project shall have completed 3 Tax Credit Projects that have received an IRS Form 8609, as a Developer or General Partner/Managing Member, or affiliates thereof, not more than 5 years before the Application due date.

2 points

Or

Prior to Application submission, the Developer or General Partner/Managing Member, or affiliates thereof, of this Project received a prior Tax Credit award and is the owner and management company of that Tax Credit Project in Iowa.

1 point

B. Developer, General Partner, or Managing Member Performance.

-1 point

The Developer or General Partner/Managing Member, or affiliates thereof, of this Project has requested and received approval for a material change to a Tax Credit project after January 1, 2024 in Iowa.

6.5 OTHER.

A. Iowa Title Guaranty.

2 points

The Applicant shall obtain a Final Title Guaranty Owner Certificate on the real estate of the Project from IFA's Iowa Title Guaranty Division prior to submitting the IRS Form 8609 package. The Ownership Entity shall obtain, at a minimum, a Final Title Guaranty Certificate with an amount of coverage that is not less than the value of the land and pre-existing improvements, if any, combined with the total hard construction costs of the Project.

B. Existing Tax Credit Projects – Resyndication.

1 point

Existing Tax Credit Projects, in good standing with IFA, submitting a Tax Credit application for resyndication at the end of year 20 of the Compliance Period/Extended Use Period.

SECTION 7. SELECTION CRITERIA AND AWARD PROCESS.

7.1 TAX CREDIT CALCULATION. IFA shall determine the amount of Tax Credits necessary for the financial feasibility of the Project through the information received during the Application. IFA will utilize the percentage of the limited partnership interest in the Project and equity price in the determination of the Tax Credit amount.

7.2 SELECTION CRITERIA. IFA shall evaluate applications using the set-aside and scoring criteria. IFA may decline to reserve Tax Credits to any Project, regardless of the score.

- A. **HOME with Tax Credits.** Tax Credit Projects requesting and eligible for a HOME award, will be offered a HOME award in the amount requested, up to the HOME per project cap, in the same order in which such Projects are awarded Tax Credits in accordance with the Section 7 – Selection and Criteria and Award Process until all HOME funds available for Tax Credit Projects have been awarded. Application for and a determination of eligibility for HOME, is not a guarantee of a HOME or Tax Credit award. All Tax Credit with HOME funding is subject to the maximum total availability of HOME funds.
- B. **National Housing Trust Fund with Tax Credits.** Tax Credit Projects requesting and eligible for a National Housing Trust Fund (“NHTF”) award will be offered a NHTF award in the amount requested, up to the NHTF per project cap, in the same order in which such projects are awarded Tax Credits in accordance in accordance with the Section 7 – Selection and Criteria and Award Process until all NHTF funds available for Tax Credit Projects have been awarded. Application for and a determination of eligibility for NHTF is not a guarantee of a NHTF or Tax Credit award. All Tax Credit with NHTF funding is subject to the maximum total availability of NHTF. A Developer is only eligible for one NHTF project award.

7.3 PRIORITIZATION OF REVIEW. Applications will be scored and ranked within each of the set-asides in the order listed below. If an Applicant is not awarded within a set-aside, except for the Innovation Set-Aside, the Applicant will be considered in the next set-aside applied for and then the General Set-Aside. In the event there are not enough qualified Projects to fill the Rural or Innovation Set-Asides, the remaining balance will be transferred to the General Set-Aside.

- A. Innovation Set-Aside
- B. Nonprofit Set-Aside.
- C. Rural Set-Aside.
- D. General Set-Aside.

7.4 TIEBREAKERS. In the event that the final scores of more than one Application are identical, IFA will use the following tiebreakers:

- A. Project is within a project identified in an Iowa Great Places agreement that has been designated by the Iowa Great Places Board for participation in the program within the last 3 years, pursuant to Section 303.3C, subsection 4 of the Iowa Code.
- B. Projects that provide an opportunity for homeownership through the Iowa Renter to Ownership Savings Education (ROSE) Program.
- C. Project with a Developer that has not received an award of Tax Credits in Iowa for the longest period of time (per date of Award or date of 42M issuance) within the last 7 years. New Developers to Iowa are excluded from this tiebreaker.
- D. Project in a community that has not received a reservation of Tax Credits for the longest period of time (years). A full return of a Tax Credit award in a community will not count as an Award.
- E. Application requesting the least amount of Tax Credits per Unit.

F. Board Discretion.

7.5 DISCRETION BY THE BOARD. The Board may accept, reject, or make changes to the award recommendations.

7.6 ACCEPTANCE OF TAX CREDIT RESERVATION. The acceptance of the reservation and reservation fee shall be due no later than the date stated in the award letter.

7.7 WAITING LIST. The Board, in its discretion, may establish a waiting list and adjust the order on the waiting list for any reason. The waiting list shall expire no earlier than 90 days after the date of the Board approval.

7.8 UNRESERVED TAX CREDITS. Unreserved Tax Credits are Tax Credits that were not awarded by IFA during its most recent round of allocation or are returned to IFA during the current year. If Unreserved Tax Credits become available within 75 days after the date of the Notice of Tax Credit Reservation, IFA shall review all Applications placed on the waiting list to determine if there are sufficient Tax Credits to fund one or more new Projects on the waiting list. The award of Tax Credits to a project on the waitlist requires Board approval. If Unreserved Tax Credits become available more than 75 days after the date of the Notice of Tax Credit Reservation, the unreserved Tax Credits will be available in the next funding round, and the waiting list shall expire.

7.9 INFORMAL APPEALS.

- A. **Notice of Appeal.** Any Applicant requesting an appeal shall submit written notice of appeal to housingtaxcredits@iowafinance.com within 7 days of the Tax Credit Reservation Date. The notice of appeal shall state the grounds upon which the Applicant challenges IFA's Tax Credit awards.
- B. **Procedures for Appeal.** Within 21 days of the Tax Credit Reservation Date, the Applicant shall file its appeal by submitting a written document to housingtaxcredits@iowafinance.com stating the relevant facts supporting its position. IFA staff may submit to the Executive Director a written document in response to the Applicant's appeal ("IFA response"). IFA staff will provide a copy of the IFA response to the Applicant.
- C. **Decision.** Within 30 days of the filing of the appeal as set forth in above in Procedures for Appeal, the Executive Director shall consider and rule on the appeal and will notify the Applicant in writing of the decision.
- D. **Final Agency Action.** The decision is final except as provided for in Iowa Code sections 17A.19 to 17A.20.

7.10 REMEDIES ON APPEAL.

- A. If an Applicant passed the Application requirements and is successful in demonstrating that the Applicant should have been awarded Tax Credits based on the score the Project should have received and considering Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- B. If an Applicant is successful in demonstrating that a Project was improperly determined by IFA to have not met the Application requirements, the Executive Director shall cause the Project to be scored. If the Project receives a score equal to or greater than the lowest score of any Project receiving credits from the General Set-Aside in the same round for 100% of such Project's underwritten Tax Credit amount (as opposed to Projects awarded under Section 7.5 – Discretion by the Board), prior to any skipping of Projects pursuant to Section 7.5 – Discretion by the Board, the Executive Director may place the Project on a waiting list for Unreserved or returned Tax Credits.
- C. Once the waiting list has expired, a Project that has been placed on the waiting list per Section 7.7 – Waiting List due to a successful appeal shall be awarded 5 points in the next 9% Tax Credit Round. To receive the additional points during the next 9% Tax Credit Round, the Project shall be the same Project that was the subject of the successful appeal.

**PART B –
POST RESERVATION
REQUIREMENTS**

Failure to comply with any provision of this section may result in the revocation of the Tax Credit Reservation, denial of the Carryover Allocation, withholding of the IRS Form 8609, or the issuance of an IRS Form 8823.

SECTION 8. CHANGES TO THE APPLICATION AFTER AWARD.

Ownership Entities must submit any proposed Project change after Tax Credit Reservation through the online Application. IFA may approve changes, subject to conditions, or deny. Material changes may be considered but shall result in an additional fee and future scoring penalty if approved. Material changes are changes that cause the Project to not be substantially the same as when awarded. This includes but is not limited to redesigns or revisions to the site, design or plans that may require extensive review, consideration for feasibility, scoring, or special considerations that may require IFA Board approval.

The following changes are typically not allowed and subject to loss of Tax Credits and ineligibility:

- A. Changes to the Ownership Entity named after Tax Credit Reservation.
- B. Transfers of the Tax Credit Reservation or Carryover Allocation.
- C. Changes in the qualifying entity on the Qualified Development Team.
- D. Changes that increase the housing credit amount.
- E. Changes in Unit mix.
- F. Changes that lower the final scoring of the Project.
- G. Changes to the minimum set-aside election.
- H. Changes that decrease the applicable fraction per building.

SECTION 9. CARRYOVER ALLOCATION-TEN PERCENT TEST APPLICATION.

To qualify for a carryover allocation, the requirements set forth in Section 42(h)(1) and Treasury Regulation 1.42-6 must be met. The Ownership Entity must submit a complete Carryover Allocation-Ten Percent Test Application (10% Test Application) package through the online Application unless all buildings are placed-in-service and the IRS forms 8609s issued in the same year as the Tax Credit award.

9.1 SITE CONTROL. The Ownership Entity shall provide evidence of site ownership or lease term of at least 35 years, including all parking, as part of the 10% Test Application package, and this ownership shall be continuous and uninterrupted through the issuance of an IRS Form 8609.

9.2 ZONING. The site must be zoned appropriately to allow construction of the Project by submission of the 10% Application.

SECTION 10. PRIOR TO PLACED-IN-SERVICE DOCUMENTS.

As a precondition to receiving IRS Form 8609, the Ownership Entity shall submit the following documents through the online Application at least 120 days prior to the first Unit placing in service. More detail is available in the Application.

- A. Affirmative Fair Housing Marketing Plan Package (AFHMP, ads/brochures, tenant selection plan, lease, lease addendums, community rules, VAWA documents).
- B. Confirmation the Project is listed on Iowa's free rental housing locator at www.iowaHousingSearch.org.
- C. A commitment to notify the local public housing authority of all vacancies.
- D. Waitlist preference shall be in place for those most in need in terms of income, accessibility, or special tenant populations. Refer to guidance in HUD Handbook 4350.3.

SECTION 11. APPLICATION FOR IRS FORM 8609.

After construction is complete, all buildings in a Project have been placed-in-service, and all other requirements of the IRS Form 8609 Application package have been met, a complete IRS Form 8609 Application package shall be submitted through the online Application.

11.1 MARKETABLE TITLE REQUIREMENT. The Ownership Entity shall provide adequate evidence that it has marketable title as determined by IFA in IFA's sole discretion. Adequate evidence of marketable title is demonstrated by either: (1) a title opinion of an attorney authorized to practice law in Iowa showing marketable title in the Ownership Entity; or (2) a certificate issued by the Iowa Title Guaranty Division of IFA showing the Ownership Entity as the guaranteed. In the case of leased land, a copy of the recorded lease shall be provided.

11.2 IRS FORM 8609. Upon approval of the 8609 Application by IFA, IFA shall complete Part A of IRS Form 8609 and send it to the Ownership Entity. The Ownership Entity shall complete Part B and return a copy of the fully executed IRS Form 8609 to IFA within 60 days of IFA sending the IFA executed IRS Form 8609. The Owner's completed IRS Form 8609 shall match the terms agreed upon in the LURA.

SECTION 12. CASUALTY LOSS AND COMPLIANCE.

12.1 DESTRUCTION OF A PROJECT PRIOR TO PLACEMENT-IN-SERVICE. If a Project cannot be placed-in-service by the applicable federal deadline due to a casualty loss, IFA may allow the Ownership Entity to return the Tax Credits in exchange for a binding commitment by IFA to allocate a future year's Tax Credits in an amount not to exceed the original allocation. This section only covers casualty losses not addressed under Revenue Procedure 2014-49.

12.2 COMPLIANCE. IFA has established procedures for monitoring compliance. Refer to the IFA Compliance Manual and supporting documentation.

12.3 COMPLIANCE PERIOD (INITIAL 15-YEAR COMPLIANCE PERIOD). The Compliance Period is the 10-year credit period and additional 5-year period for a total of 15 taxable years, beginning with the first taxable year of the credit period. During this period the federal minimum set-aside selected by the applicant and the rent affordability requirements in Section 6.1 of this QAP apply, with the more restrictive of the set-asides applying to the Tax Credit units. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

12.4 EXTENDED USE PERIOD (LONG TERM COMPLIANCE PERIOD). The time frame that begins the first day of the Initial 15-Year Compliance Period, in which the building is a part of a qualified low-income housing Project and ends 15 years after the close of the Initial 15-Year Compliance Period, or the date specified by IFA in the LURA. During the Extended Use Period, the rent affordability requirements identified in Section 6.1 – Affordability for Residents, cease applying, but the federal minimum set-asides set forth in the Code and selected by the applicant shall continue to apply. However, the rent affordability requirements identified in Section 6.1 – Affordability for Residents, do not cease applying to a Unit until the tenant currently in said Unit and benefiting from the rent affordability requirements in Section 6.1 – Affordability for Residents, vacates the Unit. A tenant cannot be evicted just to cause the rent affordability requirements set forth in Section 6.1 – Affordability for Residents, to terminate as to that tenant’s Unit. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

SECTION 13. TERMS AND CONDITIONS.

The following terms and conditions apply to all Applicants and Projects that receive a reservation of 9% Tax Credits, Carryover Allocation, and IRS Form 8609 allocation.

IFA will rely on the following when interpreting the requirements of the QAP: (1) the QAP, including the Tax Credit Application, appendices, exhibits, instructions, and any incorporated materials; (2) IFA’s questions and answers for the QAP; (3) IFA’s training guide; and (4) IFA’s past practice. IFA may, at its discretion, conduct due diligence to verify information provided by the Applicant. An Applicant’s interpretation of the QAP and its requirements is immaterial.

13.1 DOCUMENTS INCORPORATED BY REFERENCE. The items described in this Section are incorporated by reference in the QAP.

- A. 26 USC Section 42 as amended and the related Treasury regulations in effect as of the date this QAP is adopted by the Board.
- B. Iowa Code Section 16.35 and the rules promulgated by IFA to govern the Tax Credit Program in effect as of the effective date hereof.
- C. IFA Compliance Manual.
- D. In the case of any inconsistency or conflict between the items listed in this Section, conflicts shall be resolved as follows:
 1. First by IRC Section 42 and the related Treasury regulations;
 2. Second by Iowa Code Sections 16.4, 16.35, and the rules governing the QAP; and
 3. Third by the QAP.

13.2 BINDING OBLIGATIONS. The representations made in the Application bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project. The contractual obligation constitutes the agreement between the parties, as represented by the Developer or Ownership Entity, within the following documents: the QAP, Application (with any permitted amendments), and any other agreements executed between IFA and the Ownership Entity.

