



Board of Directors

Agenda Item #3

Resolution accepting the parameter term proposal for the purchase of not exceeding Thirty-Six Million Dollars (\$36,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue and Refunding Bonds in one or more series or subseries; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; approving the form and directing the execution of the Bond Purchase Contract for said Bonds; and providing for other matters in connection with the foregoing.

December 13, 2017

LOUISIANA HOUSING CORPORATION

The following resolution was offered by _____ and seconded by _____:

RESOLUTION

A resolution accepting the parameter term proposal for the purchase of not exceeding Thirty-Six Million Dollars (\$36,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue and Refunding Bonds in one or more series or subseries; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; approving the form and directing the execution of the Bond Purchase Contract for said Bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Directors (the "**Board**") of the Louisiana Housing Corporation (the "**Corporation**") on November 8, 2017, adopted a resolution (the "**Authorizing Resolution**") approving and authorizing the issuance of not exceeding Thirty-Six Million Dollars (\$36,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue and Refunding Bonds in one or more series or sub-series (the "**Bonds**") consisting of (i) not exceeding Twenty Million Dollars ("**New Money Bonds**") to finance mortgage loans for first-time homebuyers throughout the State and (ii) not exceeding Sixteen Million Dollars (the "**Refunding Bonds**") to refund outstanding multiple series of single family mortgage revenue bonds (the "**Outstanding Prior Bonds**") of the Louisiana Housing Finance Agency (the "**LHFA**") identified in Schedule I the Authorizing Resolution; and

WHEREAS, the Corporation did meet on December 13, 2017 at ____ p.m., Louisiana time, for the purpose of receiving and considering the proposal of Raymond James & Associates, Inc., George K. Baum & Company, and JPMorgan Securities LLC, as Underwriters (the "**Underwriters**") and taking action with respect to the parameter sale of not exceeding Thirty-Six Million Dollars (\$36,000,000) of the Bonds pursuant thereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, acting as the governing authority of said Corporation, that:

SECTION 1. The parameter written terms submitted this day by the Underwriters for the purchase of the Bonds designated "Louisiana Housing Corporation Single Family Mortgage Revenue Refunding Bonds" in the aggregate principal amount not exceeding Thirty-Six Million Dollars (\$36,000,000), in one or more series or subseries at an interest rate not exceeding 8% per

annum, and for a maturity not exceeding 40 years, authorized under and pursuant to the provisions of a Thirty-Sixth (36th) Series Supplemental Trust Indenture (the “**37th Series Supplemental**”) to the Indenture of Trust dated as of May 1, 1998 (the “**Master Indenture**”, together with the 37th Series Supplemental, the “**Indenture**”), by and between Hancock Whitney Bank (the “**Trustee**”), and the Corporation be, and the same are hereby awarded to the Underwriters in accordance with the terms of the Bond Purchase Contract referred to in Section 3 hereof. The sale and delivery of the Bonds are further conditioned upon approval by and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Bond Purchase Contract is hereby authorized and approved. The Chairman and Executive Director are hereby authorized and directed for, on behalf of and in the name of the Corporation, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein. The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended (the “**Act**”) and Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “**Refunding Act**”) and with the approval of Counsel to the Corporation or Co-Bond Counsel.

By virtue of the Corporation’s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval resolved and set forth herein, the Corporation resolves that it understands and agrees that such approvals are expressly conditioned upon, and the Corporation further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Swaps, or other forms or Derivative Products Hedges, Etc.”,

adopted by the Commission on July 20, 2006, as to borrowings and other matters subject to approvals, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 2. Hancock Whitney Bank shall be designated as Trustee and Paying Agent with respect to the Bonds.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman and Executive Director, be and they are hereby authorized and directed to execute and deliver, for and on behalf of the Corporation, the Bond Purchase Contract in substantially the form thereof which is now before this Corporation and filed with the Secretary of this Board of Directors.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture and the Bond Purchase Contract. The Bonds shall be secured by the Trust Estate as defined in the Indenture, inclusive of mortgage-backed securities transferred from indentures of the Outstanding Prior Bonds which are being refunded by the Refunding Bonds and shall be subject to redemption in accordance with the Indenture.

SECTION 5. The Costs of Issuance schedule attached hereto as **Exhibit "A"** is approved.

SECTION 6. The contents of the Official Statement with respect to the Bonds, copies of the form of which have been placed on file with the Corporation, are hereby approved substantially in such form.

SECTION 7. The Chairman and Executive Director are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the Corporation and delivered to effect delivery of the Bonds to the

Underwriters or deemed by any of them necessary or advisable to implement this resolution, the Indenture or the Bond Purchase Contract, or to facilitate the sale of the Refunding Bonds.

