



West Virginia/Maryland Caucus Agenda
Tuesday, June 14, 11:00 am – 3:00 pm
American Federation of Teachers Office:
1320 Kanawha Blvd. East; Charleston, WV

- 1) Welcome & recognition of Special Guests** - Dave Clark
Debbie Elmore, American Federation of Teachers; Taylor Bennett, WV Land Stewardship Corp. (tentative); Jon Rodgers, Nate Testman – WVHDF; Roger Waugh, USDA-RD; John Bendel (tentative) - FHLB-Pittsburgh
- 2) Membership Business** **30 minutes**
 - a. Review of February Caucus Minutes and Action Items **pp. 3-6**
 - b. Caucus Discussion around the room –
- 3) Partner UPDATES**
 - a. WVHDF Updates (Jon) – HOME/HTF/AHF **15 minutes**
 - i. American Rescue Plan resources **p. 7**
 - ii. HOME-ARPA RFPs pending
 - b. FHLB – John Bendel (tentative) **10 minutes**
 - c. USDA - Roger Waugh **pp. 8-10** **5 minutes**
 - d. Community Works – Dave/Emily report out on Housing conference **5-10 minutes**
 - e. West Virginia Land Stewardship – Taylor Bennett **5-10 minutes**
- 4) Presentations** **30-40 minutes each**
 - a. WV AFT – Renaissance Village nuts and bolts (*Debbie Elmore*)
 - b. WV Dept. Environmental Protection – Dilapidated Buildings Program announced –(SB 368) and Brownfields Assistance Program
- Break for Lunch by 12:30pm **20-30 minutes**
- 1:00 pm Caucus Time**
- 5) Advocacy** **20-30 Minutes**
 - a. Federal Updates - Josh Stewart
 - i. Big Picture Policy Committee Work
 - b. State Updates – Maggie Riden **p. 11**
 - i. Engagement Strategy
 - ii. State Advocacy Committee
- 6) Strength in Numbers - Member Interest/Focus Updates** **20 minutes**
 - a. WV ARC Planning Grant
 - b. Workforce Development
 - c. Broadband – Potential for USDA ReConnect Program

7) Fahe UPDATES – Attached Memo **pp.1 -1**

20 minutes

- a. October Fahe Board Report – Emily Wilson-Hauger, Christal Crouso
- b. Strategic Visioning/Fahe's 2023-2028 Strategic Plan – Workshop on Nov. 29
- c. Membership Updates
 - Reporting – QE 6-30-22/9-30-22 status- Vonda
 - Training - Jackie
 - Annual Meeting
 - Spring Retreat
- . REED, Research Evaluation Evidence & Data Cmte - Katy Stigers, Camila Moreno
- . Lending – Community Lending **pp. 1 -17** and JustChoice Lending
- . Virtual CFO Services (Rae Williams) – Updated FASB **pp. 18**
- . Partners for Rural Transformation - Jose Quinonez, Essence Smith

Upcoming Events

- **Nov. 9-11 – ReFrame Conference:** MeadowView Conf. Center, Kingsport, TN There is a special offer for Fahe Members who register. Use promo code **Fahe** to save \$25. If you need a bigger scholarship to be able to participate, email becca@coalitionforhomerepair.org.
- **Tues. Nov. 29th 1:30-3:30 – Workshop:** Strategic Visioning for Fahe's 2024-2028 Strategic Plan
- **Dec. 7-9** – Rural LISC Annual Seminar - [Rural Talks: Workforce + Small Business](#)
- **April 2023 – week of the 24th – HOLD for Spring Retreat in DC!**
- **September 2023 – week of the 18th – HOLD for Fahe Annual Meeting in Charleston!**

Sign up for Fahe's Member Newsletter here: www.fahemembers.com/signup

Sign up for Fahe's Blog here: www.fahe.org/signup

WV Caucus page of the Member website: <https://www.fahemembers.com/state-caucuses/wv-md-member-information/>



West Virginia/Maryland Caucus Minutes
Tuesday, June 14, 10:30 am – 3:00 pm
WV Housing Dev. Fund, Charleston, WV & Virtual