13.3 LAND USE RESTRICTION AGREEMENT (LURA). The Project shall be subject to the LURA, which is an agreement between IFA and the Ownership Entity and all its successors in interest. The LURA shall conform to the requirements of IRC Section 42(h), Iowa Code Section 16.35 and the QAP.

13.4 NO REPRESENTATION OR WARRANTY REGARDING THE QAP. IFA makes no representation or warranty to any Person or Entity as to compliance issues or the feasibility or viability of any Project.

13.5 IFA POLICY ON CIVIL RIGHTS COMPLIANCE. The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer, Ownership Entity, and Management Company to adhere to and comply with all federal civil rights legislation, including the Fair Housing Laws, the Americans with Disabilities Act, as well as any state and local civil rights legislation. The Developer and Ownership Entity are responsible for being aware of and complying with all non-discrimination provisions of federal, state, or local law.

13.6 VIOLENCE AGAINST WOMEN ACT (VAWA). The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer and Ownership Entity to adhere to and comply with the Violence Against Women Act, including adding the VAWA lease terms provided by the authority to its leases.

**PART C –
CONSTRUCTION
REQUIREMENTS**

SECTION 14. PRIOR TO INITIATION OF CONSTRUCTION.

14.1 CHANGES IN SCOPE. The Ownership Entity shall not make any changes or alterations to the Project (including the site layout, floor plan, elevations, or amenities) from Reservation without IFA's written authorization. This includes changes required by local governments to receive building permits.

14.2 IFA PLAN REVIEW. The Ownership Entity shall submit final plans, specifications, the energy audit or analysis, preliminary Iowa Green Streets checklist, and Capital Needs Assessment (CNA), if applicable, to IFA upon completion but no later than submission of the 10% Application. IFA shall give written approval before the Ownership Entity commences site work or construction.

14.3 ENERGY. For Acquisition/Rehab Projects, the Ownership Entity must provide:

- A. A copy of the energy audit conducted by the Energy Consultant, and
- B. Appropriate specifications to meet IECC standards or alternate cost-effective energy improvements with the final construction documents.

IFA requires an engineer or architect to certify that the architect has met and coordinated the design with the energy consultant and Ownership Entity and that the design meets the applicable International Energy Conservation Code (IECC) as shown in Section 15 – Building Standards. The contract for the determination of the energy audit shall be between the certified rater and the Ownership Entity. This section does not apply to Historic projects.

14.4 PRECONSTRUCTION MEETING. An IFA representative shall attend a contractor/developer construction meeting at or near the initiation of construction. The Ownership Entity must provide a copy of the contractor's initial pay application with a schedule of values when executed.

14.5 MINIMUM DEVELOPMENT CHARACTERISTICS – ALL PROJECTS. All construction will use the following minimum development characteristics. Projects with Historic tax credits may request exceptions when recommended by the State Historic Preservation Office (SHPO).

A. General.

1. **Construction Warranty.** Provide an enforceable minimum 1-year blanket construction warranty stipulating that the general contractor is responsible to do or have done any and all required warranty repair work, including consequential damages, at its own expense.
2. **No Smoking Policy.** Implement and enforce a "no smoking" policy in all Units and common areas, not including public areas of the exterior grounds.
3. **Community Room.** For senior Projects only, community room must be 20 square feet per unit up to the first 40 units made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property. Does not apply to Scattered Site Projects. Furnishings and room design shall be conducive for those with hearing, vision, and mobility impairments.

4. **Playground.** For family Projects only, an outdoor area provided for children to play in containing 5 to 7 commercial grade play components (an element intended to generate specific opportunities for play, socialization, or learning) that does not include wood. At least 2 must be elevated. Swings, spring riders, water tables, playhouses, slides, and climbers are acceptable; ramps, transfer systems, steps, decks, and roofs are not. The playground must comply with the requirements of the Department of Justice 2010 ADA Standards for Accessible Design. IFA may approve alternatives on a limited case by case basis. Does not apply to Scattered Site Projects.
5. **Sidewalks.** Concrete sidewalks providing access to a city public way from each entrance door.
6. **Trash Enclosures.** Screened trash removal areas.
7. **Internet Access.** High-speed internet wiring for broadband, wireless, or digital subscriber line for all Units.
8. **Video Security System.** The security system shall continually record activity at the site as follows: Parts of the site to be covered include parking areas and all levels of stairways. Cameras in corridors shall be placed in such a way that all unit entrances are covered. The recordings shall be maintained for a minimum of 14 days. Single family or each building in Scattered Site Projects are required to have the Video Security System.

B. Exterior Construction.

1. **Exterior Design.** The Project shall have a building design that is appealing and appropriate for the community and neighborhood, including varied facades, rooflines, and exterior materials.
2. **Exterior Siding.** Exterior siding shall be durable and impact resistant. Vinyl does not qualify as durable. Each building's exterior siding shall not be a single material texture and color combination exceeding 70% of the siding: brick, fiber cement board siding, or engineered wood siding with quality standards similar to Smartside, and/or nominal, 2" nominal thickness manufactured stone over ¾" stucco, nail on stone panels or metal siding approved by IFA. The exterior siding requirements do not apply to buildings that are 100% brick or stone. The soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
3. **Main Entrance Areas.** Apartment building main entrances to interior shall have a foyer and be equipped with a remote security and intercom system to each Unit to control entry to common areas.
4. **Roofs.** Roofs shall have a 30-year full warranty. Flat roofs shall have a minimum 60 mil TPO or EPDM thickness and a 10-year full warranty. Full warranty includes: all labor and materials for the entire roofing system and insurance rider for consequential damage. All reroofing applications shall include the removal of the existing roofing system down to the roof deck.
5. **Unit Doors.** Entry doors to the Unit shall have steel frames that are thermally broken, or metal clad wood frames. Entry doors shall be solid core wood or solid wood panel type, insulated metal, or fiberglass panel, lockset and deadbolt lock with 1 inch throw. Primary entry door shall have a 180-degree peephole or glass insert. Non-primary entry door may be a sliding patio door.

C. Interior Construction.

1. **Appliances.** The kitchen shall have a cooktop, an oven, a microwave, a cooling/freezing unit, a built-in dishwasher, and a sink. Single-bowl sinks shall be minimum 20" x 30". Appliances shall be Energy Star. These requirements do not apply to Single Room Occupancy units.
2. **Water Conserving Measures.** Toilets are high efficiency WaterSense toilets that use 1.28 gallons per flush or less; faucet aerators use 1.5 gallons per minute (gpm) or less in kitchens and 1.2 gpm or less in bathrooms; showerheads use 1.75 gpm or less. Dual flush toilets do not qualify.
3. **Cabinetry.** Cabinetry and woodwork shall meet ANSI/AWI standards for Custom Grade Cabinetry and/ have the KCMAA161.1 Quality Certification Seal or demonstrate they meet KCMA quality standards.
4. **Closet Rods and Shelves.** Closet rods and shelves are required in each bedroom closet in each Unit. For Accessible Units only, the closet shelves and hanger bars shall be easy to adjust to different heights with no tools required with adjustable standards and brackets. Hanger rods shall attach to the shelving and provide continuous slide for hangers between supports. Shelves shall be 12" deep minimum and material vinyl coated steel or similar.
5. **Paints and Primers, Adhesives, Caulks, and Sealants.** Paints, primers, adhesives, caulks, and sealants shall comply with Federal regulations applicable to low VOC requirements.
6. **Minimum Bathroom Accessories:**
 - Towel bar(s) within reach of lavatory and tub/shower.
 - Toilet paper holder.
 - Shower curtain rod (if applicable).
 - Mirror.
 - Cabinet with drawers, shelf space, or medicine storage cabinet.
7. **Carpeting.** If installed, carpets shall be 100% nylon or nylon/olefin blend or triexta. Fully Accessible Units shall have a maximum ¼-inch pile.
8. **Resilient Flooring.** ⅛-inch vinyl composition tile with color and pattern full thickness, LVT, sheet vinyl, linoleum flooring, tile flooring, bamboo, wood, or polished concrete.
9. **Resilient Flooring for Bathrooms.** LVT, sheet vinyl, linoleum flooring, or tile flooring.
10. **Durable Windowsills.** All window sills/ledges shall be composed of moisture-resistant materials, such as plastic laminate, molded plastic, cultured marble, etc.
11. **Window Covering.** Window coverings are required. A spring-loaded type window shade is not an approved covering.

D. Energy Requirements.

1. **Heating and Air Conditioning.** All Units shall be heated and air conditioned. Heating and air conditioning equipment must meet current Energy Star standards and use non CFC or HCFC refrigerants. Window units are not allowed. Electric resistance heating is not allowed as the primary heating source for new construction or adaptive reuse and must be approved at time of application if proposed for an Acquisition/Rehab or rehab project. AC sleeves shall be provided with a tight-fitting, insulated cover for thru wall AC units. Winter covers shall be provided for each AC unit.
2. **Water Heaters.** Water heating equipment shall meet current Energy Star standards.

14.6 MINIMUM DEVELOPMENT CHARACTERISTICS – NEW CONSTRUCTION AND ADAPTIVE REUSE.

New Construction and Adaptive Reuse Construction must use the following additional minimum development characteristics:

- A. **Closets.** Each bedroom shall have a closet (2-foot x 5 foot minimum) with a door. The minimum complement of dedicated closets per Unit include: 1 linen closet or cabinet 1.5-foot x 2 foot minimum and 1 coat closet 2-foot x 3 foot minimum.
- B. **Laundry.** Each Unit must have an enclosed washer and dryer (accessible if applicable), and the dryer vented to the building exterior.
- C. **Unit Bathrooms.** Three or more-bedroom Units in new construction and Adaptive Reuse Projects shall have at least 1 full bathroom and 1 three-quarter bathroom.
- D. **Windows.** Each Unit shall have at least one operable window per bedroom to allow for ventilation or serve as an emergency escape and rescue opening for Units located below the fourth story of a building.
- E. **Main Entrance Areas.** Single-family, duplex, and rowhouse Unit main entrances to exterior shall have a storm door and a covered entry with a minimum depth and width of coverage of 4 feet by 4 feet.
- F. **Energy Requirements.** In addition to meeting Iowa State Code and the IECC, the Project shall meet or exceed prescriptive standards for Multi Family New Construction (MFNC) or prescriptive standards for Energy Star Certified Homes (except where those requirements have been reduced herein) and receive a Home Energy Rating Systems (HERS) Index of 70 or less from a certified rater in Iowa. A home energy rating performed by a certified HERS rater is required on each building after it is completed to verify that actual construction meets the above listed requirements. Five Units with different floor plans and orientations for complexes of less than 50 Units and 10% of Units, up to a maximum of 10 Units in complexes of 50 or more Units shall be rated. The contract for the determination of the HERS index shall be between the certified rater and the Ownership Entity.
- G. **Radon System.** All new construction Projects shall install a passive radon system, including a drain tile loop below the building slab along with vertical vent pipes and junction boxes. Passive radon systems shall be upgraded to active systems if required radon tests conducted post construction exceeds permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.
- H. **Accessibility.**
 - 1. Fully Accessible Units. Projects shall have at least 10% percent of the Units, or at least 1 (whichever is greater) Unit fully accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). Type A Units and Type B Units do not qualify.
 - 2. Units with Accessible Communication Features. In addition to the 10% fully accessible Units, 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities. Refer to Section 15 – Building Standards.

For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.

14.7 MINIMUM DEVELOPMENT CHARACTERISTICS – ACQUISITION/REHAB. Rehabilitation Construction shall use the following additional minimum development characteristics:

- A. **Scope of Work.** The Scope of Work must identify necessary improvements identified in the CNA, including but not limited to:
1. Making common areas accessible, creating, or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint, or siding, and re-surfacing or re-paving parking areas.
 2. Improving site and exterior dwelling lighting with Energy Star qualified lighting fixtures, landscaping/fencing, and durable siding.
 3. Using energy-efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
 4. Improving heating and cooling Units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower Units to meet minimum efficiency standards for new construction.
 5. Improving quality of interior conditions and fixtures, including carpet, vinyl, interior doors, painting, drywall repairs, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
 6. Upgrading electrical circuits to have GFCI outlets at kitchens, baths, laundries, and other applicable locations.
 7. Upgrading all interior lighting to LED.
 8. Items that are being replaced must meet the standards set in 14.5 – Minimum Development Characteristics – All Projects.
- B. **Resident/Community Laundry.** A common laundry room facility located on site with a minimum of 1 washer/dryer to serve each 12 Units. An Applicant may provide a washer and dryer in each Unit in lieu of a common laundry room facility.
- C. **Smoke/CO2 Detectors.** Install or replace all smoke detectors/CO2 detectors, and these shall have a 10-year battery if not hard wired.
- D. **Radon System.** All Acquisition/Rehab Projects shall have a radon test prior to construction. Projects with basements or subfloors are required to have a passive radon system installed or an active system if radon tests exceed permissible thresholds. Projects built on slab on grade may forgo the installation of a radon system if radon tests are found to be below the permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.
- E. **Accessibility.** Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.

1. Fully Accessible Units. Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit fully accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). Type A Units and Type B Units do not qualify.
2. Units with Accessible Communication Features. In addition to the 5% fully accessible Units, 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities. Refer to Section 15 – Building Standards.

For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.

SECTION 15. BUILDING STANDARDS.

Preliminary site plan and floor plans are to be submitted with the Application to IFA. The Applicant shall meet local, state, and federal standards that apply to the Project, regardless if listed in Section 15 Building Standards.

- A. 2015 International Building Code adopted and published by the International Code Council.
- B. 2015 International Existing Building Code adopted and published by the International Code Council.
- C. 2015 International Residential Code adopted and published by the International Code Council (excepting paragraphs R313.1 and R313.2; sprinklers are not required in single family or townhomes separated by 2 hr. fire walls).
- D. 2015 International Fire Code adopted and published by the International Code Council.
- E. 2015 International Mechanical Code adopted and published by the International Code Council.
- F. 2021 Uniform Plumbing Code adopted by the International Association of Plumbing and Mechanical Officials.
- G. 2020 National Electric Code adopted by the National Electrical Code Committee and published by the National Fire Protection Association, Inc.
- H. 2015 International Energy Conservation Code adopted by the International Code Council. Any LIHTC project that includes HUD or Rural Development ("USDA") assistance or financing shall comply with 2021 IECC.
- I. Iowa Administrative Code, including but not limited to the following Chapters: 300 (Administration), 301 (General Provisions), 302 (Accessibility of Building), 303 (Energy Conservation), 350 (State Historic Building), and 25 (State Plumbing Code).
- J. Uniform Federal Accessibility Standards provided in 24 CFR Part 8 and delineated in the American National Standards Institute Standard 2009 A117.1.
- K. The Americans with Disabilities Act 1990 provided by the Federal Department of Justice. All publicly accessible areas must meet the accessibility requirements of this Act.
- L. The Federal Fair Housing Act of 1988 – all buildings with 4 or more units must comply with this Act and the Fair Housing Design Standards. Applies to ground floor Units or all Units in an elevator building.
- M. For Adaptive Reuse/Rehabilitation, the Lead Base Paint Poisoning Prevention Act, the Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead Based Paint Hazards, Environmental Protection Administration (EPA) and Occupational Safety and Health Act (OSHA) provisions shall apply when applicable.
- N. For Adaptive Reuse/Rehabilitation, if applicable, State Historic Preservation Office (SHPO) clearance Section 106 of the National Historic Preservation Act, 36 CFR Part 800 for Projects receiving any direct federal funding (HOME or categorical grant) or affecting properties listed in the National Register of Historic Places, or in a designated historic preservation district or zone.

