MINUTES OF THE 374TH BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

MEMBERS:
*Charles Richman, Deputy Commissioner, DCA
(representing Richard E. Constable, III, Acting Commissioner, DCA)
Richard E. Constable, III, Acting Commissioner, DCA
** Susan Fischer, Assistant Attorney General
(representing Jeffrey S. Chiesa, Attorney General)
*** Robert Romano, Deputy State Treasurer, Department of Treasury
**** Cathy Boland, Supervising Program Development Specialist, Office of
Treatment and Recovery Support, Division of Mental Health and Addition
Services, Department of Human Services
(representing Jennifer Velez, Commissioner, Department of Human Services)
Stanley Weeks
Patricia Mueller

OFFICIALS
PRESENT:
Anthony Marchetta, Executive Director
Claudia Lovas, Deputy Executive Director and Programs Chief
Donna Rendeiro, Chief of Administration
Les Lefkowitz, Chief Counsel
David Bonomo, Chief Financial Officer
Michael Floyd, Chief of Property Management and Technical Services
John Murray, Director of Credit and Business Development
Michael Staton, Director of Multifamily Programs and Lending
Jerry Keelen, Director Single Family Programs
Yirgu Wolde, Assistant Director of Supported Housing and Special Needs
Theresa Fink, Director of Finance
Laura Shea, Deputy Chief Counsel
Darryl Applegate, Director of Regulatory Affairs
Lisa Kern, Director of Loan Closings
Bob Huether, Assistant Director of Program Development and Outreach
Dana Irlbacher, Assistant Director Single Family Programs
Bruce Blumenthal, Community Development Ombudsman
Danielle Esser, Policy Research Administrator
Bob Bonsignore, Project Manager, Single Family Loan Programs Quality Review
Harry Stevens, General Services Assistant
Carilyn Willis, Executive Assistant
OTHERS
PRESENT: Kavin Mistry, Deputy Attorney General
Kerstin Sundstrom, Governor’s Authority Unit
Regina Egea, Governor’s Authority Unit
Maribeth Wechsler, Obermayer
J. Winter, DDD
T. M. Cank, City Works

* Letter dated May 15, 2012 designating Charles Richman to represent Richard E. Constable, III, Acting Commissioner, DCA
** Letter of April 12, 2011 designating Susan Fischer to represent the Attorney General
*** Letter of December 10, 2010 designating Robert Romano to represent the State Treasurer, Andrew Sidamon-Eristoff
**** Letter of July 8, 2011 designating Cathy Boland to represent Jennifer Velez, Commissioner, Department of Human Services
May 16, 2012

SUNSHINE ACT
"The New Jersey Housing and Mortgage Finance Agency gave notice of the time, place and date of this meeting by facsimile, regular mail and hand delivery on May 7, 2012 to the Secretary of State of New Jersey, The Star Ledger, The Times, and the Courier Post, and by posting the notice at the office of the Agency in Trenton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Housing and Mortgage Finance Agency in order to hold a session from which the public is excluded."

APPROVAL OF MINUTES

Patricia Mueller moved and Cathy Boland seconded approval of the Minutes of the April 12, 2012 Meeting of the HMFA Board.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

SINGLE FAMILY

SHORE-EASY – 228 MAIN STREET, LAKEWOOD, OCEAN COUNTY - APPROVAL OF A CONTRACT OF SALE – ITEM 2A.
Robert Romano moved and Stanley Weeks seconded 1. Authorization to extend the date of the contract of sale between Lakewood Development Corporation and the Agency involving the sale of one (1) Agency-owned vacant lot in Lakewood commonly known as 228 Main Street (Block 123, Lot 7) (the “Property”) for a sales price of $285,000. 2. Authorization for the Executive Director and other authorized signatories, in consultation with the Attorney General’s Office, to execute a contract of sale and to execute any and all additional documents necessary or desirable to effectuate and complete the sale of the Property.

Chairman Richman provided the Board with background on the Shore-Easy Program. He explained that there was a saturation of boarding and rooming homes in the shore areas that were being used to house persons with mental illness. He added that the Shore-Easy Program is one of the most successful state programs demonstrated by the fact that a 5-year follow-up study showed that 97% of the residents moved from the boarding/rooming homes to more appropriate housing were still residing in that housing.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None
MULTIFAMILY

MULTIFAMILY UNDERWRITING GUIDELINES AND FINANCING POLICY – APPROVAL OF AMENDMENTS – ITEM 3A.
PULLED

MULTIFAMILY RENTAL HOUSING PRODUCTION LOAN PROGRAM – APPROVAL TO INCREASE THE PROGRAM FUNDING – ITEM 3B.
Patricia Mueller moved and Cathy Boland seconded 1. Approval to increase the funding for the Multifamily Rental Housing Production Fund by approximately $18 million through the closing of programs and the de-appropriation and reallocation of monies from previously authorized programs as described in the Request for Action. 2. Authorization for the Executive Director to approve amendments to correct errors in or clarify the Multifamily Rental Housing Production Fund, so long as such amendments do not result in a change in policy or implementation of the program as currently presented. Any amendments that would change the underlying policy or implementation of the program from the form in which it is now presented shall remain subject to Board approval. 3. Authorization for the Executive Director, Chief of Programs, Chief Financial Officer, or Chief of Legal and Regulatory Affairs to execute any and all documents necessary to effectuate the above action, subject to the approval of the Attorney General’s office.

