

## Angela Abbott

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**From:** Tim Wranovix <Tim.Wranovix@RaymondJames.com>  
**Sent:** Tuesday, October 24, 2017 11:40 AM  
**To:** angelaabbott@cfl.rr.com  
**Cc:** Donald Peterson  
**Subject:** Manatee County HFA - Freddie Mac Subsidy  
**Attachments:** Sample Affordable Subsidy Letter of Intent.docx

Angela,

Freddie Mac recently launched an initiative targeted at local HFAs through which Freddie Mac will provide additional down-payment assistance grants (referred to as "AIS") to qualifying homebuyers that obtain a Freddie Mac 1<sup>st</sup> mortgage through such HFA. Importantly, the AIS grants provided to qualifying homebuyers are in addition to the DPA a homebuyer receives through Manatee County HFA. These AIS grants are geared to low-moderate income homebuyers and provide:

- 2.0% of additional grant money to borrowers at or below 50% AMI; and
- 0.5% of additional grant money to borrowers between 50% and 80% AMI.

RJ reps met with Freddie Mac representatives last week in Denver (in connection with a housing conference) and Manatee County HFA was specifically mentioned as an HFA targeted to be approved for the program. To get Manatee County HFA added to this Freddie Mac program so that borrowers can receive the AIS grant, a Manatee County HFA representative will first need to sign a **Letter of Intent** (sample attached) to be put on Manatee County HFA's letterhead. Once this letter is signed and returned to Freddie Mac, then we can discuss implementation with eHousing and Freddie Mac. Freddie Mac will coordinate with US Bank a date/time to conduct a Webinar with local lenders to educate them about the AIS offering. eHousing would also be on that call to inform lenders about the updated Program Guidelines which would discuss how the lender would initially fund the AIS grant to the borrower at loan closing and be reimbursed by Freddie Mac (through US Bank).

Of note, eHousing does have an additional charge/loan in connection with the program (as eHousing would be verifying qualifying income, etc.), which they propose would be either (i) a \$75 per loan fee charged only to borrowers that receive the AIS subsidy (as eHousing would be verifying qualifying income, etc.), or (ii) \$25 per loan fee charged all borrowers, even if not received an AIS grant. Not knowing the true impact of this program, most HFA clients we expect will adopt the \$75/loan fee to not increase the cost for all homebuyers and since the AIS grant should more than cover such \$75 fee.

Please let me know if you have any questions regarding the attached or the above. But if you wouldn't mind having the Chairman sign the attached letter of intent, and return a signed copy to me (or send it directly to Erin Quinn at [erin\\_quinn@freddiemac.com](mailto:erin_quinn@freddiemac.com)), we can get the process started for Manatee County HFA.

Thanks!

TIM WRANOVIX  
Vice President

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HOUSING FINANCE AUTHORITY OF  
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December 12, 2017

Freddie Mac  
1551 Park Run Drive  
McLean, VA 22102-3110  
Attention: Erin Quinn, Director, HFA Engagement

Dear Erin:

The Housing Finance Authority of Manatee County, Florida is excited to partner with Freddie Mac to expand access to credit to low- and very low-income borrowers by offering a subsidy in conjunction with our first mortgage and down payment assistance programs. If a borrower qualifies for the subsidy, the originating lender will credit the additional assistance in the form of a non-repayable grant toward the purchase transaction for purposes of down payment and/or closing cost assistance.

The Housing Finance Authority of Manatee County, Florida will rely on its originating lenders to screen borrowers to determine if they qualify for the affordable subsidy. We understand borrowers earning no more than 80% of the area median income may be eligible for 50 basis points of additional assistance and borrowers earning no more than 50% of the area median income may be eligible for 200 basis points of additional assistance. We will send you the terms under which this additional assistance will be provided to the borrower.

Originating lenders will continue to deliver loans as they do today through U.S. Bank Home Mortgage.

We look forward to working with Freddie Mac to assist more qualified low- and very low-income borrowers achieve the dream of homeownership.

Sincerely,

James J. Heagerty, Jr.

James J. Heagerty, Jr.  
Chairman

Richard M. Pierro  
1<sup>st</sup> Vice Chairman

Hugh D. Miller  
2<sup>nd</sup> Vice Chairman

Paul A. Sharff  
3<sup>rd</sup> Vice Chairman

Frank R. Dodson, III  
Secretary/Treasurer

Angela A. Abbott  
Attorney/Administrator