**PART D –
GLOSSARY OF
TERMS**

The following bolded terms shall have the meanings set forth herein unless context clearly requires a different meaning.

Affiliates: Any Person or Entity who (i) directly or indirectly through one or more intermediaries control, is controlled by, or is under common control with the Applicant; or (ii) owns or controls any outstanding voting securities, partnership interests, membership interests, or other ownership interests of the Applicant; or (iii) is an officer, director, guarantor, employee, agent, partner, member, manager, or shareholder of the Applicant; or (iv) has an officer, director, member, manager, guarantor, employee, agent, partner, or shareholder who is also an officer, director, member, manager, employee, agent, partner, or shareholder of the Applicant; or (v) is a consultant of the Applicant.

Applicant: The Ownership Entity, Developer, General Partner, or Affiliate as shown in the Application.

Area Median Gross Income (AMI): The most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

Carryover Allocation Agreement: The document that contains the Ownership Entity's election statements for an allocation of Tax Credit Reservations by IFA pursuant to IRC Section 42(h)(1)(E) and Treasury Regulations, Section 1.42-6.

Concerted Community Revitalization Plan: Projects located in a QCT and entirely within the defined geographical boundaries of an area for which a CCRP exists, may be eligible to request Site Appeal points under Category 16 if all requirements listed below are met, as determined solely at IFA's discretion:

1. A copy of the CCRP must be submitted with the Application as Exhibit 1S-16.
2. The CCRP must have been formulated more than 6 months from the Application submission due date. Comprehensive and Consolidated Plans, outdated plans, and plans completed in the prior 6 months of the Application submission due date are not permitted. If the CCRP is older than 5 years, an update must be provided to describe progress and setbacks within those 5 years.
3. The CCRP Area ("Area") must be clearly defined in the plan and specify the geographical boundaries within a city for which the CCRP was solely developed. The Area may not encompass an entire city.
4. The CCRP shall also include, at a minimum:
 - a. Description of the revitalization needs and strategy for securing non-housing investment and demonstrates the need for revitalization. The plan should describe existing structures, existing infrastructure, demographics, and economic characteristics of the Area.
 - b. Description of the need for housing development that includes market rate and affordable housing.
 - c. Identification of community partners and committed and/or planned funding sources (both public and private and federal and state).
 - d. Revitalization goals, measurements of progression to goal attainment, identification of barriers, and steps to be taken to overcome the barriers; and
 - e. Description of community outreach and input that occurred in developing the CCRP.

Disability: At least one of the following criteria: (1) has a physical, mental, or emotional impairment that is expected to be of long-continued and indefinite duration, substantially impedes the person's ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions; or (2) has a developmental disability, defined as a severe chronic disability that is attributable to a mental or physical impairment or combination of mental and physical impairments, is manifested before the person attains age 22, is likely to continue indefinitely, results in substantial functional limitation in 3 or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and that reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Eligible Basis: The Project costs allowable under Section 42(d) that are used to calculate the maximum Tax Credits.

Entity: Any general partnership, limited partnership, corporation, joint venture, trust, limited liability company, limited liability partnership, business trust, cooperative, or other business association.

Family Project: General occupancy project with no age restrictions.

Identity of Interest: A financial, familial, or business relationship that permits less than an arm's-length transaction. No matter how many transactions are made subsequently between persons, corporations, or trusts controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered "arm's-length". Identity of Interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors, or stockholders; family relationships among the officers, directors, or stockholders; the Entity is controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders. Failure to disclose an Identity of Interest is an unsatisfactory performance issue with IFA and may deem the party ineligible for future rounds.

Low-Income Unit: Any residential rental Unit that is rent-restricted and the occupant's income meets the limitations applicable as required for a qualified low-income housing Project.

Older Persons/Senior Housing: Housing that meets the Fair Housing Act definition of housing for older persons and is exempt from the law's familial status requirements provided that: (1) HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a federal or state government program; (2) it is occupied solely by persons who are 62 or older; or (3) it houses at least 1 person who is 55 years or older in at least 80% of the occupied Units, and adheres to a policy that demonstrates intent to house persons who are 55 years old or older.

Owner Representative: The General Partner(s)/Managing Member(s) of the Ownership Entity.

Project: A low-income rental housing Property the Applicant of which represents that it is or will be a qualified low-income housing Project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that Property which is the basis for the Application.

Property: The real estate and all improvements thereon which are the subject of the Application, including all items of personal Property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

Radon System (Sub-Slab Depressurization System): Radon-resistant features below the building slab along with vertical vent pipe(s) with junction box(es) following requirements in ASTM E2121-13 Standard Practice for Installing Radon Mitigation Systems in Existing Low Rise Residential Buildings and ASTM E1465 – 08a Standard Practice for Radon Control Options for the Design and Construction of New Low-Rise Residential Buildings. Find other technical guidance at [EPA Radon Resources for Builders and Contractors](#).

ROSE Program: A Renter to Ownership Savings Equity (ROSE) Program. For further explanation, refer to Appendix M – ROSE Requirements.

Rural: Any city or county located in this state, except those located wholly within 1 or more of the 11 most populous counties in the state, as determined by the most recent population estimates issued by the United States Census Bureau. Iowa Data Center - Population Estimates [Annual population estimates: Vintage 2023 :: Iowa State Data Center \(iowadatacenter.org\)](#)

Senior Center: A community-based, federally funded program that provides a variety of services that may include social activities, nutrition, and educational and recreational opportunities for older adults.

Single-Room Occupancy (SRO) Housing: Housing consisting of single-room dwelling Units that is the primary residence of its occupant or occupants. Per Iowa Code 42(i)(3)(B)(iii), all SRO Units shall have kitchen and bathroom facilities within the Unit and used other than on a transient basis.

State Issued Notice of Noncompliance: A notice that identifies noncompliance issues (that existed at the Property during a physical inspection or file review) with the LURA, the Carryover Agreement, the Application, etc. that are not reported to the IRS via IRS Form 8823, throughout the Compliance Period and the Extended Use Period.

Tax Credits: The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42, and Iowa Code Section 16.35.

Tax Credit Reservation: With respect to a Project or a building within a Project, the amount of Tax Credits IFA awards to an Ownership Entity.

Tax Credit Reservation Date: The date that the notice of Tax Credit Reservation was emailed to an approved Applicant.

Unit: A room or a group of related rooms designed for use as a dwelling for which rent is paid. A Unit contains sleeping accommodations, a kitchen, and a bathroom.

Utilities: Gas, electricity, water, and sewer service.



Iowa Finance Authority

1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315

515.452.0400

800.432.7230

housingtaxcredits@iowafinance.com

To: Iowa Finance Authority Board of Directors
From: Stacy Cunningham
Date: September 3, 2024
Re: 2025 First Amended 4% Qualified Allocation Plan “QAP”

Pursuant to Section 42 of the Internal Revenue Code and Iowa Code section 16.35, the Iowa Finance Authority (the “Authority”) must draft one or more qualified allocation plans which governs the allocation of tax credits under Section 42 of the Code. Last month, the Board approved the 2025 4% QAP with one modification to be completed. This has been completed. While doing that modification, it was discovered that in QAP Part C, Construction Requirements, Section 15 Building Standards that the two International Building Code “IBC” referenced were inadvertently changed to 2021 from the draft to the final and should have remained as 2015. The first amendment changes the year back to 2015 for both IBC references and corrects a typographical error on in Section 2.2 Fees - Reservation Fee changing 125% to 1.25%.

The Authority’s proposed 2025 First Amended 4% QAP is attached as Exhibit A hereto.

Staff recommendation: Authority staff recommends that the Board approve the 2025 First Amended 4% QAP as set forth on Exhibit A hereto.

Proposed Motion: Motion to approve the 2025 First Amended 4% QAP as presented.

2025 — FIRST AMENDED 4% QUALIFIED ALLOCATION PLAN (QAP)

This Qualified Allocation Plan (QAP) governs the 2025 4% Low-Income Housing Tax Credit (Tax Credit) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.



TABLE OF CONTENTS

INTRODUCTION 3

PART A – REQUIREMENTS FOR 4% TAX CREDITS WITH TAX-EXEMPT BONDS 4

SECTION 1. TAX-EXEMPT BOND FINANCED PROJECTS CREDIT ALLOCATION PROCESS 5

SECTION 2. APPLICATION PROCESS OVERVIEW 5

SECTION 3. ELIGIBILITY 9

SECTION 4. APPLICATION UNDERWRITING STANDARDS 15

PART B – POST RESERVATION REQUIREMENTS 17

SECTION 5. POST RESERVATION REQUIREMENTS 18

SECTION 6. TERMS AND CONDITIONS 19

PART C. CONSTRUCTION REQUIREMENTS 21

SECTION 7. PRIOR TO INITIATION OF CONSTRUCTION 22

SECTION 8. BUILDING STANDARDS 28

PART D – GLOSSARY OF TERMS 29

INTRODUCTION

This Qualified Allocation Plan (QAP) governs the 2025 federal 4% Low-Income Housing Tax Credit (Tax Credit) allocation year. The Iowa Finance Authority (IFA) administers this program in Iowa, as specified in Iowa Code Section 16.35.

The mission of the State of Iowa federal housing Tax Credit Program is to enhance the lives of Iowans by partnering with developers who share our mission of preserving and expanding affordable housing. The QAP, online application, and policies and procedures were developed to meet this mission, as well as all requirements of Section 42 of the Internal Revenue Code (Code).

The Code requires each Allocating Agency to develop a QAP for use in determining those developments that will receive an allocation of Tax Credits. If the relevant IRS Code or IRS regulations that govern this program are amended, the IFA Board may amend this QAP to ensure it conforms.

In the process of administering the Tax Credit program, IFA will make decisions and interpretations regarding this QAP, Applications, and Projects. Unless otherwise stated, IFA is entitled to full discretion in making such decisions.

IFA shall become the owner of the Applications. IFA is not responsible for any costs incurred by Applicants.

In all instances in which federal, state, or local requirements apply to the Project, the most restrictive requirements shall apply.

**PART A –
REQUIREMENTS FOR
4% TAX CREDITS
WITH TAX-EXEMPT
BONDS**

SECTION 1. TAX-EXEMPT BOND FINANCED PROJECTS CREDIT ALLOCATION PROCESS

1.1. PRIVATE ACTIVITY BOND CAP (Bond Cap). The bonds to finance the Project shall have received an allocation of bond cap pursuant to IRC Section 146 and Iowa Code Chapter 7C. Tax Credits are allowed for the portion of a Project's Eligible Basis that is financed with the tax-exempt bonds. If fifty percent (50%) or more of a Project's aggregate basis (land and building) is so financed, the Project is eligible for Tax Credits for up to the full amount of Eligible Basis. Bond cap allocation is limited to the greater of \$7,000,000 or fifty five percent (55%) of the aggregate basis. The allocation of the bond cap shall be after the 42M letter is issued.

1.2 PROJECT CAP. The maximum Tax Credit amount is limited by the availability of bond cap and the Project Eligible Basis

1.3 OPEN PROJECTS LIMITATION. IFA reserves the right to limit 4% Projects based on the availability of bond cap, distribution of Projects across the state, open Projects per Developer, General Partner/Managing Member or Affiliate and Developer experience in Iowa.

SECTION 2. APPLICATION PROCESS OVERVIEW

2.1 TAX CREDIT RESERVATION SCHEDULE. To the extent possible, the following schedules apply to the Tax Credit Reservation Application process for 4% Tax Credits:

Process Step	Date
Application Package Available	January 2025
Date of Last Application Package Submission to IFA	October 31, 2025
IRS Form 8609 Application Package due to IFA	No later than November 1 of the first year credit period

Any revisions to the schedule will be published on the IFA website.

2.2 FEES. Electronic payment of the fees is required. Fees are nonrefundable. IFA shall collect the fees described below for the Tax Credit Program.

Fee Type	All Applicants
Application Fee	\$3,500
Reservation Fee	1.25% of the total 10-year Tax Credit amount due within 30 calendar days of issuance of IRC Section 42(m) Letter.
Material Change in Application Fee	\$7,500 for material change requests.
IRS Form 8609 Application Fee	\$10,000
Amended IRS Form 8609 Fee	\$1,000
Legal Fees	Legal fees of IFA's in-house counsel and related to the Project may be billed at the rate of \$150 per hour. Legal fees of outside counsel and related to this Project will be billed at the rate charged to IFA.

Fee Type	All Applicants
Construction Monitoring Fees	A \$3,500 construction monitoring fee will be due with the IRS Form 8609 Application.
Fees for Failed and Missed Inspections	IFA charges an additional \$500 fee when conditions at the site warrant a return visit or any missed inspection or preconstruction meetings when IFA's construction analyst is not given 10 days advance notice.
Compliance Monitoring Fee	<p>\$40 per Unit x number of total Project Units, submitted annually on or before January 31 for each year of the Compliance Period and the Extended Use Period (if applicable). (Example: \$40 per Unit x 24-Unit Project = \$960 paid annually for 30 years.)</p> <p>Additional fees may apply if the Ownership Entity does not successfully elect to treat a Project as a multiple-building Project on the IRS Form 8609, if eligible to do so.</p> <p>Annual rate increases may apply. Other fees as provided in the IFA compliance manual.</p> <p>The first annual payment shall be submitted with the IRS Form 8609 Application. The Ownership Entity has the option of paying the compliance monitoring fee in advance for the entire Compliance Period and the Extended Use Period (if applicable); however, additional fees may be assessed to the Property during the Compliance Period and Extended Use Period if annual rate increases are applied during that time</p>

2.3 APPLICATION PROCESS.

- A. **Application Summary.** An Application Summary shall be completed and submitted through the online Application. IFA will contact the Applicant to discuss the tax-exempt bond process and determine whether IFA will be the conduit bond issuer which will require submission of the bond inducement application.
- B. **Bond Inducement Application.** Applicant shall complete the bond inducement application and payment of the bond inducement application fee through the online Application.
- C. **Board Approval of Bond Inducement.** The IFA Board has discretion to approve the bond inducement for the purpose of using tax-exempt financing for the 4% Tax Credit Project. IFA Board approval of the bond inducement is required prior to submission of the Tax Credit Application.
- D. **Tax Credit Application Package.** Applicants shall submit the Application and exhibits through the online Application. Applicants shall use the forms contained in the Application Package and include all information required by the QAP or as otherwise required. Applications shall be submitted within 6 months of Board approval of the bond inducement otherwise the bond inducement may be terminated. Applicants are advised to check IFA's website periodically for any amendments or modifications to the Application Package.