Name	Organization	Name	Organization
	Almost Heaven HFH	Nate Testman	Guest -WVHDF
Casey McCann	Coalfield Dev	Alex Dadok	Fahe
Nick Guertin	Coalfield Dev	Amanda Scalph	Fahe
Christal Crouso	FMHA	Camila Moreno	Fahe
Duane Yoder	GCCAC	David Brock	Fahe
Tabitha Hitchcock	HAMC	Emily Burleson	Fahe/PRT
Kate Somers	HOC	Emma Eichebaum	Fahe
	Mon Valley HFH	Jackie Weiss	Fahe
Erin Metz	NCWVCAA	Jim King	Fahe
Kevin M. Jones	RCCR	Jon Brooks	Fahe
Karen Jacobson	RCHA	Jose Quinonez	Fahe/PRT
John David	SALS	Josh Stewart	Fahe
Dave Clark	WDG	Katy Stigers	Fahe
Emily Wilson-Hauger	WDG	Lucy Lippman	Fahe
Megan Krider	Guest-FHLB-Pittsburgh	Maggie Riden	Fahe
Megan Smith	Guest-WVDO	Nicholaus Bormes	Fahe
Cathy Colby	Guest -WVHDF	Nick Martire	Fahe
Jessica Greathouse	Guest -WVHDF	Pam Johnson	Fahe
Jon Rogers	Guest-WVHDF	Vonda Poynter	Fahe

10 of 12 Members Represented = 83% Attendance

Called to order at 9:37 am EDT

1) Welcome & recognition of Special Guests - Dave Clark

Jon Rogers, Cathy Colby, Nate Testman – WVHDF; USDA-RD; Megan Krider - FHLB-Pittsburgh, Meghan Smith – WV Dept. of Economic Dev.

2) Membership Business - moved to after lunch

- a. Review of February Caucus Minutes and Action Items as there were no corrections to the minutes, the Minutes are approved as presented.
- b. Election of Caucus Chair for FY23 – Kevin Jones, Nominating Committee representative, noted that no one expressed interest in getting their name out for the Caucus Chair. The current WV Caucus chair Dave Clark is agreeable to serve again but encouraged others to step up. Based on a recommendation from the Nominating Committee Representative for Dave Clark to serve as the WV Caucus Chair; the recommendation is approved.
- c. Fahe Board Elections at the Spring Retreat – WV has two Board Seats and as Karen Jacobson is coming off the Fahe Board, Emily Wilson-Hauger is a new Fahe Board Member representing WV along with Cristal Crouso. Fahe added two new Board Members representing Alabama: Mary Ellen Judah and Aron Boldog.

3) Partner UPDATES

- a. WVHDF Updates (Jon, Nate, Cathy) – HOME/HTF/AHF
 - i. American Rescue Plan Act Update - Cathy
HOME ARP was signed into law by President Biden in March 2021, section for homelessness assistance and services program.

More units are needed, units that will pass inspection, that are accessible, non-congregate shelter, all four qualifying populations.

Homelessness rate of 21%.

State of WV was awarded \$19M dollars pursuant to comments received, budget line items are in proposed Allocation Plan. The budget items have no statutory limit.

Fund estimates 60 affordable rental units and 40 non-congregate shelters.

Allocation plan being submitted to HUD early next week, HUD has 45-day period so about mid-August or September 1. HOME ARP application done by end of 2022. For the great majority of the population, the homelessness was due to addictive behavior and mental illness.

ii. Affordable Housing Fund - ARPA – ERA and HAF - Nate

AHF selection/awards will be shared soon, applications oversubscribed funding but encourage requests.

Jessica shared on Mountaineer Rental Assistance Program (MRAP) - Emergency assistance for renters and Homeowner Rescue Program -emergency assistance for homeowners.

\$500-800,000/day in rental/house assistance.

\$110 million to help renters have house stability and landlords still getting their livelihoods.

Homeowners Rescue Program launched March 28th.

Jon shared WVHDF housing programs are having a good year as interest rate is less than banks; but available housing stock on the market is an issue.

Jim King, Fahe, shared recent activities

Fahe hosted NeighborWorks board of directors on a virtual tour and showcased Members' good work. Want to be prepared for USDA's Rural partnership program launching in KY and then in WV. OFN held their meeting in Berea, did a tour, and had time with Ms. Torres Small, Undersecretary for Rural Development, USDA. Also, in conversations with ARC to lift up the Fahe Member related work. We are experts in housing.

Reconnecting McDowell had Grand Opening of Renaissance Village Apartments; provided an opportunity to talk about Income Eligibility National Floor.

Jim is receiving the National Housing Conference Housing Visionary Award this evening;

Fahe is proud of this recognition for Jim and Fahe Members and the work we do together.

b. FHLB - Megan Krider

Affordable Housing Program at Federal Home Loan Bank \$500,000 toward affordable housing, low-income deal, etc.; funding set aside for WV (\$2.5M) from the Voluntary Housing Grant initiative (\$10.2M overall); want to see more WV applications.

