

**IOWA FINANCE AUTHORITY  
BOARD MEETING AGENDA**

**1963 Bell Ave. Des Moines, IA 50315  
Helmick Conference Room**

**Wednesday, February 2, 2022  
11:00 a.m.**

**\*Public Attendee Web Conference Registration: <https://akaiowa.us/ifaboard>**

- I. Board Chair** *Michel Nelson*
- A. Roll Call and Introductions
  - B. Approval of January 5, 2022 Meeting Minutes Action
- II. Public Comment Period**
- A public comment period for the full meeting will be held at this time to accommodate visitors. This period is limited to 5 minutes per person.
- III. Consent Agenda** *Michel Nelson*
- IADD - Authorizing Resolutions Action on all items
- A. AG 22-001B, Rodney A. and Chelsey M. Ostermeier
  - B. AG 22-002B, Ryan Wilbert and Leah Amanda Postma
- Private Activity Bonds
- C. PAB 22-01A, ChildServe, Inc. Project
  - D. PAB 22-02A, Eastern Star Masonic Home Project
- Water Quality
- E. WQ 22-02, SRF Planning & Design Loans
  - F. WQ 22-03, SRF Construction Loans
- IV. Finance - December 2021 Financials** *Jennifer Pulford – Action*
- V. Iowa Title Guaranty - ITG 22-01, Petition for Rule Waiver** *Lindsey Guerrero - Action*
- VI. Private Activity Bonds** *Aaron Smith - Action*
- A. PAB 16-17B-3, Westdale Apartments Project
- VII. Executive Director’s Office**
- A. Executive Director’s Report *Debi Durham*
  - B. Iowa Rapid Rehousing Project *Terri Rosonke, Julie Eberbach, Crissy Canganelli*



**VIII. Other Business**

IFA Board Workshop - March 1 and 2

Next IFA Board Meeting – Wednesday, March 2, 2022

**IX. Adjournment**

Action



## **BOARD MEETING MINUTES**

**Helmick Conference Room  
1963 Bell Ave. Des Moines, IA  
January 5, 2022**

### **Board Members Present**

Ashley Aust  
Lyle Borg  
John Eisenman  
Gilbert Thomas  
Representative Judge

Tracey Ball  
Jennifer Cooper  
Michel Nelson  
Michael Van Milligen  
Representative Klimesh

### **Board Members Absent**

Ruth Randleman  
Amy Reasner  
Representative Sorensen  
Representative Wahls

### **Staff Members Present**

Debi Durham, Executive Director  
Aaron Smith, Chief Bond Programs Officer  
Cindy Harris, Chief Financial Officer  
Rob Christensen, Chief Information Officer  
Tim Morlan, Underwriter  
Terri Rosonke, Housing Programs Manager  
Jennifer Pulford, Account Manager  
Jamie Giusti, Housing Program Specialist  
Ashley Jared, Communications Director  
Alyson Fleming, Section 8 Director  
Bethany Coop, HR Assistant  
Justin Knudson, Federal & State Programs Director  
Rick Peterson, Chief Operations & Cultural Officer

Nicki Howell, IFA Office Assistant  
Kristin Hanks-Bents, Legislative Liaison/Counsel  
Brian Sullivan, Chief Programs Officer  
Megan Andrew, Legal Project Manager  
David Morrison, ITG Accounting Manager  
Katie Kulisky, LIHTC Analyst  
Jeff Geerts, Special Projects Manager  
Derek Folden, Underwriter  
Rita Grimm, Chief Legal Counsel  
Vicky Clinkscales, Desktop Admin/Project Asst  
Staci Hupp Ballard, Chief Strategic  
Communications Officer

### **Others Present**

James Smith, Dorsey & Whitney  
David Grossklaus, Dorsey & Whitney  
Heather Hackbarth

Jina Bresson, TOS  
Tara Engquist, Eide Bailly

**Board Chair**  
**Welcome and Roll Call**

Chair Nelson called to order the January 5, 2022 meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:02 a.m. Roll call was taken, and a quorum was established. The following Board members were present: Aust, Ball, Borg, Nelson, Thomas, and Van Milligen. The following Board members were absent: Cooper, Eisenman, Randleman, and Reasner.

**Approval of December 1, 2021 Meeting Minutes**

**MOTION:** On a motion by Ms. Aust and a second by Mr. Thomas, the Board unanimously approved the December 1, 2021 IFA Board Meeting minutes.

**Public Comment Period**  
**Receive Comments from General Public**

Chair Nelson opened the public comment period and asked if anyone in the audience would like to address the Board. No members of the audience requested to speak. Chair Nelson closed the public comment period.

**Consent Agenda**

Chair Nelson introduced the consent agenda and asked if any items needed to be removed. No items were removed.

**MOTION:** Mr. Van Milligen made a motion to approve the items on the consent agenda, which included the following:

- IADD – Authorizing Resolutions
  - A. AG 21-048B, James W. and Candra F. Nickell
  - B. AG 21-049B, Jennifer Meierotto
  - C. AG 21-050B, Tyler Wagner
  - D. AG 21-051B, Trevor L. and Michaela L. Taets
- Water Quality
  - E. WQ 22-01, SRF Construction Loans

On a second by Mr. Borg, the Board unanimously approved the items on the consent agenda.

Mr. Eisenman joined the meeting at 11:04a.m.

Ms. Cooper joined the meeting at 11:05a.m.

**Finance**  
**November 2021 Financials**

Ms. Pulford presented the highlights of the November 2021 financial statement that was included in the board packet.

**MOTION:** On a motion by Mr. Eisenman, and a second by Mr. Thomas, the Board unanimously approved the November 2021 financials.

Director Durham thanked the accounting team for all their hard work while being short-staffed.

**Single Program Audit Presentation**

Ms. Engquist, Eide Bailly, presented a final report on the Single Program Audit that was provided in the Board packet. Three programs were tested this year: HOME, SRF, and ERA. Eide Bailly noted no compliance errors or control deficiencies that needed to be reported. They gave one verbal comment to management regarding unmaintained maintenance of documentation, but enough information was provided, and the comment did not need to be reported to the federal government.

**MOTION:** On a motion by Mr. Thomas, and a second by Mr. Eisenman, the Board unanimously accepted the Single Program Audit.

**FIN 22-01 – HOME Loan Forgiveness, Candle Ridge Apartments**

Mr. Folden stated that Candle Ridge Apartments in Winterset is a 24-unit senior project, constructed in 2000. The property was built with LIHTC equity, bank loans, an IFA HAF loan, and a \$422,000 HOME loan. The IFA HAF loan is paid off and the property is performing well on occupancy, but the cash flow is not enough to pay for the HOME loan. Mr. Folden shared that no payments have been asked for from the loan in the past and the borrower is looking to refinance the property and have the HOME loan forgiven with a smaller cash payment of \$7,500. Staff recommend forgiving the HOME loan with the payment of \$7,500.

**FIN 22-02 – HOME Loan Forgiveness, Cedar Crest/Hickory Place**

Mr. Folden stated that Cedar Crest is a 32-unit senior project built in 1997. The project was built with LIHTC equity, a bank loan, and a \$500,000 HOME loan. The project has no cash flow to cover operating expenses and debt service. Staff recommends forgiving the HOME loan with a payment of \$7,500.

**FIN 22-03 – HOME Loan Forgiveness, Chesapeake I & II**

Mr. Folden stated that Chesapeake Apartments I & II are one project, with two different HOME loans, requiring two different resolutions. Chesapeake Apartments is a 56-unit family project that includes two phases that were constructed in 1998 using LIHTC equity, bank loans, an IFA HAF Loan, and \$560,000 and \$408,000 HOME loans. The project is occupied but does not generate enough cash flow to cover expenses and debt service. Staff recommends forgiving the \$560,000 HOME loan 96-HM-424 with a payment of \$10,570.

**FIN 22-04 – HOME Loan Forgiveness, Chesapeake I & II**

Staff recommends forgiving the \$408,000 HOME loan 96HM-424A with a payment of \$8,430.

The Board and Mr. Folden discussed the need to revisit the HOME loan forgiveness policies.

**MOTION:** On a motion by Ms. Cooper, and a second by Ms. Ball, the Board unanimously approved FIN 22-01

**MOTION:** On a motion by Ms. Cooper, and a second by Mr. Eisenman, the Board unanimously approved FIN 22-02.

**MOTION:** On a motion by Ms. Ball, and a second by Ms. Aust, the Board unanimously approved FIN 22-03.

**MOTION:** On a motion by Mr. Eisenman, and a second by Ms. Aust, the Board unanimously approved FIN 22-04.

## Legal

### Adoption of the Amendments to the Beginning Farmer Tax Credit Program

Ms. Hanks-Bents shared that Division XIX of 2021 Iowa Acts, Senate File 619 amended various aspects of the Beginning Farmer Tax Credit program to make the tax credit more attractive to eligible taxpayers and beginning farmers and increased utilization of the tax credit. Also, in Iowa Code, Section 16.81, there was a fee schedule that was established two years ago and was set to automatically sunset on December 31<sup>st</sup>, 2021. Staff proposes a rule making that makes changes to conform to Senate File 619 and sets forth a fee schedule. Staff recommends the Board move to adopt amendments to chapter 265-44 as proposed.

**MOTION:** On a motion by Ms. Aust, and a second by Mr. Borg, the Board unanimously approved the amendments to the Beginning Farmer Tax Credit Program.