Executive Director Anthony Marchetta stated that this was a way to develop much needed affordable housing and provide revenue to the Agency.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

HMFA #02575 – MORGAN VILLAGE – APPROVAL TO AMEND THE FINANCING COMMITMENT – ITEM 3C.
Cathy Boland moved and Stanley Weeks seconded 1. Approval to remove the Return on Equity terms as outlined in the previous board action dated May 19, 2011, and approval to amend the language in Section 42 of the Financing, Deed Restriction and Regulatory Agreement executed at closing on April 20, 2012 to provide that return on equity is not applicable due to the short construction loan term.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

HMFA #02162/SNHTF #206 - ALEXANDER HAMILTON PHASE I– APPROVAL OF A MORTGAGE FINANCING COMMITMENT EXTENSION – ITEM 3D.
Robert Romano moved and Stanley Weeks seconded 1. Approval of an extension of a mortgage recommitment for permanent financing from the sale of taxable bonds or other funds available to the Agency for a project known as Alexander Phase I, HMFA #2162 (“the Project”) for an estimated amount of $2,144,000. This commitment extension will expire on December 31, 2012. The Executive Director is authorized to extend the commitment for two additional consecutive three-month periods, if deemed appropriate in his sole discretion. All other terms and conditions of the Request for Action dated October 29, 2009 regarding this Project shall remain the same.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None
HMFA #02682 – LAUREL OAKS FAMILY APARTMENTS – APPROVAL OF A MORTGAGE FINANCING RECOMMITTMENT – ITEM 3E.
Patricia Mueller moved and Cathy Boland seconded 1. Approval of a recommitment for an estimated $2,122,000 in permanent financing for a project known as Laurel Oaks Family Apartments, HMFA #02682 (the “Project”), upon the terms and conditions set forth in the Request for Action.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

HMFA #02213 – WHISPERING HILLS APARTMENTS - APPROVAL OF A MORTGAGE FINANCING RECOMMITTMENT – ITEM 3F.
Stanley Weeks moved and Cathy Boland seconded 1. Approval of a mortgage recommitment for an estimated $1,436,000 permanent financing for a project known as Whispering Hills Apartments, HMFA #02213 (the “Project”), upon the terms and conditions set forth in the Request for Action.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

HMFA #02747 – LYNDHURST SENIOR RESIDENCE – APPROVAL OF A DECLARATION OF INTENT
Robert Romano moved and Cathy Boland seconded 1. Approval of a “Declaration of Intent” stating the intention of the Agency to issue tax exempt bonds in an estimated amount not to exceed $9,311,000 in construction financing for a project known as Lyndhurst Senior Residence, HMFA #02747, upon the terms and conditions set forth in the Request for Action. Approval of this "Declaration of Intent" will establish for tax purposes the eligibility of costs associated with pre-bond sale and development work on the project. By this approval, the Board expresses its present intent to issue bonds for this project. The ability of the project to conform to the Agency's Underwriting Guidelines and Financing Policy, as well as compliance with federal tax and other laws, has not yet been determined. This approval does not obligate the Agency to take any further action in connection with this project, including any approval to allocate tax-exempt bond volume cap, to issue bonds or to provide first mortgage financing, gap financing or a tax credit allocation. This approval for a Declaration of Intent is not intended to give this project any preference over any other project financing.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

HMFA #02727 – 169-177 CENTRAL AVENUE - APPROVAL OF A DECLARATION OF INTENT – ITEM 3H.
PULLED
SUPPORTIVE HOUSING

HMFA#02664/SNHTF#265 - AIRMONT WOODS – APPROVAL OF A MORTGAGE
FINANCING COMMITMENT – ITEM 4A.
Cathy Boland Moved and Stanley Weeks seconded 1. Approval of a mortgage commitment for an
estimated $924,000 in construction and permanent financing from the Special Needs Housing Trust Fund
(“SNHTF”) for a project known as Airmont Woods Supportive Housing, HMFA #02664 /SNHTF #265
(the “Project”), upon the terms and conditions set forth in the Request for Action.