Application portal opens June 28th, they are due August 9th at 5:00 pm.

Awards will be identified by December 1st.

c. USDA - See Update from Roger Waugh

d. Community Works – Dave, new ED, on the job 3 weeks; working on WV Housing Conference

4) Presentations – moved up in the Agenda

a. WV Development Office – West Virginia Build Act - Meghan Smith

Development Act Tax Credit, Build WV Act.

The bill isn't written for any specific level housing, it's written to address the various housing needs across the state.

Capped at \$40 million in pre-costs for now.

HB 4502 for legislation.

b. WV Dept. Environmental Protection – Dilapidated Buildings Prog.

Update likely at Nov. Meeting (SB 368)

Break for Lunch

1:00 pm Caucus Time

5) Caucus Discussion – Around the Square

Member Updates:

Kate Somers HOC – Area doubled in size, there are now 6 staff. Thinking about the FOC and how that is playing out.

Graham, RCHA – trying to get Riverview apartment complex project across the finish line.

Erin Metz NCWVCAA - stepped away

Kevin, RCCR - Need a program director – lots of partnerships with congregations.

West Side American Rescue plans; \$5M did not go through the ARPA funds; working with Mayor for future opportunities.

Tabitha Hitchcock HAMC – still learning a lot of what the HA does.

Emily, Woodlands – Fiber/broadband project that was funded, going to be a fiber developer in underserved area.

Nick Guertin, Coalfield CDC – wrapping up 24 units of housing with FHLB rehab of 24 units; project work in Fort Gay.

6) Advocacy

- a. New Fahe Board Policy Positions – Alex Dadok
Passed two policies.
Removing state and local barriers to Job creation.
- b. Housing Forum in July - Alex
Members expert opinion for solutions and want to invite national positions.
- c. Federal Updates - Josh Stewart
 - i. Appropriations Process – recap Training March 10th
Appropriations for 2022 have been finalized mid spring and then immediately started working on FY23.
Working with a couple of senators and a representative to introduce legislation to permanently solve the eligibility issue.
- d. State Updates – Maggie Riden
 - i. Engagement Strategy
Opportunity for State Advocacy in WV. Options:
A homeless court, if you take folks that are non-sheltered, they get tickets and have to go to court, etc.
Michigan – high school seniors have to take a finance class – In WV, member did a weeklong personal finance piece with the seniors.
\$1B surplus – going to cut income taxes.
 - ii. State Advocacy Committee – Dave
Would like to do a July call with everyone for 1 hour, standing conversation, an hour of time every 4-6 weeks.

7) Communication - Ted Boyatt

Political power and influence building exercise.

Think about inviting media and local news outlets to elevate the profile of the event, create a publicity opportunity to share credit with partners and officeholders.

8) Strength in Numbers - Member Interest/Focus Updates

- a. Workforce Development – Vonda
 - i. Research ongoing – Information in packet.
 - ii. Further collaboration on funding.
 - iii. Next steps
- b. Broadband – who is working on this?
USDA has a lot of broadband money, seeing how could access that and thinking about what it might mean for members.

9) **Fahe UPDATES** – Attached Memo

- a. September Fahe Board Report - Karen Jacobson, Christal Crouso
Conversation on identity.
- b. Membership Updates - Vonda
Evaluations at 12-31-21. Only 6 Members in noncompliance, everyone else is in good standing.
 - Reporting for 3-31-22 – Room for improvement with the reporting.
 - Training – Jackie – Registrations open for NTI in August in Kansas City.
 - Membership Renewals – Jackie – Going to take a look at that information this week and then get it out to all members.
 - Annual Meeting –
 - o Annual Awards - Nominations due July.
 - o Watch for Announcement Opening Registration, Hotel Room Block
- c. Fahe Research – REED Cmte – Katy Stigers, Camila Moreno
Doing an update –This year, got to know one another, share some best practices. Virginia Tech is going to be doing in the scholarly world with practitioners that will help data and analysis as far as housing needs and other relevant topics.
- d. Lending: Community Lending; JustChoice Lending – David Brock
Updates on what JCL has been into and what seeing with the housing market. Fully staffed except for Loan Originator.
- e. José Quinonez, Emily Burleson
Surpassed 80% of the mark that we were expecting
Working with Foundation Protection Bureau – will keep informed.
<https://www.ruraltransformation.org/wp-content/uploads/2021/10/PRT-CRA-Policy-Brief-10-19-21-Final.pdf>

Public Hearing Comments on HOME ARP Allocation Plan – deadline today – Vonda drafted comments for the Caucus based on discussions and assistance from Dave, Karen, and submitted to WVHDF.