### 2021 Wastewater and Drinking Water Treatment Financial Assistance Program Grant Awards

Mr. Smith presented the board with a highlight of the 2021 Wastewater and Drinking Water Treatment Financial Assistance Program (WTFAP) Grant Awards. Governor Reynolds recently announced that \$6.2 million in grant awards were made to 16 communities across the state to assist with paying for drinking water and wastewater treatment infrastructure projects. The WTFAP was created as part of Senate File 512 and signed into law in 2018 by Governor Reynolds. Funding for the program is provided by the state from a portion of the taxes that are collected on metered water statewide. At the last legislative session, grant funding was extended 10 years and is now available until 2039. There was \$6 million available for allocation in 2021 and the program expects to have approximately the same amount available in 2022. The committee that reviews the applications and determines the awards consists of designees from the Iowa Finance Authority, Iowa Department of Natural Resources and the Iowa Department of Agriculture and Land Stewardship.

### Executive Director's Office

Mr. Smith shared that on December 8<sup>th</sup>, Governor Reynolds announced a \$100 million investment in water infrastructure and IFA will be administering \$75 million of those funds through a variety of programs. IFA will focus on four main categories for the funds: watershed protection, conserving water resources, sewer infrastructure, and economically significant projects that would serve a large population base.

Mr. Smith gave an update on the Homeowner Assistance Fund (HAF) Program. IFA submitted a plan and application to the Department of Treasury on December 1<sup>st</sup> and is awaiting approval. All of the states submitting plans have been given the opportunity to utilize a portion of funds to get started on their full plans and IFA has received \$5 million.

Mr. Geerts presented the board an update on the 1963 Bell Master Site Plan. This plan is expected to be completed by the end of the month and is intended to improve the long-term efficiency and resiliency of the site by using best practices that are promoted through programs at IFA and IEDA. The plan will focus on how to demonstrate diverse ways for managing and reducing stormwater runoff, reducing the monthly utility, maintenance, and operation costs, and creating educational opportunities.

Director Durham shared that she presented the Welcome Home campaign with the Iowa Business Council and encouraged the board to log on and show their support of affordable housing in Iowa. IFA is currently taking applications from Linn County for the Iowa Rent and Utility Assistance Program because Linn County no longer has funds to disburse. Director Durham also shared that a proposal for ERA2 funds for

programs to assist the homeless community and other supportive services has been submitted to the Governor's office.

Mr. Van Milligen asked for an update on the \$300 million wastewater funds. Mr. Smith shared that staff is waiting for guidance to be finalized by the EPA and that there will be an update at the next board meeting.

**Other Business**

The next meeting of the IFA Board of Directors will be Wednesday, February 2, 2022 at 11:00 a.m. at Iowa Finance Authority.

**Adjournment**

On a motion by Ms. Aust and a second by Mr. Eisenman, the January 5, 2022 meeting of the Iowa Finance Authority Board of Directors adjourned at 12:16 p.m.

Dated this 2nd day of February 2022.

Respectfully submitted:

Approved as to form:

Deborah Durham,  
Executive Director

Michel Nelson, Chair  
Iowa Finance Authority

To: Iowa Finance Authority Board of Directors

From: Tammy Nebola, Iowa Ag Program Specialist  
Aaron Smith, Chief Bond Programs Director

Date: January 26, 2021

Re Iowa Agricultural Division Beginning Farmer Loan and Tax Credit Programs

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## **Consent Agenda**

### **Iowa Agricultural Development Division**

#### **Authorizing Resolutions**

##### **AG 22-001 Rodney A. and Chelsey M. Ostermeier**

This is a resolution authorizing the issuance of \$155,000 for Rodney A. and Chelsey M. Ostermeier. The bond will be used: To purchase approximately 31 acres of agricultural land in Cerro Gordo County. The lender is First Citizens Bank in Osage.

- **Need Board action on Resolution AG 22-001B**

##### **AG 22-002 Ryan Wilbert and Leah Amanda Postma**

This is a resolution authorizing the issuance of \$164,000 for Ryan Wilbert and Leah Amanda Postma. The bond will be used: To purchase approximately 27.12 acres of agricultural land in O'Brien County. The lender is Iowa State Bank in Sheldon.

- **Need Board action on Resolution AG 22-002B**



**RESOLUTION  
AG 22-001B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning

Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of February 2022.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 22-001
- 2. Beginning Farmer:** Rodney A. and Chelsey M. Ostermeier  
18762 Hickory Ave  
Clear Lake, IA 50428-9075
- 3. Bond Purchaser:** First Citizens Bank  
501 Main St, PO Box 90  
Osage, IA 50461
- 4. Principal Amount:** \$155,000
- 5. Initial Approval Date:** 1/26/2022
- 6. Public Hearing Date:** 1/26/2022
- 7. Bond Resolution Date:** 2/2/2022
- 8. Project:** To purchase approximately 31 acres of agricultural land

**RESOLUTION**  
**AG 22-002B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

**WHEREAS**, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

**WHEREAS**, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

**WHEREAS**, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

**WHEREAS**, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

**WHEREAS**, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

**NOW, THEREFORE, BE IT RESOLVED** by the Iowa Finance Authority as follows:

**Section 1. The Project Consistent with the Act.** It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

**Section 2. Authorization of the Bond.** In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and

conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

**Section 3. Agreement; Sale of the Bond.** In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

**Section 4. Repayment of Loan.** The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

**Section 5. Filing of Agreement.** The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

**Section 6. Miscellaneous.** The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

**Section 7. Severability.** The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

**Section 8. Repealer.** All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

**Section 9. Effective Date.** This resolution shall become effective immediately upon adoption.

Passed and approved this 2<sup>nd</sup> day of February 2022.

\_\_\_\_\_  
Michel Nelson, Board Chairman

ATTEST:

\_\_\_\_\_  
Deborah Durham, Secretary

(Seal)

**EXHIBIT A**

- 1. Project Number:** AG 22-002
- 2. Beginning Farmer:** Ryan Wilbert and Leah Amanda Postma  
1531 Sunrise Ct  
Sheldon, IA 51201-1249
- 3. Bond Purchaser:** Iowa State Bank  
627 2nd Ave, PO Box 329  
Sheldon, IA 51201
- 4. Principal Amount:** \$164,000
- 5. Initial Approval Date:** 1/26/2022
- 6. Public Hearing Date:** 1/26/2022
- 7. Bond Resolution Date:** 2/2/2022
- 8. Project:** To purchase approximately 27.12 acres of agricultural land



To: IFA Board of Directors  
From: Aaron Smith, Chief Bond Programs Director  
Date: January 26, 2022  
Re: Consent Agenda for February 2022 IFA Board Meeting

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## **PRIVATE ACTIVITY BOND PROGRAM**

### **PAB 22-01A – ChildServe, Inc. Project**

This is an application for \$23,000,000 of Iowa Finance Authority Revenue and Refunding Bonds for ChildServe, Inc. Proceeds from the bonds will be used to current refund the Series 2013 and 2019 bonds, as well as fund the expansion of the Ames Regional Center, the acquisition of the Iowa City Regional Center, and relocate/expand the Des Moines Woodland Center.

The project will not require an allocation of Private Activity Bond Cap.

### **PAB 22-02A – Eastern Star Masonic Home Project**

This is an application for \$11,000,000 of Iowa Finance Authority Revenue Refunding Bonds for Eastern Star Masonic Home. Proceeds of the bonds will be used to refund outstanding Series 2018 Note issued by the City of Boone, and retire other existing indebtedness related to the renovation and improvement of the existing retirement facility.

The project will not require an allocation of Private Activity Bond Cap.

## **WATER QUALITY**

### **WQ 22-02 – State Revolving Fund Planning & Design Loans**

This is a resolution to approve SRF Planning & Design (P&D) Loans totaling \$2,176,710 for the following communities:

- Algona
- Ankeny
- Aurelia (2 loans, CW and DW)
- Earlham
- La Porte City
- Sun Valley Sanitary District

P&D loans have 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project.

### **WQ 22-03 – State Revolving Fund Construction Loans**

This is a resolution to approve SRF Construction Loans totaling \$5,384,000 for the following communities:

- Hartley
- Ida Grove
- Johnston
- Osceola County Rural Water System

SRF Construction Loans have an interest rate of 1.75% for 20 years, or 2.75% for 30 years.

RESOLUTION PAB 22-01A

Approving an Application for \$23,000,000 Revenue and Refunding Bonds  
(ChildServe, Inc. Project), in one or more series  
For ChildServe, Inc., or a related entity (the “Borrower”)

And Evidencing the Intent to Proceed with the Issuance of  
\$23,000,000 Revenue and Refunding Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa (the “Act”) to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Private Activity Bond Program Application set forth in Exhibit A attached hereto (the “Application”) which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its revenue and refunding bonds in one or more series, in an amount not to exceed \$23,000,000 (the “Bonds”) and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes of (i) refunding the outstanding bonds stated therein (the “Refunding”); and (ii) financing the project stated therein (the “Project”); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the “Regulations”) with respect to the Project and the Refunding;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director, Chief Financial Officer, Chief Operating Officer and Chief Bond Programs Director of the Authority (each an “Authorized Officer”) are authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project and the Refunding, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, and (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project or the Refunding have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the

expenditures made for costs of the Project and the Refunding with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to finance the Project and the Refunding, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. If necessary, any Authorized Officer and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. If necessary, any Authorized Officer and staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that any Authorized Officer is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. Any Authorized Officer and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the Refunding and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State of Iowa or any political subdivision thereof within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State of Iowa nor any political subdivision of the State of Iowa to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State of Iowa or any political subdivision of the State of Iowa to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 9. Costs. It is to be understood that the Borrower shall pay all costs, including costs of counsel, and expenses of the Authority related to the Bonds, the Project and the Refunding.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of February, 2022.