SECTION 8. The Chairman and Executive Director of the Corporation shall cause to be executed for and on behalf of the Corporation the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Underwriters in accordance with the Bond Purchase Contract. The Secretary of the Corporation shall receive from the Underwriters for the account of the Corporation the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 9. This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 13th day of December, 2017.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the "**Corporation**"), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by said Board of Directors on December 13, 2017, entitled: "A resolution accepting the parameter term proposal for the purchase of not exceeding Thirty-Six Million Dollars (\$36,000,000) of Louisiana Housing Corporation Single Family Mortgage Revenue and Refunding Bonds in one or more series or subseries; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; approving the form and directing the execution of the Bond Purchase Contract for said Bonds; and providing for other matters in connection with the foregoing."

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Corporation on this, the 13th day of December, 2017.

Secretary

(SEAL)

\$ 36,000,000
Louisiana Housing Corporation
Single Family Mortgage Revenue Refunding Bonds
Series 2018

PRELIMINARY COST OF ISSUANCE

			(USD)	(USD/Bond)
Estimated Par Amount			\$ 36,000,000.00	
Underwriter's Discount				
Takedown - Raymond James (books), JPM & GKB	\$ 5.000	60% Max Desi / 10% Min.	\$ 180,000.00	\$ 5.000
Management Fee - Raymond James, JPM & GKB	1.250	50%-25%-25% split	45,000.00	1.250
Underwriters' Expenses ⁽¹⁾		as incurred	42,521.30	1.181
Gross Underwriter's Spread			\$ 267,521.30	7.431
(1) Underwriter's Expenses - Detail				
Underwriters' Counsel Fee - Breazeale Sache			\$ 27,500.00	0.764
Underwriters' Counsel Expenses - Breazeale Sache			2,000.00	0.056
Underwriters' Counsel Blue Sky Memo - Breazeale Sache			2,500.00	0.069
Dalnet/I-DEAL Book Running			2,224.80	0.062
Dalnet/I-DEAL Electronic Order Entry Charge			540.00	0.015
Dalnet/I-DEAL Wire Charges			135.00	0.004
DTC			800.00	0.022
CUSIP			921.50	0.026
Day Loan			900.00	0.025
Travel, FedEx, Other			5,000.00	0.139
Total U/D Expenses			\$ 42,521.30	1.181
Estimated Cost of Issuance - Detail				
Co-Bond Counsel Fee - Foley & Judell			\$ 36,450.00	\$ 1.013
Co-Bond Counsel Expenses - Foley & Judell			2,500.00	0.069
Co-Bond Counsel Fee - Jones Walker			36,450.00	1.013
Co-Bond Counsel Expenses - Jones Walker			2,500.00	0.069
Financial Advisor - Government Consultants			72,000.00	2.000
Trustee Acceptance Fee and 1st Monthly Fee - Whitney Bank			5,000.00	0.139
Trustee's Counsel - Gregory A. Pletsch & Assoc.			5,000.00	0.139
State Bond Commission			17,975.00	0.499
Rating Agency - Moody's			28,000.00	0.778
Printing - Imagemaster			5,000.00	0.139
LHC Publishing, Advertising and Recording Expenses			2,500.00	0.069
LHC Misc. Expenses			1,125.00	0.031
Total Other Estimated Cost of Issuance			\$ 214,500.00	5.958
Estimated Total Cost of Issuance & Underwriter's Discount			\$482,021.30	\$13.389



**Louisiana Housing Corporation
Single Family Mortgage Revenue Bonds
Series 2018**

November 8, 2017

Preliminary Term Sheet

BACKGROUND

The proposed Louisiana Housing Corporation's Single Family Mortgage Revenue Bonds, Series 2018 Program will be issued for the collective purpose of (i) refunding the Corporation's outstanding Single Family Mortgage Revenue Bonds (Home Ownership Program), Series 2008A, and outstanding Single Family Mortgage Revenue Bonds (Home Ownership Program), Series 2008B (collectively, the "Prior Bonds") on or after their June 1, 2018 optional call date, and (ii) providing new funds to finance the purchase of single-family primary residences of citizens in the State of Louisiana. The proposed Program will be the first new money single family housing issue for the LHC since 2009.