Adjourned at 2:49 pm

Upcoming Events

- **June 23 – 11 am** – Fahe Advocacy Webinar: Nonprofits and Officials: Strengthening the Relationship
- **July 13-15** – [Rural LISC Rural Talks: Housing](#) – Washington, DC & Virtual
- **August 15-19** – [NeighborWorks America NTI](#) – Kansas City, MO
- **Sept. 20-22, 2022** - **Fahe Annual Meeting** – Kingsport, TN, September 20-22, 2022
- **Nov. 9 (Wed.)** – WV Caucus Meeting – location TBD
- **Dec. 7-9** – Rural LISC Rural Talks: Workforce + Small Business

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From Cathy Colby

Attached [following] is the HOME ARP Allocation Plan, which was approved by HUD. Originally, the Fund's HOME ARP application was estimated to be released in the 4th quarter 2022. However, the HOME ARP application is scheduled to be released in the 1st quarter 2023.

HOME ARP eligible activities are:

- Development of affordable housing pursuant to Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990
- Supportive services to qualifying individuals or families not already receiving such supportive services, including:
 - Activities listed in section 401(29) of McKinney -Vento Act
 - Housing counseling; and
 - Homeless prevention services
- Acquisition and development of non-congregate shelter units
- Nonprofit Operating Assistance

HOME-ARP Qualifying Populations are:

- Homeless (McKinney definition)
- At-risk of homelessness (McKinney definition)
- Fleeing/attempting to flee domestic violence, dating violence, sexual violence, stalking, or human trafficking
- Other populations for whom supportive services or assistance would prevent the family's homelessness or serve those with the greatest risk of housing instability

Questions about HOME ARP can be emailed to home-arp@wvhdf.com.

Thanks,

Cathy Colby, MBA

p. 304-391-8663

Link to WV HOME-ARP Allocation Plan: <https://www.fahemembers.com/wp-content/uploads/HOME-ARP-Allocation-Plan-West-Virginia.pdf>



September 26, 2022

Rural Development

Joaquin Altoro
Administrator

Rural Housing Service
1400 Independence Ave, SW
Room 5011-S
Washington, D.C. 20250

Telephone: (202) 720-1494

TO: State Directors
Rural Development

ATTN: All Single Family Housing Direct
State and Field Employees

FROM: Jamal Habibi /s/ ***Jamal Habibi***
Acting Administrator
Rural Housing Service

SUBJECT: Temporary Authorization to Accept Authorized
Third-Party Appraisals
Single Family Housing Direct Programs

PURPOSE:

This memorandum provides temporary authorization to accept appraisals obtained by self-help grantees, certified loan application packagers, Agency-approved intermediaries, and leveraged or other participating lenders. This temporary authorization is needed given the record-high market demand for purchase appraisals and the timeliness issue this demand can cause.

This temporary authorization is effective as of the date of this memorandum and expires on September 30, 2023.

BACKGROUND:

In general, appraisals for the direct programs are ordered under the nationwide contract with Appraisal Management Companies (AMCs). Given the demand for appraisals and the remoteness of some rural homes authorized third parties may be able to work with local appraisers to obtain acceptable appraisals timelier than the contracted AMCs. Authorized third parties include self-help grantees; certified packagers; Agency-approved intermediaries; or non-Agency funding sources who are supplementing the Agency loan with a market rate or other subsidized financing product in accordance with [HB-1-3550, Chapter 10, Paragraph 10.2](#), of at least \$500. Cash contributions by the applicant, gifts from individuals, donations of land, and seller contributions do not count as leveraged or participation amounts and therefore these sources are not authorized third parties.

EXPIRATION DATE:
September 30, 2023

FILING INSTRUCTIONS:
Housing Programs

IMPLEMENTATION RESPONSIBILITIES:

The Agency will temporarily accept appraisals ordered by the authorized third parties specified above PROVIDED:

- Once a property has been identified, but prior to the submission of Packaging Phase 2: Property Submittal Cover Letter for packaged loan applications ([HB-1-3550, Attachment 3-A](#)), the authorized third party:
 - Notifies the Rural Development (RD) processing office of their intent to order the appraisal, the cost of the appraisal (though it will not be ordered at this time)
 - Within three business days of receiving this notification, RD will issue the applicant a Loan Estimate (LE) tailored for this temporary authorization along with a tailored Handbook Letter 5. This LE has an applicant signature line and can be found on the [SFH Direct SharePoint](#) site along with the letter.
 - RD will list the cost of the appraisal as provided by the third party, which may exceed the Agency's prevailing appraisal fee ([HB-1-3550, Chapter 5, Paragraph 5.20](#)).
 - Orders the appraisal **only** after:
 - Receiving notification from the RD processing office that the applicant has signed the LE.
 - Explaining to the applicant that they are ordering the appraisal on the applicant's behalf and that the applicant will have to cover the fee, out-of-pocket, if the loan does not close.
 - The third party may choose to collect the appraisal fee from the applicant prior to ordering. The appraisal fee, even though paid to the third party, is an allowable excess cost and is eligible to be reimbursed to the borrower from their loan proceeds at loan closing. A paid receipt must be forwarded to the field office to ensure proper credit and disclosure on the settlement statement.
- The authorized third party provides the RD processing office with a copy of the paid invoice for the appraisal along with a copy of the appraisal that:
 - Meets the Uniform Standards of Professional Appraisal Practice and Agency appraisal standards, as described in [HB-1-3550, Chapter 5](#), and [7 CFR 3550. § 3550.62](#) Appraisals.
 - Lists Rural Development as an "intended user".
- The appraisal is reviewed for acceptability by the Agency.
 - Field staff must enter information on the usage of this temporary authorization into the SFH Direct SharePoint [here](#) for tracking purposes.
 - The RD processing office completes Form RD 1922-15, "Administrative Appraisal Review for Single Family Housing."
 - At a minimum, the first five appraisals obtained by a third party will receive a pre-closing technical review.
 - All appraisals submitted by third parties, which are subject to a technical pre-closing review, must be entered into the [Appraisal Hub on SharePoint](#) to assist with the monitoring of performance and compliance. When completing the appraisal review request, select "Third Party Section 502 Direct UL" in the "Program Name" field and upload the appraisal report and the completed Administrative Appraisal Review form.

- RD staff appraisers should complete their review within three business days. At the discretion of the appraisal staff, additional revisions or reviews may be required.
- When additional revisions are needed, they will be addressed by RD staff appraisers, in coordination with the loan specialist, and the third party.
- Once the Administrative Appraisal Review (and any applicable technical pre-closing review) determines the appraisal is acceptable, the RD processing office must ensure the applicant is promptly provided a copy of the appraisal, which must be at least three business days prior to closing.
- The SFH Direct Loan Division and the Appraisal Services Branch will coordinate and assess the performance of this temporary authorization on an ongoing basis.

Loan funds may be used to reimburse the payor of the appraisal fee at loan closing. The amount of reimbursement for the appraisal may exceed the Agency's standard appraisal fee ([HB-1-3550, Chapter 5, Paragraph 5.20](#)). The RD processing office will send the paid invoice for the appraisal and instructions for "paid outside of closing" reimbursement to the closing agent for proper disclosure and settlement.

State Offices and authorized third parties with questions regarding this memorandum can contact Jeremy.Anderson@usda.gov with appraisal related questions and Jennifer.Rydberg@usda.gov with TRID related questions.

Fahe State Caucus Coalition Advocacy Agendas

West Virginia (Partners: The Hub and The WV Land Stewardship Corp/Vacant and Abandoned Properties Coalition)

- Tax Credit to support community development projects
- Dedicated funding for a Federal Fund Matching Pool
- Increased use of project-based vouchers
- Increased support for more robust financial literacy training for high school students

Virginia (Partners: VA Housing Alliance)

- Secure increased housing funding and a special carve out for SW VA.
- Work with Housing Agencies and the state to provide developers with the ability to transition tenant-based vouchers to project-based vouchers
- Eliminate the prohibition of using Homeless Assistance Grant Money to pay rent on units owned by the same agency. This could be specifically targeted to rural parts of VA.

Kentucky (Partners: Urban League, Housing and Homelessness Coalition of KY)

- \$300 million spread over two years to establish and fund a Disaster Response Housing Trust Fund (home repair, new home build, capital repairs, tech assistance to include housing counseling)
- \$40 million one-time investment (ARPA or Budget Surplus) in the AHTF
- \$75 million (ARPA or Surplus) for vacant and abandoned property mitigation
- Increase the fees that fund the traditional AHTF from \$6-\$12

Tennessee (Partners: The Neighborworks Alliance of TN & TN Association of Housing Redevelopment Authorities)

- \$100 million in ARPA funding to support Fahe members in low/moderate income housing production.

Alabama (Partners: AL Arise, Low Income Housing Coalition of Alabama)

- Dedicated, recurring \$20 million for their AHTF, and an additional \$20 million in one-time ARPA funding for their Trust Fund. To kick this off- we've commissioned an update to a 2014 housing study that looked at the economic benefits associated with a funded Trust Fund.
- State Low Income Tax Credit
- Increase in membership size

Fahe Updates Memo!