- E. **Complete Application.** For IFA to review an Application fairly and accurately, it shall be complete. If there is not adequate information provided to review the Application, and upon request from IFA to the Applicant, adequate information is not submitted, then IFA shall reject the Application.
- F. **Market Study.** All applications shall include a comprehensive market analysis with a full narrative report following IFA's current market study guidelines. The study must be prepared by an independent third-party National Council of Housing Market Analysts member unaffiliated with the developer. The Market Study Provider shall acknowledge the study is being completed for IFA's use and benefit. IFA may contact the Market Study Provider at any time. Refer to Appendix O – Market Study Requirements.
- G. **Market Study Timing.** The Market Study and field survey must have been completed no more than 6 months prior to the application submission.
- H. **IFA Market Study Review.** The Market Study must reflect the Application submitted, including but not limited to unit mix, income targeting, rent levels, minimum set-aside, and other property attributes and amenities. IFA may permit or require Applicants to comply with recommendations made by the Market Study Provider in the deficiency report. IFA may reject an Application if the Market Study submitted does not meet the IFA Market Study guidelines.
- I. **Site Plans and Site Visits.** Applications shall include a preliminary site plan, floor plans, and elevations of all sides of all buildings. Applicants shall provide IFA building access for inspection.
- J. **Authorization Forms.** IFA may request an executed IRS Form 8821, Tax Information Authorization Form.
- K. **Document Timeliness.** Required supporting documentation shall not be more than 180 days old, unless otherwise noted, on the date that the Application is submitted. Exceptions include documents not specifically produced for the Application, such as a valid purchase agreement, deed, land title document, and Articles of Incorporation.
- L. **Opinions and Certifications.** All certifications, professional opinions, and related documents must be based on an independent investigation into the facts and circumstances regarding the proposed Project, in the form specified by IFA, and made under penalty of perjury.
- M. **Local Jurisdiction Notification.** The Applicant shall supply the contact information of the Chief Executive Officer of the Local Jurisdiction.
- N. **Application Deficiency.** During the Application review, IFA may request additional information on the Application through a deficiency report sent via email. The Applicant will have a period of time determined solely by IFA to remedy the deficiency items. IFA may adjust the underwriting, if applicable. IFA may contact the Applicant in other ways to clarify information contained in the Application.
- O. **IRC Section 42(m) Letter.** Once an Application is approved, IFA shall issue an IRC Section 42(m) letter confirming that the Project satisfies the requirements of the QAP and stating the preliminary amount of Tax Credits for the Project.
- P. **Joint Review.** IFA may conduct joint reviews with any other party. IFA may contact other sources to obtain information regarding the materials contained in the Application.

2.4 PUBLIC INFORMATION. At the conclusion of the selection process, the contents of all Applications will be in the public domain and be public records available for review by interested parties, unless, at the time of submitting the application, the Applicant properly requests that specific parts of the Application be treated as confidential AND the information is confidential under Iowa or other applicable law. IFA's release of public records is governed by Iowa Code Chapter 22. Applicants are encouraged to familiarize themselves with Chapter 22 before submitting an Application. IFA will make records available as required to comply with Chapter 22 or other applicable law.

The following are automatically confidential records and will be withheld from public inspection even without a request for confidential treatment:

- A. **Confidential Request.** An applicant who desires confidential treatment of information must contact IFA staff prior to requesting confidential treatment or submitting an Application for which confidential treatment is requested. Applicants must submit the request in the initial application. Failure to make the request may result in the complete Application being treated as a public record. Any request for confidential treatment must (1) enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law that supports treatment of the material as confidential, (2) provide adequate justification as to why the material should be maintained in confidence, (3) explain why disclosure of the material would not be in the best interest of the public, and (4) set forth the name, address, telephone, and e-mail for the person authorized by applicant to respond to inquiries by IFA concerning the confidential status of such material. Requests to maintain an entire Application as confidential will be rejected.
- B. **Release.** If the Applicant fails to comply with the request process set forth herein, if Applicant's request for confidentiality is unreasonable or inconsistent with applicable laws, or if Applicant rescinds its request for confidential treatment, IFA may release such information or material with or without providing advance notice to Applicant and with or without affording Applicant the opportunity to obtain an order restraining its release from a court possessing competent jurisdiction.
- C. **Waiver.** The Applicant's failure to request confidential treatment of material will be deemed a waiver of any right to confidentiality the Applicant may have had.

SECTION 3. ELIGIBILITY

3.1 LEGAL OWNERSHIP ENTITY. This Ownership Entity shall be formed prior to Application submission and shall be a single-asset entity to which Tax Credits will be awarded. All members, managers, partners, and officers of all entities of the Ownership Entity shall be disclosed in an organizational chart.

3.2 QUALIFIED DEVELOPMENT TEAM. The Application shall identify all members of the Qualified Development Team (QDT) and Affiliates. The Developer/Co-Developer (Developer), General Partner/Managing Member (GP/MM), and Affiliates thereof, may not change between Tax Credit reservation and issuance of the IRS Form 8609.

A. **Qualified Development Team Members.** The Application must identify the following QDT Members, if applicable:

- Developer/Co-Developer
- General Partner/Managing Member
- Syndicator or Direct Investor
- Special Limited Partner
- Management Company
- Bond Counsel
- Architect
- Energy Consultant
- Tax Attorney
- Tax Accountant
- Contractor
- Engineer
- Development Consultant

B. **New Developer and General Partner/Managing Member.** Developers or GP/MM with no prior Tax Credit awards, with a prior Tax Credit award without an issued 8609, or with an 8609 issued from another state shall be eligible as listed below. Principal(s) of a Developer or GP/MM entity with the applicable experience will not be considered a New Developer or New GP/MM:

Developer or GP/MM with no prior Tax Credit Award	Up to one Tax Credit award in 2025 and shall not be eligible for a second award in any team member role until the project places in service.
Developer or GP/MM with prior Tax Credit Award in Iowa, but no 8609	No Tax Credit award until project awarded Tax Credits in Iowa meets places in service.
Developer or GP/MM new to Iowa with 8609 from another state	Up to two Tax Credit awards in 2025.

- C. **Direct Investor.** A direct investor shall have a Tax Credit asset management department with at least 3 years' experience.
- D. **Management Company.** The management company shall have at least 3 years of Tax Credit management experience and is currently managing at least 3 Tax Credit Properties.
- E. **Architect.** The Architect, and not just the architectural firm, must be duly licensed to do business in Iowa.
- F. **Energy Consultant.** The Energy Consultant shall be an independent Residential Energy Services Network (RESNET) certified individual or a licensed engineer capable of determining applicable building performance standards and ensuring conformance to relevant code requirements.
- G. **Development Consultant.** A copy of the executed Development Consultant Agreement shall be submitted in the Application.

3.3 INELIGIBILITY. Any QDT member or Affiliates thereof may be deemed ineligible by the Executive Director to participate in the Tax Credit Program for the following:

- A. Evidence of involvement in a financial crime or crime related to dishonesty.
- B. Evidence of involvement in a crime or violation of laws or regulations, including, but not limited to, laws and regulations related to the development or management of housing, taxes, public health, safety (including workplace safety), environmental laws, or antitrust laws.
- C. Making misrepresentation or providing materially false information in an application.
- D. Allowing an affordable rental housing property to enter into foreclosure.
- E. Exiting a Tax Credit ownership entity voluntarily or involuntarily.
- F. Being suspended, debarred, or otherwise excluded from doing business with any federal housing program.
- G. Not being in good standing with any affordable rental housing program administrator, state agency, or local authority.
- H. Having been issued an IRS Form 8823 or the equivalent State-Issued uncorrected notice of noncompliance.
- I. A history of repeated or numerous Tax Credit allocation or compliance issues, even if such issues have not resulted in an uncorrected IRS Form 8823.
- J. Has returned a full credit Allocation or has failed to comply with a Carryover allocation.

3.4 SITE REQUIREMENTS. The proposed Project shall be in an incorporated city at Application submission. Applications shall not contain or propose alternate sites. The Applicant shall be ready to proceed with the Project by documenting site control and site suitability. IFA may deem a site unacceptable if located in an area of high Tax Credit Unit density.

- A. **Zoning.** The Applicant shall provide confirmation from the city of the current zoning, including special or conditional use permits and any other discretionary land use for each site on which the Project will be located. The city zoning department shall verify whether the official plat is properly zoned. The Applicant shall provide site plans to the city that show the Project will have:
 - 1. The proper number of parking stalls.
 - 2. Direct contiguous access to a publicly dedicated paved road.
 - 3. Any legal easement(s) necessary to not be landlocked; and
 - 4. Right of ways, if applicable.
- B. **Scattered Sites.** The Application shall reflect the total of all sites as well as separate site-specific exhibits for each site included in the Project. A Scattered Site is a Project where multiple buildings with the same occupancy type and are not located in proximity to one another but are owned by the same Ownership Entity and financed under the same agreement(s). For Scattered Site Projects, all Units shall be qualified Tax Credit Units.

C. **Submission of Site Characteristics.** The site shall be suitable for the proposed Project and shall not include excess acreage unnecessary for the construction and use of the Project.

The Applicant shall provide:

1. A narrative of the current use of the Property, all adjacent Property land uses, and the surrounding neighborhood.
2. Labeled colored photographs (or color copies) of the proposed Property and all adjacent properties.
3. A clear map or an aerial photo identifying the exact location of the Project site; and
4. A plat map of the site or proposed replat of the site.

D. **Detrimental Site Characteristics.** The Applicant shall not change the site location. If the site(s) includes any detrimental characteristics, the Applicant shall provide a remediation plan and budget, subject to IFA's approval, to make the site suitable for the Project.

IFA may reject sites:

1. Located within one-half mile of storage areas for hazardous or noxious materials, sewage treatment plants or other solid waste facilities, businesses or equipment producing foul odors or excessive noise, or the site is a prior storage area for hazardous or noxious materials, sewage, or other solid or liquid waste.
2. Where the slope/terrain is not suitable for a Project based on extensive earth removal/replacement required for development.
3. Where there are obvious physical barriers to the Project.
4. Located within one-half mile of a sanitary landfill or sites that were previously used as a sanitary landfill.
5. Located within a flood hazard area, 100-year flood zone or a 500-year flood zone as determined by the Iowa Department of Natural Resources, a FEMA map, or a FIRM map.
6. Located within 500 feet of an airport runway clear zone or accident potential zone.
7. That are landlocked.
8. That are native prairie land or designated wetlands.
9. Within 300 feet of an electrical power substation, natural gas substation, or similar substation; or that are otherwise unsuitable as a home for Tax Credit households as determined by IFA.

E. **Site Control.** The Application must demonstrate the Applicant has site control by providing executed documents described below.

1. **Evidence of Site Control.**

The evidence shown below must be binding on the contractor/lessor/optionor of the Property (i.e. there must be no conditions for the termination within the sole discretion of the contractor/lessor/optionor, and the evidence must provide that the contractor/lessor/optionor cannot unilaterally withdraw, revoke, or rescind the obligation to the sale or lease of the Property to the Applicant unless the Applicant is in default under the contract).

- a. The Applicant holds sole fee simple title to the Property on which the Project will be located by a properly executed and recorded warranty deed; or
- b. The Applicant has an executed and exclusive purchase option or contract with the fee simple owner of the Property, not with a third party that holds a purchase option or contract with the fee simple owner, that is valid for nine months following the date of the Application due date.
- c. The Applicant has an executed lease or an option on a lease with the fee simple owner of the Property, not with a third party that holds a purchase option, contract, lease, or option on a lease with the fee simple owner, which has a term not less than 35 years. If the Applicant is purchase or leasing parking space from a unit of local government, a project specific resolution would suffice.

2. Requirements for Site Control.

- a. There shall be a common ownership between all Units and buildings within a single Project for the duration of the Compliance Period and the Extended Use Period.
- b. The Applicant shall provide the location of existing and proposed easements on the site, the most current real estate tax assessment, and documentation that the Project meets or exceeds the City requirements for parking (unless subject to an exemption).

3.5 PROJECT REQUIREMENTS. The Applicable Percentage for each building is established at either the month in which the building is Placed- in-Service, or at the Ownership Entity’s election, the month in which the bonds are issued. If the latter is desired, the election statement shall be signed by the Ownership Entity, notarized, and submitted to IFA before the close of the fifth calendar day following the month in which the bonds are issued.

The Project shall be Placed-in-Service no later than 24 months following the date of the bond issuance. IFA may, on a case-by-case basis, allow a Project to exceed the 24-month requirement. All requests to exceed this requirement on a 4% Tax Credit Project shall be considered at IFA’s discretion.

- A. **Qualified Residential Rental Property.** The Applicant shall certify that the Project as proposed is a Qualified Residential Rental Property. IFA may require the Applicant to supply a legal opinion.
- B. **Community Service Facility.** A Community Service Facility is a facility meeting the requirements of IRC Section 42(d)(4)(C)(iii) and Revenue Ruling 2003-77.
- C. **Minimum Set-Aside Elections.** The Applicant shall make a minimum set-aside election of income and rent levels from the options listed below. Any Owner election made in regard to the minimum set-aside election requirement for a qualified low-income housing project under IRC Section 42(g) cannot be changed once made in the initial submitted Application. If a Project has an existing LURA, the minimum set-aside election shall remain the same.
 - 1. **20-50 Test.** At a minimum 20% or more of the residential Units in a Project are both rent-restricted and occupied by individuals whose income is 50% or less of AMI; or
 - 2. **40-60 Test.** At a minimum 40% or more of the residential Units in a Project are both rent restricted and occupied by individuals whose income is 60% or less of AMI; or
 - 3. **Average Income Test.** At a minimum 40% or more of the residential Units in a Project serve households earning as much as 80% AMI, as long as the average income/rent limit in the property is 60% or less of AMI. The Average Income Test is not available for Scattered Site Projects, Projects with Market Rate units, Project Based Rental Assistance, or PHA Project Based Vouchers.