The Corporation's Single Family Mortgage Revenue Bonds, Series 2018A-1 Program Bonds (Non-AMT) (the "Program Bonds" or "Series 2018A-1 Bonds") will be issued for the purpose of providing newly available funds to finance the purchase of mortgage-backed securities ("MBS"), or reimburse the Corporation for the prior purchase of certain MBS which were purchased with LHC's general funds in connection with a line of credit, which MBS shall be in the form of either GNMA Certificates, Fannie Mae Certificates, or FHLMC Certificates, in each case backed by pools of qualifying mortgage loans made by participating lenders to qualified persons or families of low or moderate income to finance the purchase of single-family primary residences in the State of Louisiana. In addition, the Corporation expects to allocate HOME funds in the amount of \$5,400,000, to combine with \$5,000,000 of principal proceeds of the Series 2018A-1 Bonds, for the purpose of providing \$10,400,000 to qualified persons or families of incomes at or below 80% area-median income to finance the purchase of single-family residences for use as the primary residence of such persons in the State.

The Corporation's Single Family Mortgage Revenue Refunding Bonds, Series 2018A-2 (Non-AMT) (the "Refunding Bonds" or "Series 2018A-2 Bonds") will be issued for the purpose of refunding the outstanding Series 2008A and 2008B single family bond issues of the Corporation, and transferring certain of the MBS and available funds securing the Prior Bonds to the Refunding Bonds.

THE PRELIMINARY PLAN OF FINANCE

The Corporation would issue an amount not to exceed \$16 million of Refunding Bonds that, along with current Mortgage Loan Account balances, would currently refund in their entirety the following outstanding Single Family Mortgage Revenue Bonds (Home Ownership Program), Series 2008A in the approximate amount of \$9,060,000, and Series 2008B in the approximate amount of \$6,270,000.

Concurrent with the Refunding, the Corporation would issue \$20,000,000 of 2018A-1 Bonds, of which (i) \$15,000,000 of the proceeds would fund a Mortgage Loan Acquisition Account for Assisted Home Loans, (ii) \$5,000,000 of the proceeds would fund a Mortgage Loan Acquisition Account for HOME Assisted Loans, and (iii) the remaining proceeds of approximately \$400,000 (premium from PAC bonds) will be deposited to a Down Payment Assistance fund for non-HOME Loans.

Additionally, the Corporation shall use HOME funds in the approximate amount of \$5,400,000 to deposit to the Indenture as follows: (i) deposit \$5,000,000 of such HOME funds to fund the Mortgage Loan Acquisition Account for HOME Assisted Loans, and (ii) deposit the remaining \$400,000 of HOME proceeds to the HOME Assisted Down Payment Assistance Fund.

PROPOSED SERIES 2018A NEW MORTGAGE PRODUCT

New Mortgage Loans:	\$10mm of HOME Assisted Mortgages; \$15mm of non-HOME Assisted Mortgages
Gross DPA Amount:	4.00% repayable 2 nd for HOME Assisted Mortgages; 4.00% non-repayable grant on all other Mortgages.
Estimated Mortgage Rate:	Approximately 4.20% as of October 30, 2017 for non-Home Assisted Mortgages and 2.75% for HOME Assisted Mortgages; by comparison the Corporation's current TBA Program rate with 4.0% of grant assistance was 5.375% and the national average 30-year fixed mortgage rate (with no DPA) for the week ended October 30 th was 3.94% according to the Freddie Mac Primary Market Mortgage Survey.

RAYMOND JAMES

Preliminary Term Sheet
Continued

ESTIMATED SERIES 2018 SOURCES AND USES

\$35.33mm Bond Issue		
SOURCES OF FUNDS		
Refunding Bond Principal (Tax-exempt)(2.75% cpn)	\$	15,330,000
New Money Bond Principal (Tax-exempt, Non-AMT)		20,000,000
Bond Premium on Tax-Exempt Bonds		533,333
New HOME Proceeds (HOME Loan Principal)		2,097,844
New HOME Proceeds (4% DPA for HOME Loans)		400,000
Corporation Contribution		694,561
HOME-Restricted MBS transferred from Series 2008A&B Issue		1,327,506
Liquidation of Series 2008A&B A/C Balances (7-1-2017) *		3,139,262
TOTAL SOURCES	\$	43,522,506
USES OF FUNDS		
Redemption of Series 2008A&B Bonds	\$	15,330,000
Redemption Premium		-
Deposit to Mortgage Loan Fund (HOME Loans) *		10,000,000
Deposit to Mortgage Loan Fund (Non-HOME Loans)		15,000,000
DPA (HOME Loans)(4% 2nd)		400,000
DPA (non-HOME Loans)(4% Grant)		600,000
Reserve Fund (Neg Arb)		390,000
Series 2008A&B Home Repayment Obligation (MBS)		1,327,506
Est. Cost of Issuance		475,000
TOTAL USES	\$	43,522,506
* Includes an estimated \$2.9 million of HOME repayments from 2008A&B		