From Sara Ball, Fahe Strategic Impact and Operations Director Corporate Secretary
RE: Fahe Strategic Planning

Fahe staff will be hosting a workshop to continue strategic visioning toward the creation of Fahe's 2024-2028 Strategic Plan on **Tuesday, November 29th from 1:30-3:30**. This workshop will be recorded for those who cannot attend, along with an invitation to respond after watching the recording. Thank you in advance for your continued participation and support in this important leadership work for our network.

If you have any questions, please reach out to [Sara Ball](#)

Member Focus/Interests: (From Vonda)

Workforce Development

Under the direction of John Niederman, Nicholas Bormes worked with Advocacy VISTA, Nick Martire, and to a smaller extent, their Summer Interns, on workforce research on the Northeast TN and SW Virginia area of Appalachia. Nicholas compiled a report on their findings related to the existing trainings and workforce development boards. John used the findings when working with Membership to pull questions and discussion points together for the Workforce Development panel at the Annual Meeting. The Report is attached; we will use and expand on the report as staff continues to tackle the workforce challenge.

- Membership is hiring and Advancement Director to move Member's regional interests forward
- Rural LISC is having "Rural Talks" December 7-9 in Washington DC on Workforce and Small Business. Fahe will have some representation there. We are continuing to look for opportunities to fund workforce regional activity.
- Fahe did receive some funding for WV from ARC for workforce planning – something to build on!

Broadband

USDA ReConnect Program, accepting the 4th round applications Nov. 2, is a hard nut to crack. Funds can be used to provide a facility or purchase equipment but unless you have a broadband company to work with in a community, it's hard to pull together. There are folks taking advantage, but Fahe didn't put anything together. Only group I know making some headway is Woodlands Development Group. Pam is on the hunt for some funding!

Reporting:

Member reporting for the 4th quarter of FY22, QE 6-30-22, results show an overall 90% of the Member reporting. FY22 Q4 percentages are AL=80%; KY=100%; TN=93.75%; VA=80%; WV=83.33%. Remember that with QE 12-31-21, additional federal data for housing counseling went into effect. Quarterly reporting is required for Members to remain in compliance and good standing as well as for Fahe to remain an Exemplary NWO which

translates into higher levels of funding and either training slots or funds to assist Fahe Members/Staff to attend training opportunities such as NTIs.

QE 6/30/22

Fahe Overall Reporting: 90.57%

Without NWOs			With NWOs		
Total Organizations	45		Total Organizations	53	
Turned in by 7/10	9	20.00%	Turned in by 7/10	17	32.08%
Turned in by 7/15	26	57.78%	Turned in by 7/15	34	64.15%
Turned in by 7/25	40	88.89%	Turned in by 7/25	48	90.57%

QE 9/30/22, FY23 Q1 percentages are AL=80%; KY=100%; TN=87.5%; VA=100%; WV=66.67%.

Overall Reporting: 86.79%

Without NWOs			With NWOs		
Total Organizations	45		Total Organizations	53	
Turned in by 7/10	8	17.78%	Turned in by 7/10	16	30.19%
Turned in by 7/15	27	60.00%	Turned in by 7/15	35	66.04%
Turned in by 7/25	38	84.44%	Turned in by 7/25	46	86.79%

Training: (Jackie)

Fahe purchased the online training package and offered access to training tracks to Members at no cost with folks signing up by Sept. 30th – we will share the results of the training by Nov. 30, 2022.

Please remember:

1. If you signed up for a course and have not yet completed it, that **you have 60 days** from the time of registration in which to complete. If you signed up on the last day available (9/30), you only have until Nov. 28.
2. If you haven't already, please, forward your certificates of completion to me. I will be following up with folks who asked for codes but haven't sent certificate.

Annual Meeting: (Jackie)

Please check the Member Website, Member Resources page Presentations-Previous Events, for Materials and Recordings from the Annual Meeting. The Fahe.org website [Annual Meeting page](#) is in the process of being populated with the materials as well, possibly by the end of the week.

REED Committee (Katy Stigers, Camila Moreno)

A re-launch of the Research, Evidence, Evaluation and Data (REED) committee is underway! Our hope is to meet once a month based on responses. We are working on new ideas for opportunities to engage, network, and collaborate on research (whether ongoing or totally new) and cannot wait to share! We have also started offering "office hours" in an effort to provide one-on-one support in your day-to-day work. We are really excited to re-launch the REED committee and hope to see you all soon!