- D. **Senior Projects Standards.** Senior Projects are not allowed anything greater than 2 bedrooms per Unit. If layered with an existing Federal Program, the senior occupancy restrictions for the Federal Contract shall apply.
- E. **Units.** All Tax Credit Units shall be evenly distributed in terms of location and number of bedrooms throughout the Project, be of comparable quality, and offer a range of sizes and number of bedrooms to any unrestricted Units.
- F. **Market Rate Standards.** Market rate single family homes shall not be allowed in any Project.
- G. **Acquisition/Rehab**
1. **Capital Needs Assessment (CNA).** Acquisition/Rehab or Rehab Projects shall submit a complete Capital Needs Assessment. The CNA shall be prepared by a third party that regularly provides CNAs as a basic or core service. The third party may be a member of the Qualified Development Team with prior approval by IFA but may not be the Ownership Entity or Developer. The CNA shall assess the rehabilitation needs of each existing structure, including:
 - a. A site visit and physical inspection of the interior and exterior of Units and structures.
 - b. An interview with on-site property management and maintenance personnel to inquire about past repairs/ improvements, pending repairs, and existing or chronic physical deficiencies.
 - c. The presence of hazardous materials.
 - d. A detailed opinion as to the proposed budget for recommended improvements.
 - e. Identify critical building systems or components that have reached or exceeded their expected useful lives.
 - f. A projection of recurring probable expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, to determine the appropriate replacement reserve deposits on a per Unit per annual basis.
 - g. Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines.
 - h. Structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, stairs, and drainage.
 - i. Interiors, including Unit and common area finishes (carpeting, vinyl tile, plaster walls, paint conditions, etc.), Unit kitchen finishes, cabinets and appliances, Unit bathroom finishes and fixtures, and common area lobbies and corridors.
 - j. Mechanical and electrical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, security, low voltage systems, and elevators.The CNA shall conform to standards outlined in ASTM E 2018-08, Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process. An assessment done for and accepted by USDA Rural Development is acceptable.
 2. **Existing Tax Credit Project Resyndication.** A Project is eligible to apply for Tax Credits following the close of the initial 15-year Compliance Period.

3. **Rehabilitation Expenditure.** The Applicant shall provide information regarding rehabilitation expenditures for each building. The information shall address how the Applicant will meet all of the building standards and minimum development characteristics. The Applicant shall identify, with respect to each building as required by the Application, the rehabilitation expenditures as defined in IRC Section 42(e)(2) that shall be allocable to or substantially benefit the Low-Income Units in such building. Each building in the Project must meet the greater of the IRS minimum expenditures requirement set forth in Section 42(e)(3) or a \$35,000 rehabilitation expenditure limited to hard construction costs per Low-Income Unit.
4. **Eligibility for Acquisition Credits.** Project must meet all IRS requirements for acquisition credits including the 10 Year Rule and Related Parties Rule in IRC Section 42(d)(A) – (D)(ii)..

3.6 DISPLACEMENT OF RESIDENTIAL TENANTS. IFA may reject any Application that fails to minimize permanent displacement of tenants and/or provide an adequate relocation plan. The Application must include a formal relocation plan if the Project scope requires any form of temporary or permanent relocation of existing tenants. The plan shall provide an overview of the need for relocation, a proposed timeline, an estimated budget, and other information as requested in the Application. If the project has a federal funding source, the most restrictive relocation plan requirements shall apply.

SECTION 4. APPLICATION UNDERWRITING STANDARDS

IFA may adjust the amount of Tax Credits based upon the underwriting. All Projects shall meet underwriting standards.

4.1 PROJECT DEVELOPMENT COSTS

- A. **Developer Fees.** The total developer fees, including overhead/profit, and development consultant fees, shall not exceed 18%. The Developer Fee is calculated as a percentage of Total Project Costs minus land, existing structures, Developer's Fee, Developer's overhead and profit, Consultant fees, and Project reserves.
- B. **Builder and General Contractor Fees.** Builder and general contractor fees will be limited to a total of 15% of the hard construction costs (site improvements or work, new construction, rehabilitation, accessory buildings, garages, general requirements, construction contingency, asbestos abatement, lead-based paint measures, builder's overhead, builder's profit, builder bond fee, architect's fees, engineering fees, and other fees).
- C. **Professional and Other Fees.** IFA reserves the right to limit professional fees and other fees related to services rendered to the Project.
- D. **Operating Reserve.** The operating reserve will be at least 6 months of debt service, operating expenses, and real estate taxes. The operating reserve shall be fully funded within 6 months from the date IFA sent the IRS Form 8609 to the Ownership Entity. The operating reserves may be funded with an irrevocable letter of credit. If a letter of credit is used, the proceeds shall not be included in the Project costs. The fees associated with obtaining the letter of credit may be included in Project costs. Operating reserves are required to stay with the Project at the time of investor exit or sale of the property.
- E. **Appraisals.** An appraisal by an active Member Appraisal Institute (MAI)-certified appraiser who is not a related party at the Applicant's expense is required for the following reasons unless waived by IFA:
 - 1. For land or buildings that are acquired from a party with an Identity of Interest.
 - 2. For Acquisition/Rehab Projects requesting acquisition credits.
 - 3. During the Application review, if IFA may determine that cause exists to question the fair market value of the land and/or buildings being acquired and require an appraisal.
- F. **Project Costs Not Allowed in Eligible Basis.** The following project costs are not allowed in Eligible Basis:
 - 1. **Existing Reserve Accounts.** Cash from Project reserve accounts transferred to the Ownership Entity with the acquisition of a Project shall not be allowed in eligible basis.
 - 2. **Construction and Permanent Lender Fees.** Construction fees if the construction and permanent lender are the same.
 - 3. **Paved Roads.** The cost of construction of a de minimis paved road on public property may be included in the Project costs, as determined by IFA. The cost of construction of an extensive paved road on public property shall not be included in the Project costs.
 - 4. **Off-Site Utilities.** Costs that are not normal connections or extensions to existing utilities shall not be included in the Project costs.
 - 5. **Tenant Paid Amenities.** Garages, storage units, or other amenities where the Ownership Entity is charging tenants for use, except when part of normal rent for all of Units.
 - 6. **Predevelopment Loan Costs.** Financing costs on land acquisition or other costs not allowable in Eligible Basis.

4.2 PROJECT FUNDING SOURCES.

- A. **Tax Credit Investor Letter of Intent.** Applicant shall provide a letter of intent from the investor for the Tax Credits on the company letterhead with the price, approximate equity amount.
- B. **Financing Letters of Intent.** Applicant shall provide a letter of intent from each funding source for construction and permanent financing on the institution's letterhead. The letter for loans shall state the amount of the loan, interest rate, term, amortization period (minimum 30 years required for first mortgage debt), fees, prepayment penalties, anticipated security interest in the Property, and lien position. The letter for all other sources (including any existing debt to be assumed, grants, loans, tax credits, etc.) shall state the value of the funding, the purpose the funds may be used for, and any time limitations.
- C. **Deferred Developer Fees.** Deferred Developer fees cannot exceed 65% of the total Developer fee, and the Application must demonstrate the full amount being paid within 15 years. The deferred Developer fee shall be paid from the net cash flow and not be calculated into the minimum Debt Service Coverage Ratio (DSCR).
- D. **Federal and State Historic Tax Credits.** Projects with historic significance shall use equity invested for the maximum amount of state and federal historic tax credits as proposed or awarded by the appropriate allocating agency as a funding source.

4.3 PROJECT OPERATING COSTS AND CASH FLOW.

- A. **Operating Expenses.** Operating expenses are based on thresholds provided by the Tax Credit equity investor partner and subject to IFA review.
- B. **Escalators.** IFA will underwrite Projects with income escalating at 2% and operating expenses escalating at 3%. Management fees will escalate at the same rate as income.
- C. **Vacancy Rate Standards.** IFA will underwrite Projects at a 7% vacancy rate unless otherwise recommended by a lender or investor.
- D. **Debt Service Coverage Ratio (DSCR) Standards.** The Application may not show DSCR as less than 1.15 in any year. IFA will evaluate high DSCR and cash flow to determine if the requested resources are necessary for sustainability.
- E. **Replacement Reserve.** All Family Projects shall budget replacement reserves of \$350 per Unit per year, escalating at the same rate as operating expenses, or a flat \$435 per unit per year. All Older Persons Projects shall budget replacement reserves of \$300 per Unit per year, escalating at the same rate as operating expenses or a flat \$375 per unit per year. Replacement reserves are required to stay with the Project at the time of investor exit or sale of the property.
- F. **Subsidy Layering Review.** IFA shall complete a subsidy layering review for each Project that receives HUD housing assistance (other than HOME and CDBG).
- G. **Basis Boost.** The Code allows a boost in the Eligible Basis of up to 30% for Buildings located in a QCT or DDA as defined by HUD. Refer to Appendix C - QCTs & DDAs.
- H. **Tax Credit Calculation.** IFA shall determine the amount of Tax Credits necessary for the financial feasibility of the Project through the information received during the Application. IFA will utilize the percentage of the limited partnership interest in the Project and equity price in the determination of the Tax Credit amount.

**PART B –
POST RESERVATION
REQUIREMENTS**

Failure to comply with any provision of this Section may result in revocation of the Tax Credit Reservation, withholding of the IRS Form 8609 or issuance of an IRS Form 8823.

SECTION 5. POST RESERVATION REQUIREMENTS

5.1 CHANGES TO THE APPLICATION. Ownership Entities must submit any proposed Project change after Tax Credit Reservation through the online Application. IFA may approve changes, subject to conditions, or deny. Material changes may be considered but shall result in an additional fee and future scoring penalty in a 9% Round if approved. Material changes are changes that cause the Project to not be substantially the same as when awarded. This includes but is not limited to redesigns or revisions to the site, design or plans that may require extensive review, consideration for feasibility, or special considerations that may require IFA Board approval.

The following changes are not allowed and subject to loss of Tax Credits and ineligibility:

- A. Changes to the Ownership Entity after issuance of the 42M letter.
- B. Transfers of the Tax Credit Reservation.
- C. Changes in Unit mix.
- D. Changes to the minimum set-aside election.
- E. Changes that decrease the applicable fraction per building.

5.2 POST CLOSING SUBMITTAL. The Applicant shall submit evidence of site ownership, final closing documents, appropriate zoning, and all other required documents as listed in the Post Closing Submittal and LURA Issuance Instructions to the online Application within 30 days of Syndicator/Direct Investor closing.

5.3 PRIOR TO PLACED-IN-SERVICE DOCUMENTS. As a precondition to receiving IRS Form 8609, the Ownership Entity shall submit the following documents through the online Application at least 120 days prior to the first Unit placing in service. More detail is available in the Application.

- A. Affirmative Fair Housing Marketing Plan Package (AFHMP, ads/brochures, tenant selection plan, lease, lease addendums, community rules, VAWA documents).
- B. Confirmation that the Project is listed on Iowa's free rental housing locator at www.iowaHousingSearch.org.
- C. A commitment to notify PHA of vacancies.
- D. Waitlist preference shall be in place for those most in need in terms of income, accessibility, or special tenant populations. Refer to guidance in HUD Handbook 4350.3.

5.4 MARKETABLE TITLE REQUIREMENT. The Ownership Entity shall provide adequate evidence that the Ownership Entity's title in the real estate on which the Project is to be located is a marketable title pursuant to Iowa Land Title Examination Standards, or other applicable law. Adequate evidence of marketable title is demonstrated by either: (1) a title opinion of an attorney authorized to practice law in Iowa showing marketable title in the Ownership Entity; or (2) a certificate issued by the Iowa Title Guaranty Division of IFA showing the Ownership Entity as the guaranteed. In the case of leased land, a copy of the recorded lease shall be provided.

5.5 IRS FORM 8609. After construction is complete, all buildings in a Project have been placed-in-service, and all other requirements of the IRS Form 8609 Application package have been met, a complete IRS Form 8609 Application package shall be submitted through the online Application. Upon approval of the IRS Form 8609 Application by IFA, IFA shall complete Part A of IRS Form 8609 and send it to the Ownership Entity. The Ownership Entity shall complete Part B and return a copy of the fully executed IRS Form 8609 to IFA within 60 days of IFA sending the IFA executed IRS Form 8609. The Owner's completed IRS Form 8609 shall match the terms agreed upon in the LURA.

5.6 DESTRUCTION OF A PROJECT PRIOR TO PLACEMENT-IN-SERVICE. If a Project cannot be placed in-service by the applicable federal deadline due to a casualty loss, IFA may allow the Ownership Entity to return the Tax Credits in exchange for a binding commitment by IFA to allocate a future year's Tax Credits in an amount not to exceed the original allocation. This section only covers casualty losses not addressed under Revenue Procedure 2014-49.

5.7 COMPLIANCE. IFA has established procedures for monitoring compliance. Refer to the IFA Compliance Manual and supporting documentation. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

5.8 COMPLIANCE PERIOD (INITIAL 15-YEAR COMPLIANCE PERIOD). The Compliance Period is the 10-year credit period and additional 5-year period for a total of 15 taxable years, beginning with the first taxable year of the credit period. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

5.9 EXTENDED USE PERIOD (LONG TERM COMPLIANCE PERIOD). The time frame that begins the first day of the Initial 15-Year Compliance Period, in which the building is a part of a qualified low-income housing Project and ends 15 years after the close of the Initial 15-Year Compliance Period, or the date specified by IFA in the LURA. Any other rent and income restrictions required by other programs, including HOME, shall still apply as applicable.

SECTION 6: TERMS AND CONDITIONS.

The following terms and conditions apply to all Applicants and Projects that receive a reservation of 4% Tax Credits and IRS Form 8609 Allocation.

IFA will rely on the following when interpreting the requirements of the QAP: (1) the QAP, including the Tax Credit Application, appendices, exhibits, instructions, and any incorporated materials; (2) IFA's questions and answers for the QAP; and (3) IFA's past practice. IFA may, at its discretion, conduct due diligence to verify information provided by the Applicant. An Applicant's interpretation of the QAP and its requirements is immaterial.

6.1 DOCUMENTS INCORPORATED BY REFERENCE. The items described in this Section are incorporated by reference in the QAP.

- A. 26 USC Section 42 as amended and the related Treasury regulations in effect as of the date this QAP is adopted by the Board.
- B. Iowa Code Section 16.35 and the rules promulgated by IFA to govern the Tax Credit Program in effect as of the effective date hereof.
- C. IFA Compliance Manual.
- D. In the case of any inconsistency or conflict between the items listed in this Section, conflicts shall be resolved as follows:
 - 1. First by IRC Section 42 and the related Treasury regulations,
 - 2. Second by Iowa Code Sections 16.4, 16.35, and the rules governing the QAP; and
 - 3. Third by the QAP.

6.2 BINDING OBLIGATIONS. The representations made in the Application bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project. The contractual obligation constitutes the agreement between the parties, as represented by the Developer or Ownership Entity, within the following documents: the QAP, Application (with any permitted amendments), and any other agreements executed between IFA and the Ownership Entity.

6.3 LAND USE RESTRICTION AGREEMENT (LURA). The Project shall be subject to the LURA, which is an agreement between IFA and the Ownership Entity and all its successors in interest. The LURA shall conform to the requirements of IRC Section 42(h), Iowa Code Section 16.35 and the QAP.