\_\_\_\_\_  
Michel Nelson, Chairperson

ATTEST:

(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

**EXHIBIT A**  
**ATTACH APPLICATION**



Deborah Durham, Executive Director  
1963 Bell Avenue, Suite 200  
Des Moines, Iowa 50315  
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY  
Project No. PAB 22-01  
Application Received 1/18/2022  
Application Fee Received?   
Amount of Request \$ 23,000,000

## PRIVATE ACTIVITY BOND APPLICATION

### Part A - Borrower Information

- Project Name: **ChildServe, Inc. (Refinancing and New Money Projects)**
- Contact Person/Title: Jennifer Pavlovec, Vice President of Finance  
Company: **ChildServe, Inc.** Subsidiaries that will also be named as Borrowers include: ChildServe Habilitation Center Inc., ChildServe Homes Inc., ChildServe Medical Equipment & Supply Inc., ChildServe Therapy Inc., ChildServe Foundation Inc., ChildServe Community Options, Inc., ChildServe Homecare, Inc, ChildServe Clinic, Inc.  
Address: **5406 Merle Hay Road**  
City, State, Zip: **Johnston, IA 50131**  
Telephone: **(515) 727-1463** E-mail: **JennPav@childserve.org**
- Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.  
**Brief Biographies fo the key administrative staff are attached.**  
  
**A listing of the Board of Directors of the Organization is attached.**
- If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: **See attached for each of the Borrowers' determination letters**
- Is the Borrower currently qualified to transact business within the State of Iowa? Yes  No
- If project is a Nursing Facility, is state certificate of need required: Yes  No   
If yes, attach copy.
- Total current FTE's of Borrower: 855  
Number of permanent FTE's created by the project: 60



Part B - Project Information

1. This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: \_\_\_\_\_

Other 501c (3) entity (please specify) **Incorporated under the provisions of Chapter 504A, Iowa Non-Profit Corporation Act**

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$23,000,000

Amount to be used for refunding: \$9,200,000

4. Address/Location of Project

Street/City/State 1915 Philadelphia Street, Ames, IA, 2350 Oakdale Blvd, Coralville, IA and site to be determined in the Des Moines metro

County Story, Johnson, and Polk, respectively

5. General Project Description:

Current Refunding of the Organization's Series 2013 and Series 2019 Bonds, fund the three projects described below and pay for costs of issuance.

**Expansion of the Ames Regional Center:** 20,000 sq. ft addition/renovation to existing 21,000 sq. ft center.

Expand existing Rehabilitation, Autism and Community Services. Estimated facility cost \$5M, supported by \$4M financing and \$1M fundraising.

**Acquisition of Iowa City Regional Center:** Acquisition of currently leased 12,000 sq.ft. facility, serving as

Regional Center. Expand existing Rehabilitation, Autism and Complex Care Services by an additional 12,000 sq. ft. Estimated acquisition cost \$2.5M, estimated expansion cost \$2.5M supported by \$5M financing.

**Relocation and Expansion of Des Moines Woodland Center:** Acquisition or construction of 20-30,000 sq. ft

facility, replacing existing 10,000 sq. ft facility providing Medical Childcare, Rehabilitation and Autism services. Estimated acquisition cost of \$5M, supported by \$4M financing and \$1M in fundraising.

Part B - Project Information continued







**Part C - Professionals Participating in the Financing**

**Applications must have either Bond Counsel or Underwriter/Financial Institution identified**

- 1. Bond Counsel:** (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: Courtney Strutt Todd

Firm Name: Dentons

Address: 215 10<sup>th</sup> Street, Suite 1300

City/State/Zip Code: Des Moines, IA 50309

Telephone: 515-246-7842

E-mail: Courtney.struttodd@dentons.com

- 2. Counsel to the Borrower:**

Name: Amy Montgomery

Firm Name: Dentons

Address: 215 10<sup>th</sup> Street, Suite 1300

City/State/Zip Code: Des Moines, IA 50309

Telephone: 515-246-7961

E-mail: amy.montgomery@dentons.com

- 3. Financial Institution purchasing the bonds:**

Name: Chris Kroeger

Firm Name: Bankers Trust

Address: 453 7<sup>th</sup> Street

City/State/Zip Code: Des Moines, IA 50309

Telephone: 515-245-2877

E-mail: ckroeger@bankerstrust.com

- 4. Counsel to the Financial Institution purchasing the bonds:**

Name: Thomas Flynn

Firm Name: Brick Gentry, P.C.

Address: 6701 Westown Parkway, Suite 100

City/State/Zip Code: West Des Moines, IA 50266

Telephone: 515-271-5915

E-mail: tom.flynn@brickgentrylaw.com

- 5. Trustee: (if needed) N/A**



**PART D - Fees and Charges**

1. **A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.**

Submit application to the Authority at the following address:

Aaron Smith  
Chief Bond Programs Director  
Iowa Finance Authority  
1963 Bell Avenue, Suite 200  
Des Moines, IA 50315

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Aaron Smith at (515) 452-0461 or [Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com) for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Grossklaus ([Grossklaus.David@Dorsey.com](mailto:Grossklaus.David@Dorsey.com)) at Dorsey & Whitney and the Authority's Chief Bond Programs Director ([Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com)).

Dated this 14 day of January, 2022

Borrower: ChildServe Habilitation Center, Inc.

A handwritten signature in blue ink, appearing to read "Dave McKenzie".

By: Dave McKenzie, President/COO

## **Exhibit: ChildServe Management and Governance**

### **Executives**

**Teri Wahlig, M.D., MBA                      Chief Executive Officer**

Dr. Wahlig joined ChildServe in 2011 as Vice President and Medical Director, and began serving as CEO in July 2018. She graduated from the University of Iowa College of Medicine, and she is board certified in pediatrics, neonatal – perinatal medicine, and palliative care – hospice medicine. In 2015, Dr. Wahlig received her Master of Business Administration from the Henry B. Tippie College of Business at the University of Iowa. Prior to joining ChildServe, Dr. Wahlig was medical director of the Mercy Medical Center’s Neonatal Intensive Care Unit.

**David McKenzie                              President/Chief Operating Officer**

David joined ChildServe in 1994 and served in a Vice President role since 1998. He began serving as President/COO in July 2018. He received his bachelor’s degree from Drake University and MBA from the University of Iowa. David is a Certified Public Accountant and Senior Professional in Human Resources. Prior to joining ChildServe, he worked in public accounting and in the non-profit healthcare industry.

**Tracey Page                                      Senior Vice President of Program Advancement and Excellence**

Tracey Page joined ChildServe in May 2003 as Program Director of Therapy and Homecare. As the therapy program grew, she served in several roles including Director of Pediatric Rehabilitation and Vice President of Clinical Services. She now serves as Senior Vice President of Program Advancement and Excellence. Tracey provides oversight in the areas of inpatient and outpatient pediatric rehabilitation, physician services, psychology, homecare, and marketing and referral development. Tracey has an associate’s degree in Applied Science in Occupational Therapy and a bachelor’s in Health Science from the Medical University of South Carolina.

**Dave Comstock                                Senior Vice President of Regional Operations**

Dave joined ChildServe in 1996 as a Program Manager and was promoted to Program Director in 2001. After ten years in a director role, and seven years as Vice President of Home and Community Service, Dave now serves as Senior Vice President of Regional Operations. He is responsible for leading the development and growth of regional hubs and satellite operations while providing supervision and support to program directors responsible for the Group Home Program. Dave has a bachelor’s degree in Business Administration from William Penn University.

**Jay Winger                                        Senior Vice President of Human Resources and Facilities**

Jay Winger joined ChildServe in March 2003, as Director of Staff Relations. He transitioned into the Director of Human Resources and now serves as Senior Vice President of Human Resources and Facilities. Jay develops and executes initiatives in support of the overall strategic direction and operations of the organization, specifically in the areas of succession planning, talent management, change management, learning and development, and facility support services. Jay has a bachelor’s in Economics from the University of Iowa and currently has his certification as a SHRM-CP.

**2021-2022 Board of Directors**

Mike McCoy, Chair	Brian Gentry, Vice Chair
Emily Willits, Secretary	Mike Wegner, Treasurer
Brian Laurenzo, Past Chair	Teri Wahlig, MD, CEO
Brett Bosworth	Joe Ceryanec
Jeff Chungath	Susan Fitzsimmons
Matt Grotnes	Jim Hagenbucher
Cara Hardin	Aaron Kennedy
Tanner Kinzler	Mindy Moss
Jeff Russell	Yogesh Shah, MD
Mondale Smith	Christy Sullivan, MD
Mike Wilson	

**2021-2022 Board of Trustees**

Chris Littlefield, Chair	Joanie Houston, Vice Chair
Joel Nelson, Secretary/Treasurer	Nick Gerhart, Past Chair
Teri Wahlig, MD, CEO	Vanessa Blanchfield
Jay Byers	Megan Christofferson
Jerry Deegan	Susan Hatten
Kylee Krizmanic	Cathy Lacy
Tom Mahoney	Jim McCulloh
Joel Nelson	Tom Nucaro
JC Risewick	Larry Stelter
Jennifer Vicente	Kim Willis

**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** September 14, 2002

**Person to Contact:**  
Dalphine Naegele 31-04012  
Customer Service Specialist

CHILDSERVE, INC.  
PO BOX 707  
JOHNSTON, IA 50131-9400

**Toll Free Telephone Number:**  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500

**Fax Number:**  
513-263-3756

**Federal Identification Number:**  
42-1271420

Dear Sir or Madam:

This letter is in response to your request dated July 22, 2002 for a name change for your organization. We have added your amended articles of incorporation to our system to reflect the name change as shown above.