Chairman Richman stated that there is insufficient housing in New Jersey to house residents with
developmental disabilities. Out-of-state facilities have therefore been used to provide this housing at 2
times the cost of housing the residents in-state. He added that Airmont Woods will bring these young
adults back to New Jersey and near to their families and will result in a 50% savings to the State.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

REGULATORY AFFAIRS

HMFA #374 – UNION GARDENS – APPROVAL OF A SUBORDINATE MORTGAGE – ITEM 5A.
Stanley Weeks moved and Cathy Boland seconded 1. Approval of a subordinate mortgage and recording
of same against the Union Gardens project in an amount of $430,000.00, in connection with funds
received from the Affordable Housing Program administered by the Federal Home Loan Bank (“FHLB”).

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

PORTOFOLIO DISPOSITION

HMFA #1154 - STOCKTON STREET APARTMENTS - APPROVAL OF DECLARATION OF
DEFAULT – ITEM 6A.
PULLED

7. CAPITAL MARKETS

CONDUIT LOAN PROGRAM - APPROVAL TO APPOINT US BANK AS THE TRUSTEE –
ITEM 7A.
Robert Romano moved and Cathy Boland seconded 1. Approval of the appointment of U.S. Bank
National Association as Program Trustee for the Agency’s Credit Enhanced Conduit Program for a two-
year term.

David Bonomo, HMFA Chief Financial Officer, advised the Board that the two responses received as a
result of the RFP processes were comparable and that US Bank was selected based on the fact that they
submitted the lowest bid.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None
HMFA #02726 – ASBURY PARK GARDENS – APPROVAL OF THE BOND DOCUMENTS –
ITEM 7B.
Patricia Mueller moved and Cathy Boland seconded 1. Approval of the attached “Resolution Authorizing and Directing the Execution, Delivery, Issuance and Sale of the New Jersey Housing and Mortgage Finance Agency’s Multifamily Conduit Revenue Bonds, Series 2012 A (Asbury Park Gardens Housing Project) under the Agency’s Credit Enhanced Conduit Bond Program in a Principal Amount Not to Exceed $16,000,000 and Authorizing and Approving the Execution and Delivery of a Trust Indenture and Related Instruments; and Authorizing Other Matters in Connection Therewith” (the “Resolution”).

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None

MOTION TO ADJOURN
Robert Romano moved and Cathy Boland seconded a motion to adjourn at 10:45 a.m.

Aye-Charles Richman, Susan Fischer, Robert Romano, Cathy Boland, Patricia Mueller, Stanley Weeks
Nay-None
May 15, 2012

Anthony Marchetta, Executive Director
NJ Housing and Mortgage Finance Agency
PO Box 18550
Trenton, New Jersey 08625

Dear Executive Director Marchetta:

Please accept this letter as formal notification that Deputy Commissioner Charles Richman will represent me at the NJHMFA Board Meeting on May 16, 2012.

If you have any questions, please do not hesitate to call my office.

Sincerely,

Richard E. Constable, III
Acting Commissioner

New Jersey is an Equal Opportunity Employer • Printed on Recycled paper and Recyclable
April 12, 2011

Honorable Lori Grifa
Commissioner
Department of Community Affairs
New Jersey Housing and Mortgage Finance Agency
P.O. Box 800
Trenton, New Jersey 08625-0800

Dear Commissioner Grifa:

Thereby designate Susan K. Fischer, Assistant Attorney General, to represent me in my absence at the meetings of the New Jersey Housing and Mortgage Finance Agency. In the event of AAG Fischer's absence, Deputy Attorney General Aimee Manocchio Nason is authorized to vote in my stead and to otherwise act on my behalf.

Very truly yours,

Paula T. Dow
Attorney General

cc: Secretary of State
Susan K. Fischer, Assistant Attorney General
Aimee Manocchio Nason, Deputy Attorney General
December 10, 2010

Marge DellaVecchia, Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, NJ 08650

Dear Ms. DellaVecchia:

I hereby designate Rob Romano, Department of Treasury to act as my permanent designee at all the meetings of the New Jersey Housing and Mortgage Finance Agency. David Moore, Department of Treasury will serve as back-up should Rob not be available to attend.

Sincerely,

Andrew P. Sidamon-Eristoff
State Treasurer
July 8, 2011

Anthony Marchetta
Executive Director
New Jersey Housing and
Mortgage Finance Agency
637 South Clinton Avenue
Trenton, NJ 08650-2085

Dear Mr. Marchetta:

Valerie L. Larosiliere, in her new position as Assistant Director, Office of Housing, Policy and Program Evaluation, Division of Mental Health and Addiction Services, will continue as the Department of Human Services' (DHS) representative for board meetings of the New Jersey Housing and Mortgage Finance Agency. Cathy Boland will be the designee in her absence and will have full authority to represent and take action on matters related to DHS.

We appreciate the opportunity to participate in meetings of the HMFA Board and look forward to continuing to promote affordable housing needs for our citizens.

Sincerely,

Jennifer Velaz
Commissioner

JV:3:jc
C: Valerie L. Larosiliere
Cathy Boland