6.4 NO REPRESENTATION OR WARRANTY REGARDING QAP. IFA makes no representation or warranty to any Person or Entity as to compliance issues or the feasibility or viability of any Project.

6.5 IFA POLICY ON CIVIL RIGHTS COMPLIANCE. The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer, Ownership Entity, and Management Company to adhere to and comply with all federal civil rights legislation, including the Fair Housing Laws, the Americans with Disabilities Act, as well as any state and local civil rights legislation. The Developer and Ownership Entity are responsible for being aware of and complying with all non-discrimination provisions of federal, state, or local law.

6.6 VIOLENCE AGAINST WOMEN ACT (VAWA). The Applicant and any of its employees, agents, or sub-contractors doing business with IFA understand and agree that it is the responsibility of the Developer, Management Company, and Ownership Entity to adhere to and comply with the Violence Against Women Act, including adding the VAWA lease terms provided by the authority to its leases.

**PART C –
CONSTRUCTION
REQUIREMENTS**

SECTION 7. PRIOR TO THE INITIATION OF CONSTRUCTION

7.1 CHANGES IN SCOPE. The Ownership Entity shall not make any changes or alterations to the Project (including the site layout, floor plan, elevations, or amenities) from Reservation without IFA's written authorization. This includes changes required by local governments to receive building permits.

7.2 IFA PLAN REVIEW. The Ownership Entity shall submit final plans, specifications, the energy audit or analysis, and CNA, if applicable, to IFA upon completion. IFA shall give written approval before the Ownership Entity commences site work or construction.

7.3 ENERGY. For Acquisition/Rehab Projects, the Ownership Entity must provide:

- A. A copy of the energy audit conducted by the Energy Consultant, and
- B. Appropriate specifications to meet IECC standards or alternate cost-effective energy improvements with the final construction documents.

IFA requires an engineer or architect to certify that the architect has met and coordinated the design with the energy consultant and Ownership Entity and that the design meets the applicable International Energy Conservation Code (IECC). as shown in Section 11 – Building Standards. The contract for the determination of the energy audit shall be between the certified rater and the Ownership Entity. This section does not apply to Historic projects.

7.4 PRECONSTRUCTION MEETING. An IFA representative shall attend a contractor/developer construction meeting at or near the initiation of construction. The Ownership Entity must provide a copy of the contractor's initial pay application with a schedule of values when executed.

7.5 MINIMUM DEVELOPMENT CHARACTERISTICS – ALL PROJECTS. All construction will use the following minimum development characteristics. Projects with Historic tax credits may request exceptions when recommended by the State Historic Preservation Office (SHPO).

A. General.

2. **Construction Warranty.** Provide an enforceable minimum 1 year blanket construction warranty stipulating that the general contractor is responsible to do or have done any and all required warranty repair work, including consequential damages, at its own expense.
3. **No Smoking Policy.** Implement and enforce a “no smoking” policy in all Units and common areas, not including public areas of the exterior grounds.
4. **Community Room.** For senior Projects only, community room must be 20 square feet per unit up to the first 40 units made available exclusively to all tenants and guests of the Project, either in a stand-alone building or incorporated within a residential structure, located entirely on the Property. Does not apply to Scattered Site Projects. Furnishings and room design shall be conducive for those with hearing, vision, and mobility impairments.

5. **Playground.** For family Projects only, an outdoor area provided for children to play in containing 5 to 7 commercial grade play components (an element intended to generate specific opportunities for play, socialization, or learning) that does not include wood. At least 2 must be elevated. Swings, spring riders, water tables, playhouses, slides, and climbers are acceptable; ramps, transfer systems, steps, decks, and roofs are not. The playground must comply with the requirements of the Department of Justice 2010 ADA Standards for Accessible Design. IFA may approve alternatives on a limited case by case basis. Does not apply to Scattered Site Projects.
6. **Sidewalks.** Concrete sidewalks providing access to a city public way from each entrance door.
7. **Trash Enclosures.** Screened trash removal areas.
8. **Internet Access.** High speed internet wiring for broadband, wireless, or digital subscriber line (DSL) for all Units.
9. **Video Security System.** The security system shall continually record activity at the site as follows: Parts of the site to be covered include parking areas, all building entrances, and the main level of the stairways. The recordings shall be maintained for a minimum of 14 days. Single family or each building in Scattered Site Projects are required to have the Video Security System.

B. EXTERIOR CONSTRUCTION.

1. **Exterior Design.** The Project shall have a building design that is appealing and appropriate for the community and neighborhood, including varied facades, rooflines, and exterior materials.
2. **Exterior Siding.** Exterior siding shall be durable and impact resistant. Vinyl does not qualify as durable. Each building's exterior siding shall not be single material texture and color combination exceeding 70% of the siding: brick, fiber cement board siding, or engineered wood siding with quality standards similar to Smartside, and/or nominal, 2" nominal thickness manufactured stone over ¾" stucco, nail on stone panels or metal siding approved by IFA. The exterior siding requirements do not apply to buildings that are 100% brick or stone. The soffit and fascia shall be pre-finished aluminum, fiber cement board, or engineered wood siding with quality standards similar to Smartside. Soffits shall be vented.
3. **Main Entrance Areas.** Apartment building main entrances to interior shall have a foyer and be equipped with a remote security and intercom system to each Unit to control entry to common areas.
4. **Roofs.** Roofs shall have a 30 year full warranty. Flat roofs shall have a minimum 60 mil TPO or EPDM thickness and a 10 year full warranty. Full warranty includes: all labor and materials for the entire roofing system and insurance rider for consequential damage. All reroofing applications shall include the removal of the existing roofing system down to the roof deck.
5. **Unit Doors.** Entry doors to the Unit shall have steel frames that are thermally broken, or metal clad wood frames. Entry doors shall be solid core wood or solid wood panel type, insulated metal, or fiberglass panel, lockset, and deadbolt lock with 1 inch throw. Primary entry door shall have a 180-degree peephole or glass insert. Non-primary entry door may be a sliding patio door.

C. INTERIOR CONSTRUCTION

1. **Appliances.** The kitchen shall have a cook top, an oven, a microwave, a cooling/freezing unit, built-in dishwasher, and a sink. Single-bowl sinks shall be minimum 20" x 30". Appliances shall be Energy Star. These requirements do not apply to Single Room Occupancy Units.
2. **Water Conserving Measures.** Toilets are high efficiency WaterSense toilets that use 1.28 gallons per flush or less; faucet aerators use 1.5 gallons per minute (gpm) or less in kitchens and 1.2 gpm or less in bathrooms; showerheads use 1.75 gpm or less. Dual flush toilets do not qualify.
3. **Cabinetry.** Cabinetry and woodwork shall meet ANSI/AWI standards for Custom Grade Cabinetry and/ have the KCMMAA161.1 Quality Certification Seal or demonstrate they meet the KCMA quality standards.
4. **Closet Rods and Shelves.** Closet rods and shelves are required in each bedroom closet in each Unit. For Accessible Units only, the closet shelves and hanger bars shall be easy to adjust to different heights with no tools required with adjustable standards and brackets. Hanger rods shall attach to the shelving and provide continuous slide for hangers between supports. Shelves shall be 12" deep minimum and material vinyl coated steel or similar.
5. **Paints and Primers, Adhesives, Caulks and Sealants.** Paints, primers, adhesives, caulks, and sealants shall comply with Federal regulations applicable to low VOC requirements.
6. **Minimum Bathroom Accessories:**
 - Towel bar(s) within reach of lavatory and tub/shower
 - Toilet paper holder
 - Shower curtain rod (if applicable)
 - Mirror
 - Cabinet with drawers, shelf-space, or medicine storage cabinet
7. **Carpeting.** If installed, carpets shall be 100% nylon or nylon/olefin blend or triexta. Fully Accessible Units shall have a maximum ¼-inch pile.
8. **Resilient Flooring.** ⅛-inch vinyl composition tile with color and pattern full thickness, LVT, sheet vinyl, linoleum flooring, tile flooring, bamboo, wood, or polished concrete.
9. **Resilient Flooring — Bathrooms.** LVT, sheet vinyl, linoleum flooring, or tile flooring.
10. **Durable Windowsills.** All windowsills/ledges shall be composed of moisture-resistant materials, such as plastic laminate, molded plastic, cultured marble, etc.
11. **Window Covering.** Window coverings are required. A spring loaded type window shade is not an approved covering.

D. ENERGY REQUIREMENTS.

1. **Heating and Air Conditioning.** All Units shall be heated and air conditioned. Heating and air conditioning equipment must meet current Energy Star standards and use non CFC or HCFC refrigerants. Window units are not allowed. Electric resistance heating is not allowed as the primary heating source for new construction adaptive reuse and must be approved at the time of application if proposed for an Acquisition/Rehab or rehab project. AC sleeves shall be provided with a tight-fitting, insulated cover for thru wall AC units. Winter covers shall be provided for each AC unit.
2. **Water Heaters.** Water heating equipment shall meet current Energy Star standards.

7.7. MINIMUM DEVELOPMENT CHARACTERISTICS – NEW CONSTRUCTION AND ADAPTIVE REUSE.

New Construction and Adaptive Reuse Construction must use the following additional minimum development characteristics:

- A. **Closets.** Each bedroom shall have a closet (2 foot x 5 foot minimum) with a door. The minimum complement of dedicated closets per Unit include: 1 linen closet or cabinet 1.5 foot x 2 foot minimum and 1 coat closet 2 foot x 3 foot minimum.
- B. **Laundry.** Each Unit must have an enclosed washer and dryer (accessible if applicable), and the dryer vented to the building exterior.
- C. **Unit Bathrooms.** Three or more bedroom Units in new construction and Adaptive Reuse Projects shall have at least 1 full bathroom and 1 three-quarter bathroom.
- D. **Windows.** Each Unit shall have at least one operable window per bedroom to allow for ventilation or serve as an emergency escape and rescue opening for Units located below the fourth story of a building.
- E. **Main Entrance Areas.** Single-family, duplex, and rowhouse Unit main entrances to exterior shall have a storm door and a covered entry with a minimum depth and width of coverage of 4 feet by 4 feet.
- F. **Energy Requirements.** In addition to meeting Iowa State Code and the IECC, the Project shall meet or exceed prescriptive standards for Multi Family New Construction (MFNC) or prescriptive standards for Energy Star Certified Homes (except where those requirements have been reduced herein) and receive a Home Energy Rating Systems (HERS) Index of 70 or less from a certified rater in Iowa. A home energy rating performed by a certified HERS rater is required on each building after it is completed to verify that actual construction meets the above listed requirements. Five Units with different floor plans and orientations for complexes of less than 50 Units and 10% of Units, up to a maximum of 10 Units in complexes of 50 or more Units shall be rated. The contract for the determination of the HERS index shall be between the certified rater and the Ownership Entity.
- G. **Radon System.** All new construction Projects shall install a passive radon system, including a drain tile loop below the building slab along with vertical vent pipes and junction boxes. Passive radon systems shall be upgraded to active systems if required radon tests conducted post construction exceeds permissible thresholds. Refer to Appendix F – “Radon Control Methods” in the 2012 International Residential Code.

H. Accessibility.

1. Fully Accessible Units. Projects shall have at least 10% percent of the Units, or at least 1 (whichever is greater) Unit fully accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). Type A Units and Type B Units do not qualify.
2. Units with Accessible Communication Features. In addition to the 10% fully accessible Units, 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities. Refer to Section 15 – Building Standards.

For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.

7.8 MINIMUM DEVELOPMENT CHARACTERISTICS – ACQUISITION/REHAB. Rehabilitation Construction must use the following additional minimum development characteristics:

- A. **Scope of Work.** The Scope of Work must identify necessary improvements identified in the CNA, including but not limited to:
1. Making common areas accessible, creating, or improving sidewalks, installing new roof shingles, adding gutters, sealing brick veneers, applying exterior paint, or siding, and re-surfacing or re-paving parking areas.
 2. Improving site and exterior dwelling lighting with Energy Star qualified lighting fixtures, landscaping/ fencing, and durable siding.
 3. Using energy-efficient related Energy Star labeled products to replace inferior ones, including insulated windows.
 4. Improving heating and cooling Units, plumbing fixtures and water heaters, toilets, sinks, faucets, and tub/shower Units to meet minimum efficiency standards for new construction.
 5. Improving quality of interior conditions and fixtures, including carpet, vinyl, interior doors, painting, drywall repairs, cabinets, Energy Star appliances, Energy Star light fixtures, and window coverings to meet minimum efficiency standards for new construction.
 6. Upgrading electrical circuits to have GFCI outlets at kitchens, baths, laundries, and other applicable locations.
 7. Upgrading all interior lighting to LED.
 8. Items that are being replaced must meet the standards set in 14.5 – Minimum Development Characteristics – All Projects.
- B. **Resident/Community Laundry.** A common laundry room facility located on site with a minimum of 1 washer/dryer to serve each 12 Units. An Applicant may provide a washer and dryer in each Unit in lieu of a common laundry room facility.
- C. **Smoke Detectors/CO2 Detectors.** Install or replace all smoke detectors/CO2 detectors, and these shall have a 10-year battery if not hard wired.
- D. **Radon System.** All Acquisition/Rehab Projects shall have a radon test prior to construction. Projects with basements or subfloors are required to have a passive radon system installed or an active system if radon tests exceed permissible thresholds. Projects built on slab on grade may forgo the installation of a radon system if radon tests are found to be below the permissible thresholds. Refer to Appendix F –

“Radon Control Methods” in the 2012 International Residential Code.

- E. **Accessibility.** Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). An additional 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities (Units with Accessible Communication Features). For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit. Refer to Section 15 – Building Standards.
1. Fully Accessible Units. Projects shall have at least 5% percent of the Units, or at least 1 (whichever is greater) Unit fully accessible for persons with mobility disabilities constructed in accordance with the Uniform Federal Accessibility Standards (UFAS). Type A Units and Type B Units do not qualify.
 2. Units with Accessible Communication Features. In addition to the 5% fully accessible Units, 2% percent of the Units, or at least 1 (whichever is greater) must be accessible for persons with hearing or visual disabilities. Refer to Section 15 – Building Standards.

For the purposes of determining the number of Units, fractional Units will be increased to the next whole Unit.

SECTION 8. BUILDING STANDARDS

Preliminary site plan and floor plans are to be submitted with the Application to IFA. The Applicant shall meet local, state and federal standards that apply to the Project, regardless if listed below.