Our records indicate that a determination letter issued in November 1986 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(3)

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA)

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

CHILDSERVE, INC.  
42-1271420

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

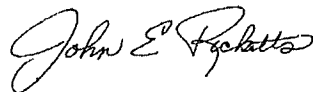
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services

**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** September 27, 2002

**Person to Contact:**  
Dalphine Naegele 31-04012  
Customer Service Specialist

CHILDSERVE HABILITATION CENTER  
5900 PIONEER PARKWAY  
PO BOX 707  
JOHNSTON, IA 50131

**Toll Free Telephone Number:**  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500

**Fax Number:**  
513-263-3756

**Federal Identification Number:**  
42-0680245

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in October 1977 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

CHILDSERVE HABILITATION CENTER  
42-0680245

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code

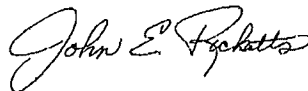
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records

If you have any questions, please call us at the telephone number shown in the heading of this letter


This letter affirms your organization's exempt status

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services



 **IRS** Department of the Treasury  
Internal Revenue Service  
P.O. Box 9941  
Ogden UT 84409

In reply refer to: 0424142082  
Oct. 01, 2002 LTR 252C  
42-1157665 000000 00 000  
01020

CHILD SERVE FOUNDATION INC  
FOUNDATION  
PO BOX 186  
JOHNSTON IA 50131-0186861

Taxpayer Identification Number: 42-1157665

Dear Taxpayer:

Thank you for the inquiry dated Aug. 19, 2002.

We have changed the name on your account as requested. The number shown above is valid for use on all tax documents.

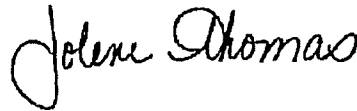
If you have any questions, please call us toll free at 1-800-829-1040. If you prefer, you may write to us at the address shown at the top of the first page of this letter.

Whenever you write, please include this letter and, in the spaces below, give us your telephone number with the hours we can reach you. Also, you may want to keep a copy of this letter for your records.

Telephone Number ( ) \_\_\_\_\_ Hours \_\_\_\_\_

Thank you for your cooperation.

Sincerely yours,



Jolene Thomas  
Dept. Manager, Code & Edit/Entity 3

Enclosure(s):  
Copy of this letter

Internal Revenue Service  
District Director

Department of the Treasury

Date: JUL 17 1987

CONVALESCENT HOME FOR CHILDREN  
FOUNDATION  
5900 PIONEER PARKWAY  
JOHNSTON, IA 50131

Employer Identification Number:

42-1157665

Case Number:

36629600380

Person to Contact:

Ms. R. WALLACE

Contact Telephone Number:

(312) 886-1278

Our Letter Dated:

MARCH 20, 1981

Caveat Applies:

No

— DEAR SIR OR MADAM:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are an organization of the type described in section 509(c)(1) and 170(b)(1)(B)(i). Your exempt status under Code section 501(c)(3) is still in effect.

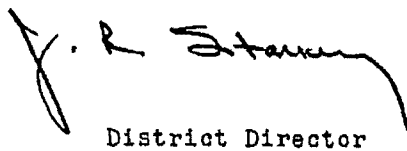
Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(c)(1) and 170(b)(1)(B)(i) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(c)(1) and 170(b)(1)(B)(i) organization.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

  
District Director

**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** December 6, 2002

**Person to Contact:**

S Katherine Converse 31-07823  
Customer Service Specialist

**Toll Free Telephone Number:**

8:00 a.m. to 6:30 p.m EST  
877-829-5500

**Fax Number:**

513-263-3756

**Federal Identification Number:**

42-1264664

ChildServe Homes, Inc  
P.O. Box 707  
Johnston, IA 50131-9400

Dear Sir or Madam

This is in response to the amendment to your organization's Articles of Incorporation filed with the state on June 4, 2002. We have updated our records to reflect the name change as indicated above.

Our records indicate that a determination letter issued in September 1986, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA)

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code

ChildServe Homes, Inc.  
42-1264664

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

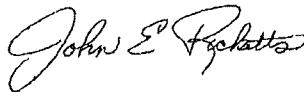
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services

**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** October 22, 2002

**Person to Contact:**  
Robert Molloy 31-04023  
Customer Service Representative

Childserve Therapy, Inc.  
3004 30th Street  
Des Moines, IA 50310-5259

**Toll Free Telephone Number:**  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500

**Fax Number:**  
513-263-3756

**Federal Identification Number:**  
42-0680420

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in January 1956 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Childserve Therapy, Inc.  
42-0680420

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

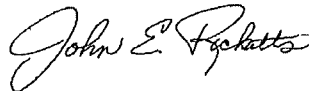
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services



**IRS** Department of the Treasury  
Internal Revenue Service

P.O. Box 2508, Room 4010  
Cincinnati OH 45201

In reply refer to: 4077550281  
July 22, 2009 LTR 4168C 0  
42-1390033 000000 00

00046421

BODC: TE

CHILDSERVE COMMUNITY OPTIONS INC  
PO BOX 707  
JOHNSTON IA 50131



030185

Employer Identification Number: 42-1390033  
Person to Contact: Sally Froehle  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your request of July 07, 2009, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in September 1994, that recognized you as exempt from Federal income tax, and discloses that you are currently exempt under section 501(c)(03) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,

Cindy Westcott  
Manager, EO Determinations

**Internal Revenue Service**

**Department of the Treasury**

**P. O. Box 2508  
Cincinnati, OH 45201**

**Date:** September 14, 2002

**Person to Contact:**  
Dalphine Naegele 31-04012  
Customer Service Specialist

CHILDSERVE MEDICAL EQUIPMENT & SUPPLY, INC  
PO BOX 707  
JOHNSTON, IA 50131-9400

**Toll Free Telephone Number:**  
8:00 a.m. to 6:30 p.m. EST  
877-829-5500

**Fax Number:**  
513-263-3756

**Federal Identification Number:**  
42-1264666

Dear Sir or Madam:

This letter is in response to your request dated July 22, 2002 for a name change for your organization. We have added your amended articles of incorporation to our system to reflect the name change as shown above.

Our records indicate that a determination letter issued in September 1986 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.



CHILDSERVE MEDICAL EQUIPMENT & SUPPLY, INC.  
42-1264666

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

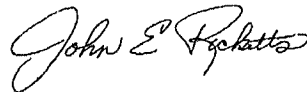
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status

Sincerely,



John E. Ricketts, Director, TE/GE  
Customer Account Services

INTERNAL REVENUE SERVICE  
P O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 17 2002

CHILDSERVE HOMECARE INC  
PO BOX 707  
JOHNSTON, IA 50131-0707

Employer Identification Number:  
42-1478832  
DLN:  
17053215718032  
Contact Person:  
HEATHER N BUSS ID# 31464  
Contact Telephone Number:  
(877) 829-5500  
Our Letter Dated:  
December 1998  
Addendum Applies:  
no

Dear Applicant:

This modifies our letter of the above date in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect. Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi).

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

If we have indicated in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

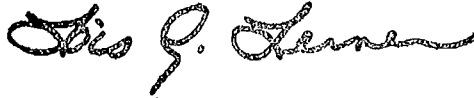
Letter 1050 (DO/CG)

CHILDSERVE HOMECARE INC

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

A handwritten signature in cursive script that reads "Lois G. Lerner". The signature is written in dark ink and is positioned above the typed name.

Lois G. Lerner  
Director, Exempt Organizations

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: FEB 06 2014

THE CHILDSERVE CLINIC INC  
PO BOX 707  
JOHNSTON, IA 50131-0707

Employer Identification Number:  
45-5327981  
DLN:  
17053112304023  
Contact Person:  
ERIC KAYE ID# 31612  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
June 30  
Public Charity Status:  
509(a)(2)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
February 16, 2012  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No


Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947

RESOLUTION PAB 22-02A

Approving an Application for \$11,000,000  
Iowa Finance Authority Revenue Refunding Bonds  
(Eastern Star Masonic Home Project), in one or more series  
For Eastern Star Masonic Home, or a related entity (the “Borrower”)

And Evidencing the Intent to Proceed with the Issuance of  
\$11,000,000 Revenue Refunding Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa (the “Act”) to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Private Activity Bond Program Application set forth in Exhibit A attached hereto (the “Application”) which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its revenue refunding bonds in one or more series, in an amount not to exceed \$11,000,000 (the “Bonds”) and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purpose of refunding the outstanding bonds and refinancing the existing indebtedness stated therein (collectively, the “Refunding”); and

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director, Chief Financial Officer, Chief Operating Officer or Chief Bond Programs Director of the Authority (each, an “Authorized Officer”) is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Refunding, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, and (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Refunding have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the

Refunding with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to effect the Refunding, and that such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. If necessary, any Authorized Officer and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. If necessary, any Authorized Officer and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that any Authorized Officer is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. Any Authorized Officer and Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Refunding and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State of Iowa or any political subdivision thereof within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State of Iowa nor any political subdivision of the State of Iowa to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State of Iowa or any political subdivision of the State of Iowa to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

Section 9. Costs. It is to be understood that the Borrower shall pay all costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Refunding.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of February, 2022.