Fahe Community Lending Member Referral Program

Earn up to \$5000 for your Fahe Member organization by referring a **new** borrower that results in a successfully closed and funded Community Facilities or Bond Guarantee Program loan. Fahe will share:

- 5% of the interest earned over the first calendar year up to \$3500 for each referred Bond Guarantee Program eligible loan. The incentive bonus will be paid quarterly based on interest earned from the previous quarter.
- 8% of the interest earned over the first calendar year up to \$5000 for each referred Community Facilities eligible loan. The incentive bonus will be paid quarterly based on interest earned from the previous quarter.

This offer is limited to permanent loans greater than \$100,000 with new borrowers to Fahe's Community Lending. Referral awards will be paid quarterly on loans in good standing.

Community Facilities Direct Loan and Grant Program

Community Facility funding is available to Public bodies, Community-based nonprofits and Federally-recognized Tribes in rural areas to develop essential community facilities, such as:

- **Health care facilities:** hospitals, medical clinics, dental clinics, nursing homes or assisted living facilities
- **Public facilities:** town halls, courthouses, airport hangars or street improvements
- **Educational services:** museums, libraries or private schools
- **Utility services** telemedicine or distance learning equipment
- **Community support services:** child care centers, community centers, fairgrounds or transitional housing
- **Public safety services:** fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment
- **Local food systems:** community gardens, food pantries, community kitchens, food banks, food hubs or greenhouses

CDFI Bond Guarantee Program

Targeting the nation's most distressed communities, BGP funding and refinancing is available for projects targeting low income populations or within CDFI investment areas. Fahe specifically targets lending to **nonprofit and for-profit** organizations working in the following spaces:

- **Small Business**
- **Nonprofits**
- **Healthcare**
- **Commercial Real Estate**
- **Licensed Senior Living Facilities**

For more information on this program or Fahe loans contact Dwain Neeley at dneeley@fahe.org or 859-756-6257. *Terms subject to change. All loans subject to underwriting and credit approval. Loans over Fahe lending limits are possible and typically require participation by other lenders. Fahe reserves the right to change or discontinue this incentive program at any time without prior notification.*

Community Lending Products



	PREDEVELOPMENT	ACQUISITION	CONSTRUCTION	RENTAL PERMANENT LOAN
PURPOSE	Provides funding for costs such as reservation fee, market study, Phase I environmental, engineering and design fees, professional fees, etc.	To pay purchase price and closing costs for real property acquisition	To pay hard and soft costs of construction of new or renovation projects	To expand the delivery of affordable multi-family rental housing
PROJECT TYPE	Rental housing; for-sale housing, mixed use projects; health facilities	Acquisition of real property for future development as affordable for-sale S/F, multi-family rental, mixed-use or healthcare	Rental housing; for-sale housing, mixed use projects; health facilities	Rental housing
LOAN AMOUNT	\$25,000 - \$250,000	\$25,000 - \$5,000,000**	\$25,000 - \$5,000,000**	\$100,000 - \$5,000,000
INTEREST RATE	5.75% fixed***	5.75% fixed***	5.75% fixed***	Base rate 5.75% to 6.5%*** fixed, rate based on 30 year Treasury Yield
TERM	Up to 18 months	Up to 24 months	Up to 24 months	Up to 30 years
REPAYMENT	Interest only monthly, Principal at closing of construction loan	Interest only monthly	Interest only monthly	Monthly principal and interest payments based on a 30 year amortization schedule. Prepayment penalty in the first 15 years, unless the loan is on a 10 year term.
LOAN FEES	1% + Legal Fees	1% + Legal Fees	1% + Legal Fees	1% + Legal/Closing costs
COLLATERAL	Generally secured, but can be unsecured	Typically the real-estate being purchased, up to 80% L/V	Typically the real estate being developed up to 80% L/V; Assignment of take-out	First lien position on the subject real estate with less than an 80% LTV, property appraisal less than 1.5 years old required

For more information on Fahe's loan products: David Howard at dhoward@fahe.org

Terms subject to change. All loans are subject to underwriting and credit approval.