- A. 2015 International Building Code adopted and published by the International Code Council.
- B. 2015 International Existing Building Code adopted and published by the International Code Council.
- C. 2015 International Residential Code adopted and published by the International Code Council (excepting paragraphs R313.1 and R313.2; sprinklers are not required in single family or townhomes separated by 2 hr. fire walls).
- D. 2015 International Fire Code adopted and published by the International Code Council.
- E. 2015 International Mechanical Code adopted and published by the International Code Council.
- F. 2021 Uniform Plumbing Code adopted by the International Association of Plumbing and Mechanical Officials.
- G. 2020 National Electric Code adopted by the National Electrical Code Committee and published by the National Fire Protection Association, Inc.
- H. 2015 International Energy Conservation Code adopted by the International Code Council. Any LIHTC project that includes HUD or Rural Development ("USDA") assistance or financing shall comply with 2021 IECC.
- I. Iowa Administrative Code, including but not limited to the following Chapters: 300 (Administration), 301 (General Provisions), 302 (Accessibility of Building), 303 (Energy Conservation), 350 (State Historic Building), and 25 (State Plumbing Code).
- J. Uniform Federal Accessibility Standards provided in 24 CFR Part 8 and delineated in the American National Standards Institute Standard 2009 A117.1.
- K. The Americans with Disabilities Act 1990 provided by the Federal Department of Justice. All publicly accessible areas must meet the accessibility requirements of this Act.
- L. The Federal Fair Housing Act of 1988 – all buildings with 4 or more units must comply with this Act and the Fair Housing Design Standards. Applies to ground floor Units or all Units in an elevator building.
- M. For Adaptive Reuse/Rehabilitation, the Lead Base Paint Poisoning Prevention Act, the Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead Based Paint Hazards, Environmental Protection Administration (EPA) and Occupational Safety and Health Act (OSHA) provisions shall apply when applicable.
- N. For Adaptive Reuse/Rehabilitation, if applicable, State Historic Preservation Office (SHPO) clearance Section 106 of the National Historic Preservation Act, 36 CFR Part 800 for Projects receiving any direct federal funding (HOME or categorical grant) or affecting properties listed in the National Register of Historic Places, or in a designated historic preservation district or zone.

**PART D –
GLOSSARY OF
TERMS**

The following bolded terms shall have the meanings set forth herein unless context clearly requires a different meaning.

Affiliates: Any Person or Entity who (i) directly or indirectly through one or more intermediaries' control, is controlled by, or is under common control with the Applicant; or (ii) owns or controls any outstanding voting securities, partnership interests, membership interests, or other ownership interests of the Applicant; or (iii) is an officer, director, guarantor, employee, agent, partner, member, manager, or shareholder of the Applicant; or (iv) has an officer, director, member, manager, guarantor, employee, agent, partner, or shareholder who is also an officer, director, member, manager, employee, agent, partner, or shareholder of the Applicant.

Applicant: The Ownership Entity, Developer, General Partner, or Affiliate as shown in the Application.

Area Median Gross Income (AMI): The most current tenant income requirements published by HUD pursuant to the qualified Low-Income Housing Project requirements of IRC Section 42(g).

Disability: At least one of the following criteria: (1) Has a physical, mental or emotional impairment which is expected to be of long continued and indefinite duration, substantially impedes the person's ability to live independently, and is of a nature that such ability could be improved by more suitable housing conditions; or (2) Has a developmental Disability, defined as a severe chronic Disability which is attributable to a mental or physical impairment or combination of mental and physical impairments, is manifested before the Person attains age 22, is likely to continue indefinitely, results in substantial functional limitation in three or more of the following areas of major life activity: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and which reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong, or extended duration and are individually planned and coordinated.

Eligible Basis: The Project costs allowable under Section 42(d) that are used to calculate the maximum Tax Credits.

Entity: Any General Partnership, limited partnership, corporation, joint venture, trust, limited liability company, limited liability partnership, business trust, cooperative or other business association.

Family Project: General occupancy project with no age restrictions.

Identity of Interest: A financial, familial, or business relationship that permits less than an arm's length transaction. No matter how many transactions are made subsequently between Persons, corporations, or trusts controlled by the Ownership Entity/Developer, these subsequent transactions shall not be considered "arm's-length". Identity of Interest includes but is not limited to the following: the existence of a reimbursement program or exchange of funds; common financial interests; common officers, directors, or stockholders; family relationships among the officers, directors, or stockholders; the Entity is controlled by the same group of corporations; a partnership and each of its partners; a limited liability company and each of its members; or an S Corporation and each of its shareholders. Failure to disclose an Identity of Interest is an unsatisfactory performance issue with IFA and may deem the party ineligible for future rounds.

Low-Income Unit: Any residential rental Unit if such Unit is rent-restricted and the occupant's income meets the limitations applicable as required for a qualified low-income housing Project.

Older Persons/Senior Housing: Housing that meets the Fair Housing Act definition of housing for older persons and is exempt from the law's familial status requirements provided that: (1) HUD has determined that the dwelling is specifically designed for and occupied by elderly persons under a federal or state government program; (2) it is occupied solely by persons who are 62 or older; or (3) it houses at least 1 person who is 55 years or older in at least 80% of the occupied Units, and adheres to a policy that demonstrates intent to house persons who are 55 years old or older.

Owner Representative: The General Partner(s) or managing member(s) of the Ownership Entity.

Project: A low-income rental housing Property the Applicant of which represents that it is or will be a qualified low-income housing Project within the meaning of IRC Section 42(g). With regard to this definition, the Project is that Property which is the basis for the Application.

Property: The real estate and all improvements thereon which are the subject of the Application, including all items of personal Property affixed or related thereto, whether currently existing or proposed to be built thereon in connection with the Application.

Radon System (Sub-Slab Depressurization System): Radon-resistant features below the building slab along with vertical vent pipe(s) with junction box(es) following requirements in ASTM E2121-13 Standard Practice for Installing Radon Mitigation Systems in Existing Low Rise Residential Buildings and ASTM E1465 – 08a Standard Practice for Radon Control Options for the Design and Construction of New Low-Rise Residential Buildings. Find other technical guidance at [EPA Radon Resources for Builders and Contractors](#).

Single-Room Occupancy (SRO) Housing: Housing consisting of single-room dwelling Units that is the primary residence of its occupant or occupants. Per Iowa Code 42(i)(3)(B)(iii), all SRO Units shall have kitchen and bathroom facilities within the Unit and used other than on a transient basis.

State Issued Notice of Noncompliance: A notice that identifies noncompliance issues (that existed at the property during a physical inspection or file review) with the LURA, the Application, etc. that are not reported to the IRS via IRS Form 8823, throughout the Compliance Period and the Extended Use Period.

Tax Credits: The Low-Income Housing Tax Credits issued pursuant to the program, IRC Section 42, and Iowa Code Section 16.35.

Tax Credit Reservation: With respect to a Project or a building within a Project, the amount of Tax Credits IFA awards to an Ownership Entity.

Tax Credit Reservation Date: The date that the notice of Tax Credit Reservation was emailed to an approved Applicant.

Unit: A room or a group of related rooms designed for use as a dwelling for which rent is paid. A Unit contains sleeping accommodations, a kitchen, and a bathroom.

Utilities: Gas, electricity, water, sewer service, and trash.



Iowa Finance Authority

1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315

515.452.0400

800.432.7230

housingtaxcredits@iowafinance.com

To: Iowa Finance Authority Board of Directors
From: Stacy Cunningham
Date: September 3, 2024
Re: 2021 9% QAP Section 4.1.7 – Net Rent Increase Project-Specific Waiver Request

Section 4.1.7 of the 2021 9% Qualified Allocation Plan, limits the maximum rent increase to 6% between the Threshold Application and the IRS Form 8609 Application.

Community Housing Initiatives, Inc. is requesting a waiver of this QAP requirement due to significant increases in operating costs, specifically insurance, to maintain financial stability of Van Allen, a 2021 rehabilitation project located at 200 5th Ave. S in Clinton.

Rents are still well below the maximum LIHTC rent limit with the \$50/unit across the board rent increase per the attached CHI letter.

Staff recommendation: Authority staff recommends that the Board approve the 2021 QAP Section 4.1.7 waiver for the Van Allen LIHTC project.

Proposed Motion: Motion to approve the waiver of 2021 QAP Section 4.1.7 for Van Allen.

Submitted by: Stacy Cunningham

Attachment: CHI letter



August 23, 2024

Dear Iowa Finance Authority Board of Directors,

First, we would like to thank you, Director Durham, Stacy and all the IFA staff who worked so diligently to make the 2021 LIHTC/HOME projects move forward during the pandemic. The last four years have been precarious times in construction, development and management and we appreciate the spirit of partnership from your team.

CHI is proud to have preserved the Van Allen and Sons Department Store and converted it to affordable housing. Listed as a National Historic Treasure, the building is one of Iowa's architectural gems designed by Louis Sullivan and a centerpiece in downtown Clinton. The project was awarded \$207,524 in 2021 LIHTC and was slated to begin construction in July 2022 with a July 2023 completion date. We were only able to move forward with \$1,404,951 in ARPA funds to fill the construction gap. The process to secure funds and additional work required by SHPO to restore the building significantly delayed the project and added economic strain.

The operating budget submitted in March of 2021 was based on previous 3-year averages with an increaser added to each line item to adjust for inflation, as is standard practice. As we know, these are not standard times, and our operating budget reflects that reality. Our 2023 Audit, attached to this letter, shows an operating loss of \$10,608. Additionally, in October 2023 we received notice of an insurance increase from \$1,730/month to \$2,300/month. This is a \$30 per unit per month increase allotted to insurance alone and is \$15,000 over our LIHTC annual budgeted amount.

As a non-profit, the annual task of reviewing rent raises is our worst time of year. We walk a tight line of increasing rents to cover operating costs, but also keep rents at levels low enough to be affordable. With the deficit from 2023 and the increase of insurance, we determined a need for a minimum rent increase of \$77 dollars per unit break even, assuming no additional cost increases across the board. This was obviously not a possibility for our residents, and CHI made hard choices in order to keep the bleeding from becoming catastrophic to the project's viability.

<i>Income</i>	<i>Bdrms</i>	<i>2021 App Rent</i>	<i>6% Allowed per QAP</i>	<i>Current Rent</i>	<i>Max LIHTC Rent minus UA</i>	<i>Under Maximum</i>
30% AMI	1	\$ 310	\$ 329	\$ 360	\$ 383	\$ 23
40% AMI	1	\$ 445	\$ 472	\$ 495	\$ 546	\$ 51
50% AMI	2	\$ 580	\$ 615	\$ 630	\$ 836	\$ 206
60% AMI	1	\$ 470	\$ 498	\$ 520	\$ 871	\$ 351
	2	\$ 610	\$ 647	\$ 660	\$ 1,031	\$ 371
Market	2	\$ 850		\$ 950		



As indicated in the chart above, the 2021 QAP States: *"4.1.7 Net Rent Increases. IFA shall limit net rent increases to a maximum of six percent (6%) per Unit, between the Threshold Application and the IRS Form 8609 Application unless the Project has an executed Federal Project-Based Rental Assistance Contract."* Because of the expanded project timeline, our Team failed to consult the 2021 QAP before implementing the rent increase. In preparation of the 8609 audit, this oversight was found.

From a property management perspective, the project was already placed in service, but the QAP does specifically reference 8609. Additionally, this provision had not appeared in the last 3 QAP's, which added to the confusion.

It is CHI's mission to partner with Iowa communities to create and preserve quality, affordable housing to stabilize and improve lives and neighborhoods. In 30 years, CHI has never found the need to implement such a drastic increase during the development period in order to keep a project afloat. Our team strives to balance operational cost with affordability. None of the rent increases are at max LIHTC rents and we are proud to report most are hundreds below. We should have sought IFA approval, and regret having missed this provision in the 2021 QAP. It is our hope that the IFA Board will grant CHI a waiver on this rule in these unprecedented times.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sam Erickson", with a long horizontal flourish extending to the right.

Sam Erickson
Chief Executive Officer

To: Iowa Finance Authority Board of Directors
From: Lisa Connell, Legal Counsel
Date: September 3, 2024
Re: Notice of Intended Action to Rescind and Replace 265—Chapter 3

Reason for the rule making: Pursuant to Executive Order 10 (January 10, 2023), staff proposes to rescind Chapter 3 describing the multifamily loan program and adopt a new chapter in lieu thereof.

Summary of changes to rules: 265-Chapter 3 governs IFA’s MultiFamily Loan Program to support the retention and construction of affordable multifamily rental housing in Iowa. This chapter also includes a multifamily loan program specifically for workforce housing loan assistance. The new chapter will be more concise and reflect current program policies regarding eligible applicants, eligible projects, and loan terms.

Executive Order 10 Required Tasks:

- Rule report completed June 18, 2024.
- Regulatory analysis published July 10, 2024.
- Public hearing held July 30, 2024. No public comments were received.
- Received preclearance from Administrative Rules Coordinator to file a Notice of Intended Action August 20, 2024.

Staff recommendation: Staff recommends the Board approve the filing of a Notice of Intended Action to rescind and replace 265—Chapter 3 as set forth in the attached rule making.

Proposed Motion: Move to approve the filing of a Notice of Intended Action to rescind and replace 265—Chapter 3.

ITEM 1. Rescind 265—Chapter 3 and adopt the following **new** chapter in lieu thereof:

CHAPTER 3
MULTIFAMILY HOUSING

265—3.1(16) Purpose. Through the multifamily loan program (program) established pursuant to this chapter, the authority seeks to preserve the existing supply of affordable rental units at risk of being lost and to foster the production of new affordable rental units in the state.

265—3.2(16) Application procedure. Applications will be reviewed by the authority upon receipt.

265—3.3(16) Eligibility.

3.3(1) Eligible applicants. As determined by the authority, to be eligible for a loan under the program, applicants shall:

- a.* Demonstrate a market need for the units.
- b.* Agree to observe certain compliance measures, including a recorded agreement to ensure long-term affordability.
- c.* Obtain a local contributing effort in an amount of up to 1 percent of the proposed loan when requested by the authority.
- d.* Agree to a change of management, general partner, or managing member when requested by the authority.
- e.* Agree to Multifamily Accelerated Processing (MAP) of the U.S. Department of Housing and Urban Development (HUD), when requested by the authority.
- f.* Agree to participate in the HUD Risk-Sharing Program, when requested by the authority.
- g.* Execute such documents and instruments as may be required by the authority.
- h.* Provide such information, certificates and other items requested by the authority.
- i.* Obtain a title guaranty certificate from the authority's title guaranty division protecting the authority's interest in the real property securing the loan, including any endorsements required by the authority, unless specifically waived by the authority.

3.3(2) Eligible projects. As determined by the authority, to be eligible for a loan under the program, projects shall:

- a. Be financially feasible for at least the term of the assistance.
- b. Have adequately funded replacement and operating reserve funds.
- c. Consist of at least five housing units.
- d. For the term of the loan, reserve at least 75 percent of the housing units for tenants whose income is at or below 80 percent of the area median income and whose rent is no more than 30 percent of the income of a family whose annual income is 80 percent or less of the area median income.

3.3(3) Loan terms.

- a. Loans under this program may have a maximum loan term of 24 months for construction financing and 40 years for permanent financing.
- b. Other terms and conditions of loans under this program may vary from project to project.