---

Michel Nelson, Chairperson

ATTEST:

(SEAL)

---

Deborah Durham, Secretary

**EXHIBIT A**  
**ATTACH APPLICATION**





Deborah Durham, Executive Director  
1963 Bell Avenue, Suite 200  
Des Moines, Iowa 50315  
(515) 452-0400 – (800) 432-7230

FOR IFA USE ONLY  
Project No. \_\_\_\_\_  
Application Received \_\_\_\_\_  
Application Fee Received?   
Amount of Request \$ \_\_\_\_\_

## PRIVATE ACTIVITY BOND APPLICATION

### Part A - Borrower Information

1. Project Name: Eastern Star Masonic Home Project
2. Contact Person/Title: Rick Colby/Administrator  
Company: Eastern Star Masonic Home

Address: 715 W. Mamie Eisenhower Avenue

City, State, Zip: Boone, Iowa 50036

Telephone: 515-432-5274

E-mail: rcolby@iowaoeshome.com

3. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.

See attached list of board members

4. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: See attached

5. Is the Borrower currently qualified to transact business within the State of Iowa? Yes  No

6. If project is a Nursing Facility, is state certificate of need required: Yes  No

If yes, attach copy.

7. Total current FTE's of Borrower: 174

Number of permanent FTE's created by the project: 0



**Part B - Project Information**

1. This Project qualifies for financing pursuant to the Private Activity Bond Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: \_\_\_\_\_

Other 501c (3) entity (please specify) retirement community facility, including independent living, assisted living and skilled care.

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$11,000,000

Amount to be used for refunding: \$11,000,000 (including refunding)

4. Address/Location of Project

Street/City/State 715 W. Mamie Eisenhower Avenue, Boone, IA 50036

County Boone

5. General Project Description:

(1) Refunding the outstanding tax exempt \$5,500,000 Retirement Facility Revenue Note (Eastern Star Masonic Home Project), Series 2018 issued by the City of Boone, Iowa.

(2) Retire existing indebtedness related to renovation and improvement of existing retirement facility to provide larger apartments, private bathing facilities, updated amenities, 12 memory care apartments and common areas, construction of a wellness center, construction of independent housing duplexes, related site improvements



**Part B - Project Information continued**

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?

No

Yes, in the amount of \$\_\_\_\_\_ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

a. Principal User will be: Eastern Star Masonic Home

b. Seller (if any) of the Project:n/a

c. Purchaser (if any) or Owner or Lessee of the Project:n/a

d. Relationship of Project Seller and Purchaser, if any:n/a

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Bond Proceeds	\$ 11,000,000	Costs of Issuance	\$100,000
_____	_____	Refund/retire outstanding	\$10,900,000
_____	_____	bonds/debt	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
	\$ 11,000,000		\$11,000,000
<b>Total</b>	_____	<b>Total</b>	_____

9. Type of Bond Sale  Public Sale  Private Placement



**Part C - Professionals Participating in the Financing**

**Applications must have either Bond Counsel or Underwriter/Financial Institution identified**

1. **Bond Counsel:** (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: Cristina Kuhn & David Grossklaus  
Firm Name: Dorsey & Whitney LLP  
Address: 801 Grand Ave Suite 4100  
City/State/Zip Code: Des Moines, Iowa 50309  
Telephone: 515-283-1000 E-mail: kuhn.cris@dorsey.com

2. **Counsel to the Borrower:**

Name: Michael Mahoney  
Firm Name: Jordan & Mahoney  
Address: 615 Story St.  
City/State/Zip Code: Boone, Iowa 50036  
Telephone: 515-432-4510 E-mail: mike@jordanmahoney.com

3. **Underwriter or Financial Institution purchasing the bonds:**

Name: GNB Bank  
Firm Name: \_\_\_\_\_  
Address: 629 Broad Street  
City/State/Zip Code: Story City, Iowa 50248  
Telephone: 515-773-2816 \_\_\_\_\_ E-mail: \_\_\_\_\_

4. **Counsel to the Underwriter:**

Name: N/A  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ E-mail: \_\_\_\_\_

5. **Trustee: (if needed)**

Name: N/A  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip Code: \_\_\_\_\_  
Telephone: \_\_\_\_\_ E-mail: \_\_\_\_\_



**PART D - Fees and Charges**

1. A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Submit application to the Authority at the following address:

Aaron Smith  
Chief Bond Programs Director  
Iowa Finance Authority  
1963 Bell Avenue, Suite 200  
Des Moines, IA 50315

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Aaron Smith at (515) 452-0461 or [Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com) for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Grossklaus ([Grossklaus.David@Dorsey.com](mailto:Grossklaus.David@Dorsey.com)) at Dorsey & Whitney and the Authority's Chief Bond Programs Director ([Aaron.Smith@IowaFinance.com](mailto:Aaron.Smith@IowaFinance.com)).

Dated this 20th day of January, 2022

Borrower: \_\_\_\_\_

By: \_\_\_\_\_

*Eastern Star Masonic Home, Inc*  
*Rich Colby CEO*

# BOARD OF TRUSTEES

---

Paula Larsen, President  
2268 110<sup>th</sup> Ave  
Diagonal, Iowa 50845

Betty Clark, Vice President  
1087 Hwy G76  
Knoxville, Iowa 50138

Joyce Sloniger, Sec/Tres  
126 S. Race Street  
Cambridge, Iowa 50046

Robert Koss, Member  
6532 NW 142<sup>nd</sup> Ave  
Polk City, Iowa 50226

Tim Ramthun, Member  
2492 Queens Ave  
Oskaloosa, Iowa 52577-9145

Internal Revenue Service  
District Director

Department of the Treasury

P O BOX A-3290 DMN 22-2  
CHICAGO, IL 60690

Date: AUG 7 1990

EASTERN STAR MASONIC HOME  
715 W 3RD  
BOONE, IA 50036

Employer Identification Number:  
42-0690363

Contact Person:  
AUGUSTA L. SIMPSON

Contact Telephone Number:  
(312) 886-1278

Accounting Period Ending:  
August 31

Form 990 Required:  
Yes

Addendum Applies:  
Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(2).

If your sources of support, or your purposes, character, or method of operation changes please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(1) organization.

Letter 947(09/86)

EASTERN STAR MASONIC HOME

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$10 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-E, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(29) of the Code. To assure your continued exemption, you should maintain records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under



EASTERN STAR MASONIC HOME.

section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, relationship (if any) to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



R. S. Wintrode, Jr.  
District Director

EASTERN STAR MASONIC HOME

Your exemption under Section 501(c)(3) of the Code is effective from July 17, 1990 forward. Your exempt status under Section 501(c)(3) of the Code is still in effect for the period prior to the aforementioned date.

**RESOLUTION**  
**WQ 22-02**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”); and

WHEREAS, the Authority offers loans under the SRF Program for planning and design expenses associated with clean water and drinking water projects (the “Planning and Design Loans”); and

WHEREAS, the Authority offers the Planning and Design Loans as zero interest loans maturing no later than three years from execution; and

WHEREAS, the communities listed on Exhibit A have applied to the Authority for financial assistance through Planning and Design Loans; and

WHEREAS, the Authority desires to approve Planning and Design Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding Planning and Design Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 0%, with a maturity of not to exceed three years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of February, 2022.

ATTEST:

\_\_\_\_\_  
Michel Nelson, Chairperson

(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

**EXHIBIT A**

**SRF Planning & Design Loans**

<b>Borrower</b>	<b>County</b>	<b>Pop.</b>	<b>Amount</b>	<b>CW/DW</b>	<b>Description</b>
Algona	Kossuth	5,487	\$1,120,000	CW	Treatment Improvements
Ankeny	Polk	67,887	\$174,600	DW	Transmission Improvements
Aurelia	Cherokee	968	\$48,000	CW	Transmission Improvements
Aurelia	Cherokee	968	\$67,000	DW	Transmission Improvements
Earlham	Madison	1,410	\$410,000	CW	Treatment Improvements
La Porte City	Black Hawk	2,285	\$165,160	CW	Treatment Improvements
Sun Valley SD	Ringgold	1,210	\$191,950	CW	Treatment Improvements

\$2,176,710

**RESOLUTION**  
**WQ 22-03**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the “Department”), to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the “SRF Program”); and

WHEREAS, the Authority offers loans under the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities; and

WHEREAS, the construction activities being undertaken meet the requirements of the SRF Program and have been approved by the Department; and

WHEREAS, the Authority offers the SRF loans at below market interest maturing no later than thirty years from execution; and

WHEREAS, the Authority desires to approve SRF Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding SRF Loans to the communities and in the approximate amounts set forth on Exhibit A attached hereto, each with an interest rate of 1.75% for a maturity of twenty years or an interest rate of 2.75% with a maturity of not to exceed thirty years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2<sup>nd</sup> day of February, 2022.