****Loans over \$5,000,000 are possible and typically require participation by other lenders.**

*****Discounts available with other lending services.**

.25% for ACH payment withdrawal

.25% conversion from Fahe construction to Rental Perm loan

.25% good borrower discount

Rev. 9/19/2016

Community Lending Products



	MINI-TERM	BRIDGE	WORKING CAPITAL
PURPOSE	To provide longer term financing for projects requiring stabilization or interim financing	To bridge the timing gap between the project or program costs and receipt of cash from committed or anticipated sources	To provide flexible capital to meet organizational, seasonal or cyclical cash needs
PROJECT TYPE	Rental housing; for-sale housing; mixed use projects; health facilities	Rental housing; for-sale housing; mixed use projects; health facilities; services provided under reimbursement contract or grant	Rental housing; for-sale housing; mixed use projects; health facilities; general operational needs
LOAN AMOUNT	\$25,000 - \$5,000,000	\$25,000 - \$5,000,000**	\$25,000 - \$5,000,000**
INTEREST RATE	5.75% fixed***	5.75% fixed***	6.25% fixed***
TERM	Up to 36 months	Up to 3 years, depending on contract term	Up to 24 months, renewable for another 24 months
REPAYMENT	Depending on project type, amortizing payments based on up to a 25-year amortization. Payable monthly	Interest only monthly	Interest only monthly, annual "rest" typically required
LOAN FEES	1% + Legal Fees	1% + Legal Fees	1% + Legal Fees; renewals at 1%
COLLATERAL	Typically the real-estate being purchased, up to 80% LTV	Bridged receipts; Assignment of contract; or real estate	Generally secured; Unsecured with financial covenants

For more information on Fahe's loan products: David Howard at dhoward@fahe.org

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Rev. 9/19/2016

Community Lending Products



PURPOSE	COMMUNITY FACILITIES PERMANENT LOAN Purchase, construct and/or improve essential community facilities where the borrower is a public body or nonprofit corporation located in a USDA eligible rural community of less than 20,000.
PROJECT TYPE	<ul style="list-style-type: none">• Health Care facilities such as hospitals, medical clinics, dental clinics, nursing homes or assisted living facilities.• Public facilities such as town halls, courthouses, airport hangers, or street improvements.• Community support services such as child care centers community centers, fairgrounds or transitional housing.• Public safety service such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment.• Educational Services such as museums, libraries, or schools.• Utility services such as telemedicine or distance learning equipment.• Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs or greenhouses.
LOAN AMOUNT	\$50,000-\$5,000,000**
INTEREST RATE	5.25% with discounts below***
TERM	40 years
REPAYMENT	Monthly principal and interest
LOAN FEES	1% + legal/closing costs
COLLATERAL	First Lien position on the subject real estate or equipment with less than 80% LTV.

For more information on Fahe's loan products: David Howard at dhoward@fahe.org

***Loans over \$5,000,000 are possible and typically require participation by other lenders.*

****Discounts available with other lending services.*

.25% for ACH payment withdrawal

.25% conversion from Fahe construction to Rental Perm loan

.25% good borrower discount

Fahe Virtual CFO Services

FASB GUIDANCE: ACCOUNTING STANDARDS UPDATE

FASB ASU 2020-07 (Jan 1, 2022) Presentation and Disclosure by Not-For-Profit Entities for Contributed Nonfinancial Assets ("Gifts-In-Kind") (Topic 958)

- Any contributed non-financial asset "Gifts-In-Kind" require a separate line item in on the Statement of Activities
- This *should not* be reported with Cash or any other financial assets
- Disclosure requires the type of contribution, description of its use, any restrictions, and the valuation method

FASB ASU 2016-02 (Jan 1, 2022) Leases (Topic 842)

- Potential Impacts to LIHTC/Other Affordable Housing Tax Credit Properties, Affordable Housing Developers, and Management Companies
- Recognize Right of Use assets and lease liabilities on the Balance Sheet for all Leasing Transactions
- Disclosure requires Lease classification:
 - Type A (Equipment/Vehicles) or Type B (Property)
 - Type A income/expense is accelerated
 - Leases would record a receivable for the lease payments and residual asset
 - Type B income/expense straight-line basis
 - Leases would be recorded by retaining the asset and lease income over the lease term
 - Short Term Leases can opt to use straight-line over the term
 - Assets/Liabilities would be treated similarly to Capital Leases

FASB ASU 2016-13 (Jan 1, 2023) Financial Instruments – Credit Losses (Topic 326)

- Improving disclosure to investors about loan refinancings, restructurings and write-offs
- Current Expected Credit Loss (CECL) assets are recorded at the net amount to be collected
- Potential Impacts to entities holding financial assets and net investments in leases that are not accounted at fair value through net income
- Fair Value assets permits reversals of credit losses previously recorded in net income
- Amortized Assets, a valuation allowance is established and reduced from the cost basis to prevent a net carrying amount to be collected

Contact Fahe Virtual CFO for Assistance