3.3(4) Maximum loan fees are as follows:

- a. Commitment fee (construction period) - 1.0 percent of total development costs.
- b. Commitment fee (permanent loan) - 2.0 percent of loan amount.
- c. Inspection fee (construction period) - \$500 per inspection; inspections will typically occur with each draw or on a monthly basis during construction.
- d. Application fee - 0.3 percent of proposed loan amount.
- e. Asset management fee - calculated as \$25 per unit × number of total project units; submitted annually on or before January 31.
- f. The authority may, in limited cases, reduce such fees if necessary in connection with assistance provided under this program.

265—3.4(16) Multifamily loan program for workforce housing loan assistance.

3.4(1) Eligible applicants. To be eligible for a loan under this rule (the “primary loan”), applicants shall:

- a. Be an Iowa city or county (the “borrower”).
- b. Agree to use the primary loan proceeds to make a loan to a third party to build housing in the applicant’s jurisdiction that meets the requirements of this rule and subrules 3.3(1), 3.3(3), and 3.3(4) (the “secondary loan”).

3.4(2) Eligible projects. As determined by the authority, to be eligible for a loan under this rule, projects shall:

- a. Be financially feasible for at least the term of the assistance.
- b. Have adequately funded replacement and operating reserve funds.
- c. Consist of at least five housing units.
- d. For the term of the loan, reserve at least 50 percent of the housing units rehabilitated or created with the proceeds of the secondary loan for families whose annual income at the time of leasing is at or below 120 percent of the area median income and whose rent is no more than 30 percent of the income of a family whose annual income is 120 percent or less of the area median income unless the authority agrees otherwise.
- e. Preference shall be given to cities and counties that can document an increased need for housing as the result of new job creation within the city's or the county's jurisdiction.

3.4(3) *Loan terms.*

- a. The primary loan is a general obligation of the borrower, but may be unsecured.
- b. The borrower shall use funds received in repayment of the secondary loan first to make the scheduled principal and interest payments on the primary loan. Any secondary loan payments remaining after all then-due scheduled payments on the primary loan have been repaid may be reloaned by the borrower on the same basis as if such secondary loan payment amounts were proceeds of the primary loan.

265—3.5(16) Authority analysis of applications. Authority staff will analyze and underwrite each potential project and will make recommendations for funding assistance to the board of directors of the authority. Meeting the eligibility criteria in these rules is not a guaranty of receiving funds. Authority staff will determine the necessary and appropriate procedures and processes for underwriting and analysis to further the purposes of this program. In addition, the authority anticipates that because of the complex nature of each transaction, and the particular sets of circumstances attributable to each particular application/transaction, the terms and conditions of loans will vary from project to project. The authority will make available its general operating procedures and guidelines for this program, as such may be revised from time to time.

These rules are intended to implement Iowa Code section 16.5C(1).

To: Iowa Finance Authority Board of Directors
From: Lisa Connell, Legal Counsel
Date: September 3, 2024
Re: Notice of Intended Action to Rescind and Replace 265—Chapter 24

Reason for the rule making: Pursuant to Executive Order 10 (January 10, 2023), staff proposes to rescind Chapter 24 describing the home and community-based services rent subsidy program and adopt a new chapter in lieu thereof.

Summary of changes to rules: The new chapter eliminates language that is duplicative of statutory language, eliminates unnecessary and inconsistent language, removes unnecessarily restrictive terms and updates outdated language. Additionally, the following changes are proposed:

- Rule 265.24.4 should be updated to be consistent with the current application and approval process for the program.
- Rule 265.24.5 should be updated to replace references to “applicants” with references to “recipients”. The rule should also clarify that payments may be made directly to a recipient’s landlord.
- Rule 265.24.7 should be updated to be consistent with current program practices relating to termination of payments.

Executive Order 10 Required Tasks:

- Rule report completed May 8, 2024.
- Regulatory analysis published May 29, 2024.
- Public hearing held June 18, 2024. No public comments were received.
- Received preclearance from Administrative Rules Coordinator to file a Notice of Intended Action June 19, 2024.

Staff recommendation: Staff recommends the Board approve the filing of a Notice of Intended Action to rescind and replace 265—Chapter 24 as set forth in the attached rule making.

Proposed Motion: Move to approve the filing of a Notice of Intended Action to rescind and replace 265—Chapter 24.

Item 1. Rescind 265—Chapter 24 and adopt a new chapter in lieu thereof.

CHAPTER 24

HOME- AND COMMUNITY-BASED SERVICES RENT SUBSIDY PROGRAM

265—24.1(16) Definitions.

“Applicant” means a person aged 18 or over who participates in one of the home- and community-based services waiver programs, habilitation services, or Money Follows the Person.

“Authority” means the Iowa finance authority created in Iowa Code section 16.1A.

“Habilitation services” means an Iowa Medicaid program designed to provide home- and community-based services to Iowans with the functional impairments typically associated with chronic mental illnesses.

“Home- and community-based services waiver program” means any of the waiver programs administered by the department of health and human services under the provisions set forth in 441—Chapter 83, the habilitation services waiver, or Money Follows the Person.

“Housing Choice Voucher program” or *“HCV”* means the federal government’s program created in the Housing and Community Development Act of 1974, 42 U.S.C. Ch. 69, §5301 et seq. (1974).

“HUD” means the U.S. Department of Housing and Urban Development.

“Legal guardian” means a person lawfully invested with the power, and charged with the obligation, of taking care of and managing the property and rights of a recipient who, because of age, understanding, or self-control, is considered incapable of administering the recipient’s own affairs.

“Money Follows the Person” or *“MFP”* means Iowa’s Money Follows the Person partnership for community integration program.

“Program” means the home- and community-based rent subsidy program as defined and structured under this chapter.

“Qualified dependent” means the applicant’s child who is claimed as a dependent of the applicant for federal income tax purposes.

“Qualified rental unit” means a housing unit subject to the provisions of Iowa Code chapter

562A and for which a signed written rental agreement exists.

“*Recipient*” means an applicant approved for and receiving rent subsidy payments under the program.

“*Representative payee*” means a person who is appointed for a recipient unable to receive and manage the recipient’s own benefits due to mental or physical impairments. The representative payee is to use the benefits in the recipient’s best interest and is personally liable for misuse of funds.

265—24.2(16) Eligibility requirements.

24.2(1) *Demonstrated need.* An eligible applicant will demonstrate need for rent subsidy by meeting all of the following requirements:

a. The applicant will provide a copy of an executed rental agreement showing the applicant as a tenant, with signatures by the landlord and the applicant or the applicant’s legal guardian;

b. The applicant will provide evidence that the applicant pays more than 30 percent of the applicant’s gross income for rent, with a minimum contribution of \$25 per month;

c. The applicant will not receive any other rental assistance while receiving rent subsidy payments under the program;

d. The applicant will not use this program to substitute for any other ongoing rent subsidy being received at the time of application to this program; and

e. The applicant’s rental unit must be a qualified rental unit and must not be owned by someone who lives in the unit.

24.2(2) *Ineligible for other rent subsidies.* An eligible applicant for rent subsidy payments under this program will have been determined ineligible for the HCV program, be on the HCV program waiting list, or document that the HCV program waiting list is closed. If the HCV waiting list is currently closed, the applicant is responsible for monitoring the status of the waiting list application period and must apply at the first available opportunity and provide documentation of an HCV application submission to the local public housing authority. If the authority determines an applicant failed to apply for HCV at the first available opportunity, the authority may remove the applicant from the program or the program waiting list.

265—24.3(16) Application. Applications for the program may be obtained on the authority's website. An applicant shall complete the application and provide all required documentation. For the purposes of this rule, the application date means the date the completed application, including all required documentation, is received by the authority.

24.3(1) The authority will review each completed application and determine whether the applicant is eligible for the program. The applicant may elect to have any of the following notified: legal guardian, case manager or representative payee.

24.3(2) The authority will maintain and administer a statewide waiting list for the program. When an application is received, the applicant will be placed on the waiting list according to the application date unless the provisions of Iowa Code section 16.55 apply.

24.3(3) When funding allows additional applicants to be added to the program, the authority will request updated documentation from the next applicant on the waiting list, and each applicant's eligibility will be determined based upon the updated documentation. If the completed application is not received by the deadline specified by the authority, the applicant may be removed from the waiting list. If the authority determines an applicant is eligible for the program, the authority will notify the applicant of the amount of monthly rent subsidy within 30 days of making the determination.

265—24.4(16) Rent subsidy.

24.4(1) *Use of subsidy.* Assistance shall be used for rental expense.

24.4(2) *Maximum monthly payment for rent.* Assistance for rent will be equal to the lesser of the rent paid by the recipient or the current applicable fair market rent as published by HUD for the area where the recipient's residence is located, less 30 percent of the recipient's gross monthly income. The fair market rent used will be that for a one-bedroom unit or a proportionate share of the fair market rent in living units containing more than one bedroom. When the recipient resides with one or more qualified dependents, the proportionate share may consist of additional bedrooms, applying the same maximum monthly payment standard.

24.4(3) *Monthly payment.* Recipients approved for rent subsidy payments will receive an ongoing monthly payment equal to the amount determined pursuant to subrule 24.4(2). Payments may be made on behalf of a recipient directly to the recipient's landlord.

265—24.5(16) Redetermination of eligibility.

24.5(1) *Time of completion.* A redetermination of eligibility for rent subsidy payments will be completed annually unless one of the following conditions occurs:

- a. A change in circumstances that affects eligibility in accordance with rule 265—24.2(16).
- b. The recipient moves from the residence stated on the approved application.
- c. There is a change greater than \$100 in the recipient's gross monthly income.

24.5(2) *Renewal notice.* The authority will send a renewal notice to the recipient and, if applicable, the recipient's legal guardian, case manager or representative payee at least 30 days before the annual redetermination deadline. The renewal notice will specify the annual redetermination deadline and the documentation that must be submitted to the authority.

a. The recipient shall submit the completed application and required documents to the authority as directed on the application.

b. If the authority does not receive the completed application and required documents by the annual redetermination deadline, the recipient's rent subsidy will be terminated.

265—24.6(16) Termination of rent subsidy payments.

24.6(1) *Reasons for termination.* The authority may terminate the rent subsidy at the end of a month in which any of the following occur:

a. The recipient does not meet one or more of the eligibility criteria listed in rule 265—24.2(16).

b. The recipient fails to submit documentation required pursuant to subrule 24.5(2) by the deadline established by the authority.

c. Rent subsidy program funds are exhausted for the fiscal year.

d. The recipient, case manager, legal guardian or representative payee threatens physical violence or injury toward authority staff.

e. The recipient provides false information.

f. The recipient, legal guardian or representative payee misuses rent subsidy payments for purposes other than rent assistance.

g. The recipient is not in compliance with any other programs offered or administered by the authority while receiving rent subsidy payments.

24.6(2) *Notification to recipient.* If the authority terminates a recipient's rent subsidy, the authority will notify the recipient in writing.

24.6(3) *Reporting of changes.* The recipient or the recipient's legal guardian or representative payee, as applicable, is required to report to the authority any changes that may affect eligibility within ten business days of the occurrence of the change, including changes in circumstance listed under subrule 24.5(1). Failure to do so may result in the recipient's responsibility to repay rent subsidy funds dating back to the recipient's failure to report the change and termination of the rent subsidy.

These rules are intended to implement Iowa Code section 16.55.

To: Iowa Finance Authority Board of Directors

From: Lisa Connell, Legal Counsel

Date: September 3, 2024

Re: Notice of Intended Action to Rescind 265—Chapters 12, 20, 22, 23, 31, 36, and 40

Reason for the rule making: Pursuant to Executive Order 10 (January 10, 2023), staff proposes to rescind Chapters 12, 20, 22, 23, 31, 36, and 40.

Summary of changes to rules: Staff proposes to permanently rescind the following obsolete and unnecessary chapters:

- Chapter 12, which describes the policies applicable to low-income housing tax credits (LIHTC) administered by IFA. 2024 Iowa Acts, Senate File 2387, amended Iowa Code section 16.35 so that IFA is no longer required to adopt rules specifying the application procedure and allowance of low-income housing tax credits. Those aspects of program administration are addressed in the qualified allocation plan (QAP) adopted by IFA pursuant to Internal Revenue Code Section 42 and the applicable Treasury regulations.
 - Chapter 20, which describes the policies and procedures applicable to the Senior Living Revolving Loan Program. The policies and procedures of the program are established pursuant to Iowa Code section 16.46, and the applicable QAP adopted by IFA pursuant to Iowa Code section 16.35.
 - Chapter 22, which describes the policies and procedures applicable to the Iowa Aftercare Services Rent Subsidy Program. The program was discontinued effective June 30, 2024.
 - Chapter 23, which describes eligibility requirements and administration of the Transitional Housing Revolving Loan Program Fund. The fund assisted in the development of affordable housing for parents completing or participating in substance abuse treatment pursuant to Iowa Code section 16.48. The ongoing obligations of two loan recipients are addressed in a comprehensive loan agreement. The requirements of the program are sufficiently described in Iowa Code section 16.48 if there is interest in the fund in the future, and the Iowa Code section does not require the authority to promulgate rules.
 - Chapter 31, which describes the council on homelessness and its duties. 2024 Iowa Acts, Senate File 2385, amended Iowa Code section 16.2D to eliminate the council and assign its duties to IFA.
 - Chapter 36, which describes the Public Service Shelter Grant Fund. The fund was established pursuant to 2009 Iowa Acts, Senate File 376, section 28, and discontinued in 2011.
 - Chapter 40, which describes the Iowans Helping Iowans Housing Assistance Program. The program was established to provide financial assistance to eligible residents for the purpose of either repairing or rehabilitating eligible residents' disaster-affected homes or to purchase a home. The last loan issued under this program was in 2012, and loan agreements issued under this program have expired.

Executive Order 10 Required Tasks:

- Rule reports completed June 19, 2024.
- Regulatory analysis published July 10, 2024.
- Public hearing held July 30, 2024. No public comments were received.
- Received preclearance from Administrative Rules Coordinator to file a Notice of Intended Action August 20, 2024.

Staff recommendation: Staff recommends the Board approve the filing of a Notice of Intended Action to rescind 265—Chapters 12, 20, 22, 23, 31, 36, and 40 as set forth in the attached rule making.

Proposed Motion: Move to approve the filing of a Notice of Intended Action to rescind 265—Chapters 12, 20, 22, 23, 31, 36, and 40.



ITEM 1. Rescind and reserve **265—Chapter 12.**

ITEM 2. Rescind and reserve **265—Chapter 20.**

ITEM 3. Rescind and reserve **265—Chapter 22.**

ITEM 4. Rescind and reserve **265—Chapter 23.**

ITEM 5. Rescind and reserve **265—Chapter 31.**

ITEM 6. Rescind and reserve **265—Chapter 36.**

ITEM 7. Rescind and reserve **265—Chapter 40.**