ATTEST:

\_\_\_\_\_  
Michel Nelson, Chairperson

(SEAL)

\_\_\_\_\_  
Deborah Durham, Secretary

**EXHIBIT A**

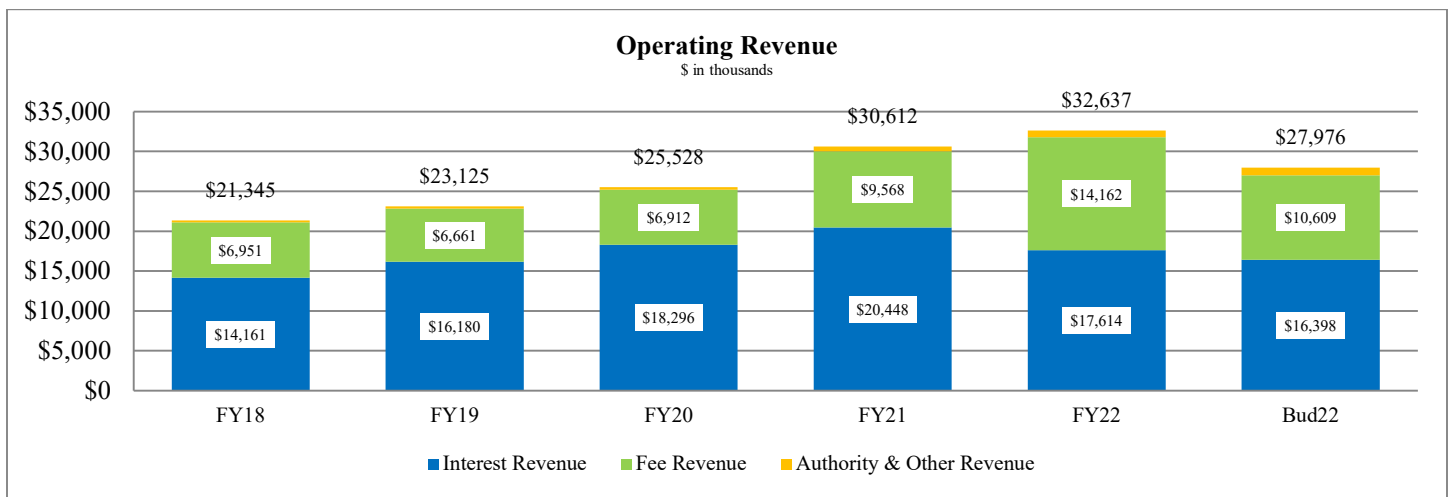
**SRF Construction Loans**

<b>Borrower</b>	<b>County</b>	<b>Population</b>	<b>Amount</b>	<b>CW/ DW</b>	<b>Description</b>
Hartley	O'Brien	1,605	\$520,000	CW	Transmission Improvements
Ida Grove	Ida	2,051	\$2,358,000	DW	Treatment Improvements
Johnston	Polk	24,064	\$1,576,000	CW	General Non-Point
Osceola County RWS	Osceola & O'Brien	1,978	\$930,000	DW	Transmission Improvements

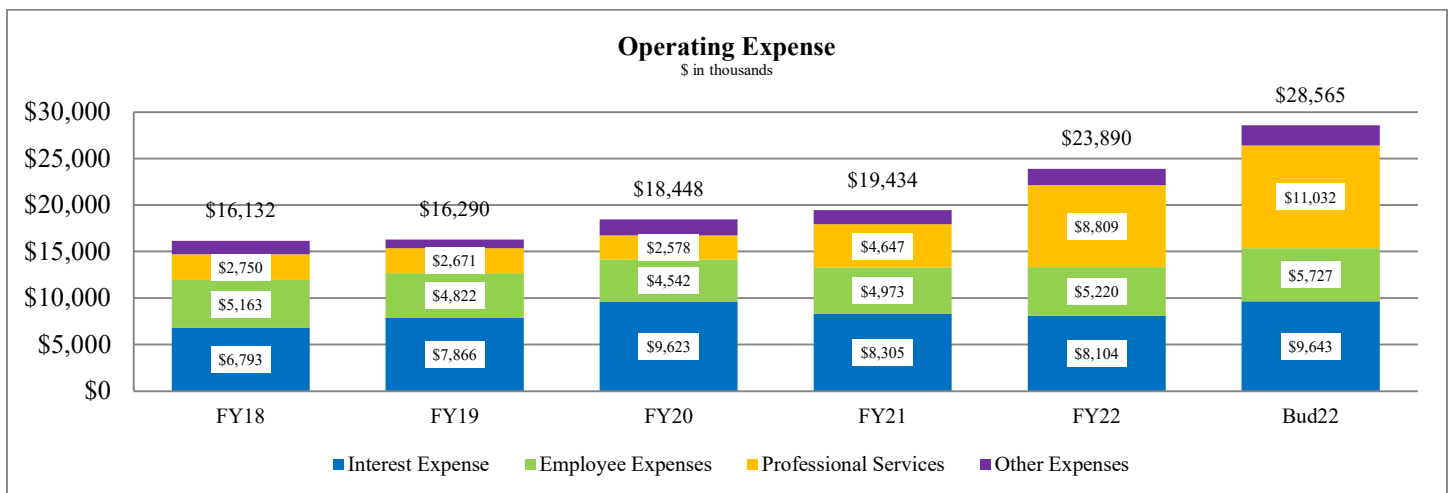
\$5,384,000

To: IFA Board of Directors  
 From: Jen Pulford  
 Date: January 25, 2022  
 Re: December 2021 Financial Results

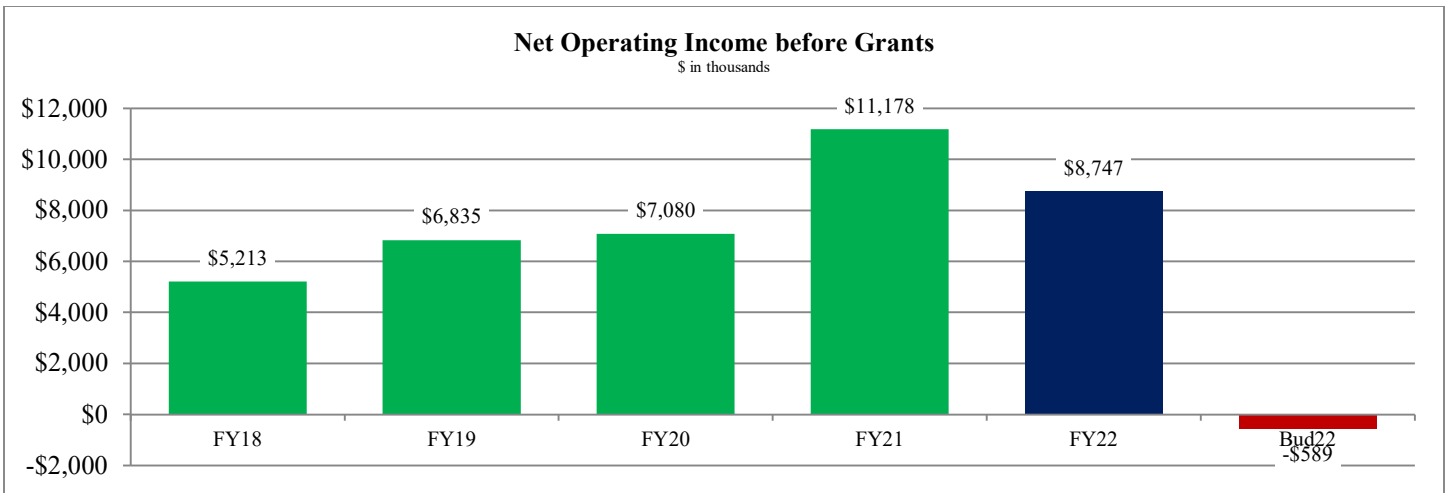
The Housing Authority operated favorably to budget through the first half of the fiscal year; both operating revenue and operating expenses were favorable to plan.



