

HOUSING FINANCE AUTHORITY OF MANATEE COUNTY, FLORIDA

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Bradenton, Florida 34205
(877) 264-0334

REPORT TO THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA FOR THE 2017-2018 FISCAL YEAR

This Authority is a body corporate and politic created and existing pursuant to Chapter 159, Part IV, of the Florida Statutes, County Ordinances 79-6 and 91-40 and a Resolution adopted October 30, 1979, by the Board of County Commissioners for the purpose of alleviating a shortage of housing available for persons and families of moderate, middle and lesser income and a shortage of capital for investment in such housing. This Authority is a special district under the provisions of Chapter 189 of the Florida Statutes as a local unit of special purpose government and is a dependent special district because the members thereof are appointed by the Board of County Commissioners.

The Authority by law consists of five members and it is required that at least three of said members be knowledgeable in one of the following fields: labor, finance or commerce. The membership consists of: Richard M. Pierro, as Chairman; Hugh D. Miller, as First Vice Chairman; Paul A. Sharff, as Second Vice Chairman; James J. Heagerty, Jr., as Third Vice Chairman; and Frank R. Dodson, III, as Secretary/Treasurer. All members are knowledgeable in the fields of finance or commerce.

Activities and programs by the Authority during this fiscal year are summarized as follows:

The Authority established a Loan Program to make new mortgage loans to low and moderate income families or persons on a continuous basis. The program launched in March, 2013, through qualified participating local lenders to make first mortgage loans for the acquisition of qualified single family residences by qualified borrowers. The program also offers down payment assistance to fund the difference between the principal amount of a first mortgage and the total purchase price for a particular single family residence, together with the costs of any required appraisal, closing agent, recording, survey, termite inspection or other required closing costs. The maximum assistance loan was \$10,000 during the entire fiscal year. The down payment assistance loan is evidenced by an interest free promissory note and secured by a second mortgage to the Authority that becomes due and payable if the first mortgage is paid off, refinanced or assumed by a new borrower, or the mortgaged property is sold, leased, transferred or foreclosed. The program also makes available Mortgage Credit Certificates which allows borrowers to receive a Federal Income Tax Credit of up to \$2,000 per year for as long as the loan is outstanding and the borrower resides in the property. On July 24, 2017, the program was expanded to include an option for borrowers to receive a grant of up to five percent (5%) of the loan amount toward down payment and closing costs in exchange for paying a slightly higher interest rate on the first mortgage.

During fiscal year 2017-2018, the Loan Program funded \$7,809,944.00 in first mortgage loans made through qualified local lenders, and provided \$448,460.45 in down payment assistance loans to 49 eligible families and persons. This Loan Program will continue to be available throughout the upcoming fiscal year.

On August 14, 2018, the Authority established a down payment and closing cost assistance program (the "DPA Program") for use in conjunction with the Livable Manatee Incentive Program. The Authority wants to partner with Manatee County in providing affordable housing programs. Due to the dramatic reduction in State Housing Initiative Partnership Program funds for the upcoming fiscal year, the Authority has funded the DPA Program with an initial commitment of \$100,000. The following is a summary of the DPA Program terms:

PROGRAM FUNDS

- Program funds are available first-come, first-served basis
- Initial funding of the DPA program is \$100,000
- Available until June 30, 2019

DOWN PAYMENT ASSISTANCE

- DPA up to \$10,000
- Secured by a second mortgage
- Non-interest bearing, non-amortizing loan
- Due in 30 years or upon sale or refinance of home or failure to occupy the property as primary residence

ELIGIBLE PROPERTY AND AREAS

- Single Family home purchase
- Livable Manatee site in unincorporated Manatee County, Florida

BORROWER ELIGIBILITY CRITERIA

- Purchase of home in Eligible Area
- Qualify for and receive a subordinate SHIP loan
- Meet income and purchase price limits of SHIP Program
- Principal residence
- Borrower(s) must occupy property within 60 days of closing

LENDER PARTICIPATION

- Borrower must obtain first mortgage and close the DPA loan through one of the 2018 SHIP Certified Lenders

Copies of the minutes of each meeting of the Authority are furnished to the Board of County Commissioners.

APPROVED at a meeting of this Authority with a quorum present and voting this the 25th day of September, 2018.

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By: _____
Richard M. Pierro, Chairman