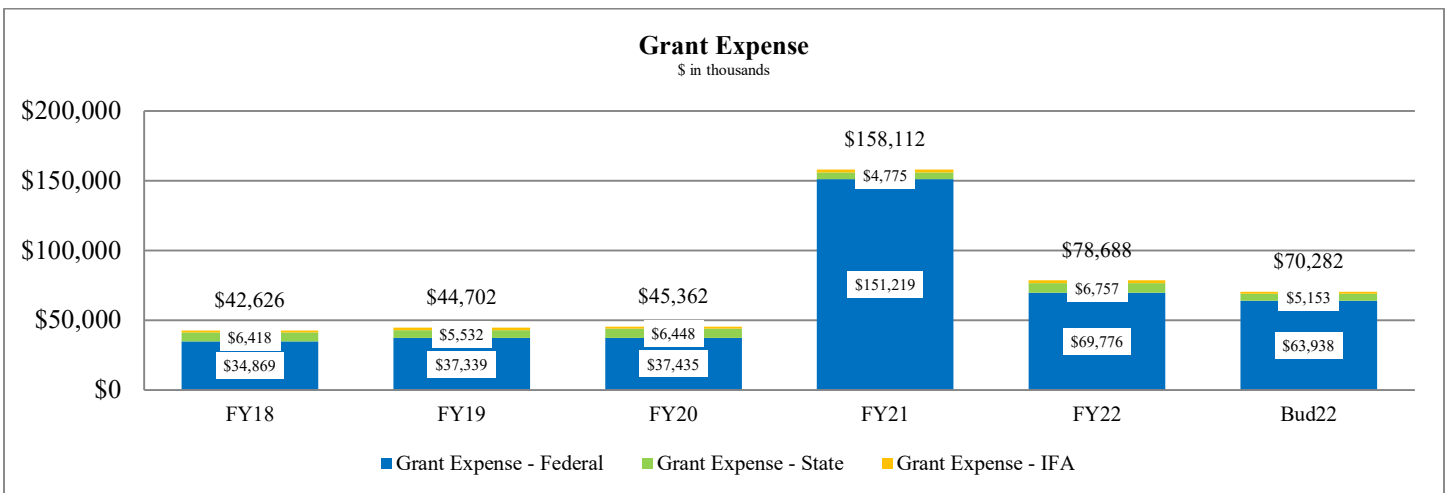
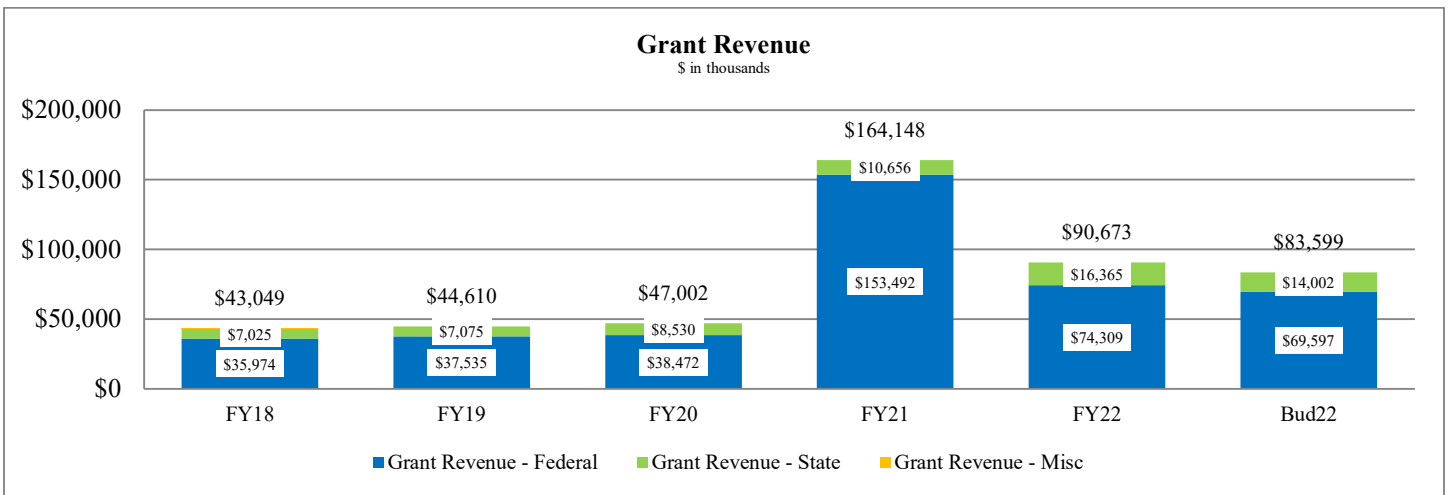
Operating revenue exceeded budget by \$4,661 or 17% and was 7% above last year. Title Guaranty fees and the gain on MBS sales account for this favorable variance.



Operating Expenses were \$4,675 or 16% below budget. Interest expense was \$1,540 below budget due to a larger than anticipated premium amortization associated with recent bond calls. Professional Services expense is less than planned related to timing of consultant fees for IRUAP. Most other expenses categories are also below budget.

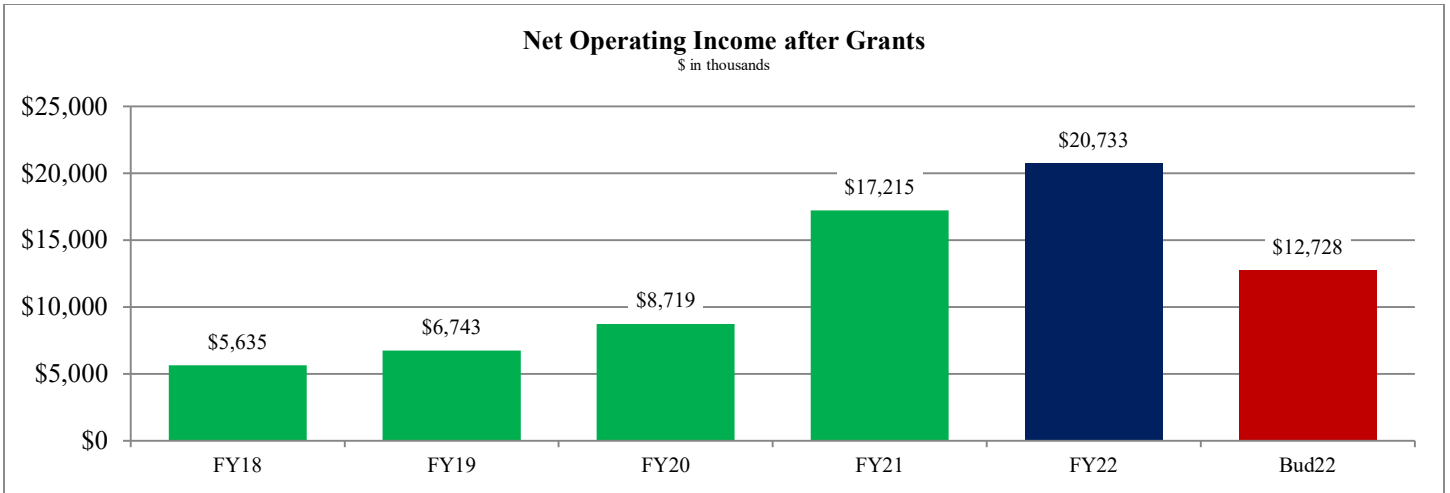


As a result, NOIBG was \$9,336 or 1,585% favorable to budget.

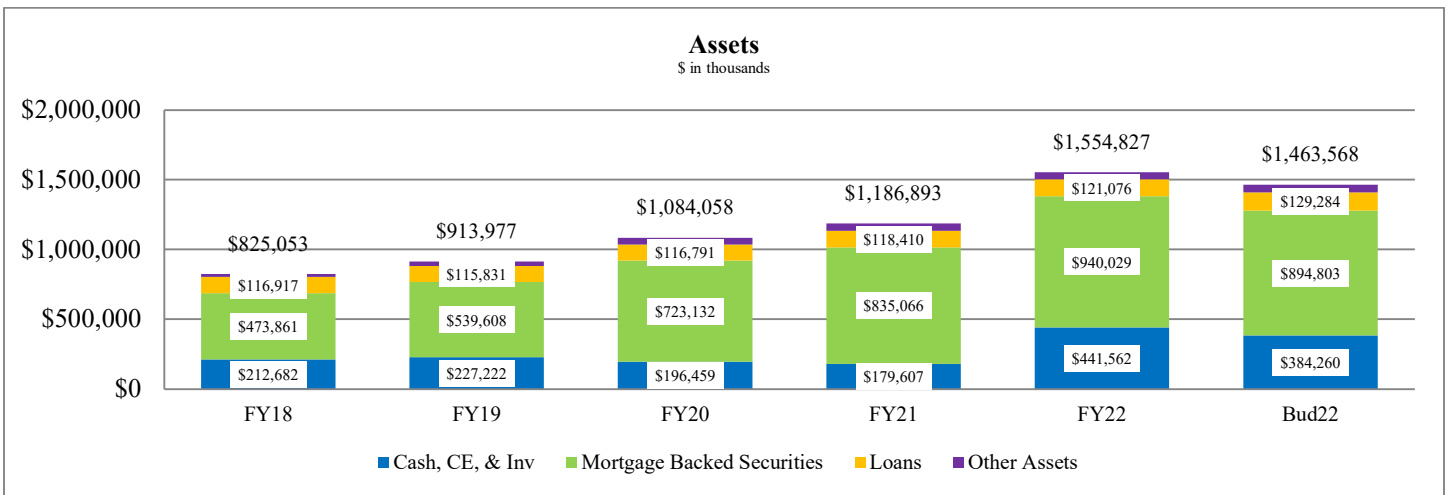


Net grant income was \$1,332 unfavorable to budget.

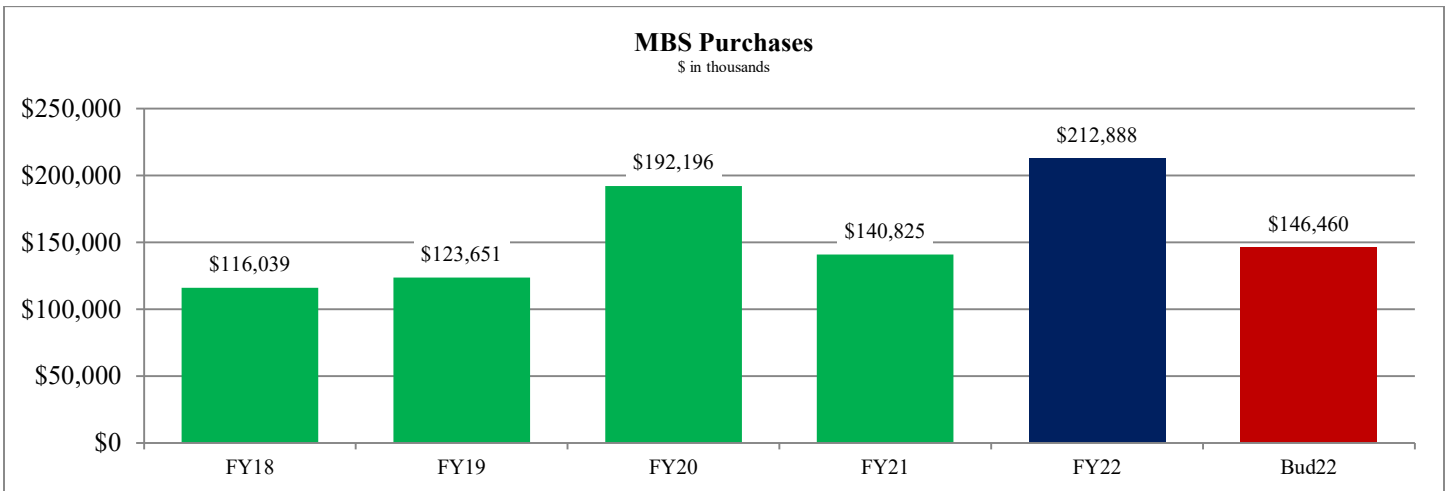




As a result, NOIAG was \$8,005 or 63% favorable to budget.

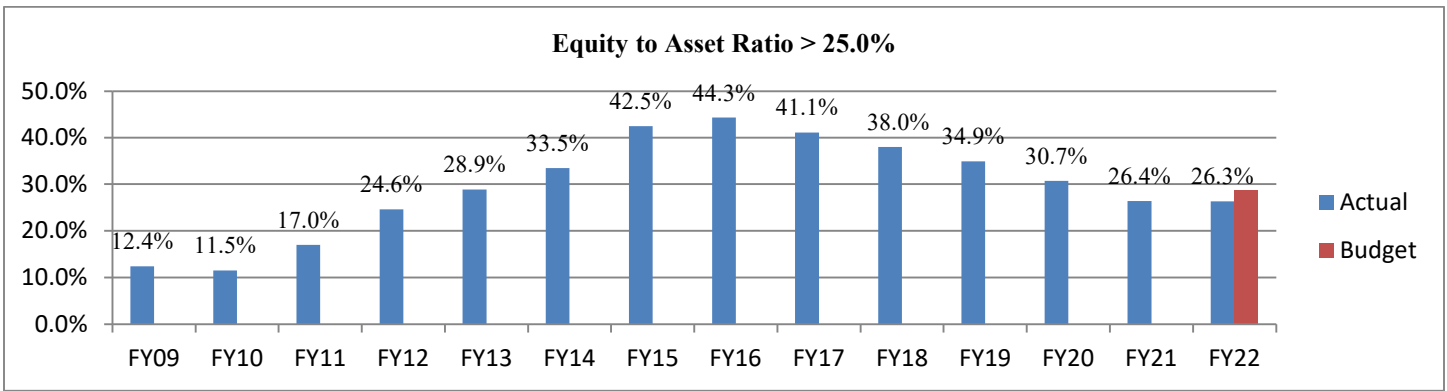


Total Assets have increased \$367,934 since last year and are \$91,259 above budget.

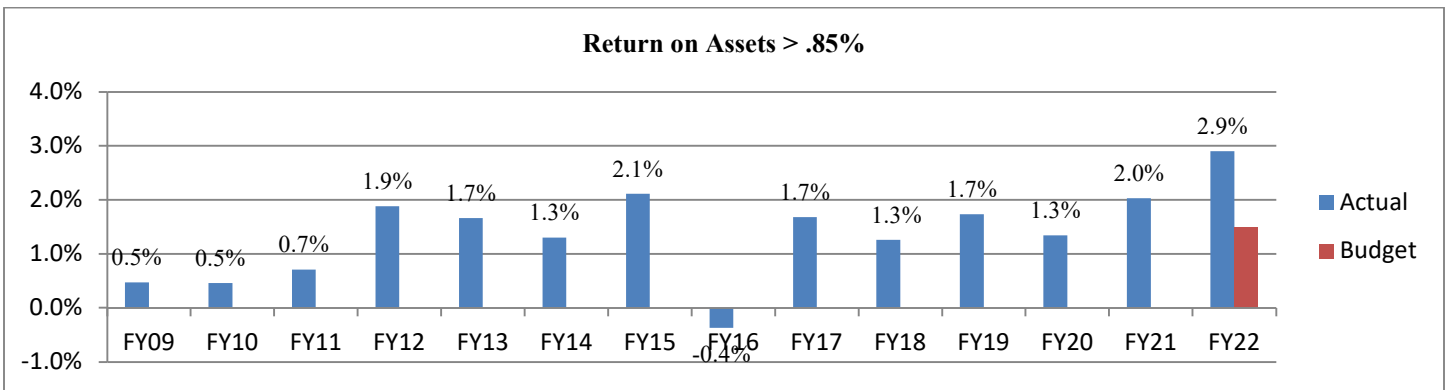


MBS purchases now exceed budget by \$66,428.

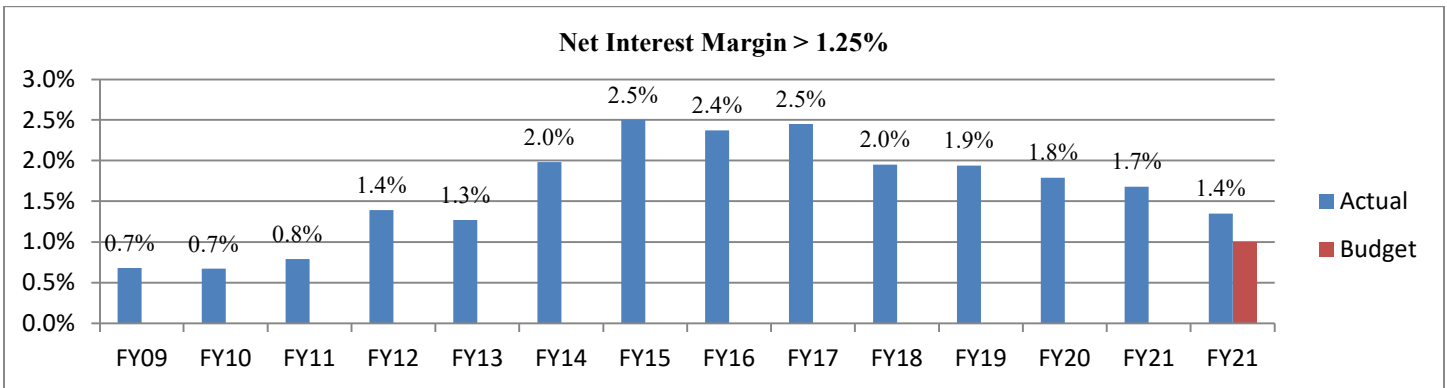
## Housing Authority Long-Term Measures



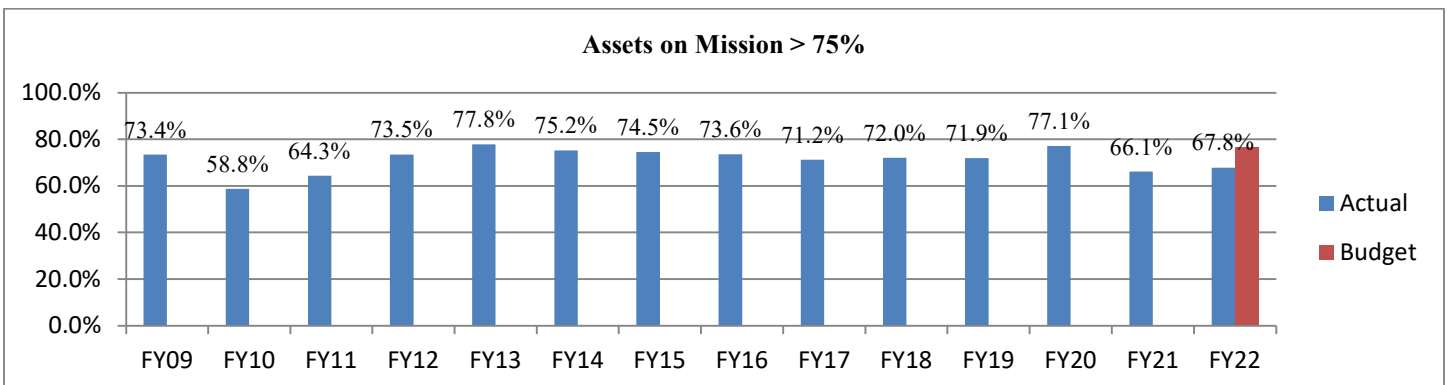
This ratio is an indicator of the Housing Authority's financial strength and ability to increase debt to acquire assets.



This ratio represents the rate of return on the Housing Authority's assets.



This is the rate of interest earned, after interest expense is deducted, on the Housing Authority's cash, cash equivalents, investments, MBS, and loans.



This ratio is the percentage of MBS and Loans (Mission Assets) to the Housing Authority's total assets.

Income Statement	Housing Authority (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	2,716,742	2,765,617	(48,875)	-1.8	3,414,400	(697,658)	-20.4	17,613,696	16,397,724	1,215,972	7.4	20,447,587	(2,833,891)	-13.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	2,099,595	1,826,614	272,982	14.9	1,686,019	413,576	24.5	14,161,514	10,609,164	3,552,350	33.5	9,568,291	4,593,223	48.0
Other Revenue	118,851	128,467	(9,616)	-7.5	122,013	(3,162)	-2.6	861,857	969,560	(107,703)	-11.1	596,259	265,598	44.5
<b>Total Operating Revenue</b>	<b>4,935,188</b>	<b>4,720,698</b>	<b>214,490</b>	<b>4.5</b>	<b>5,222,432</b>	<b>(287,244)</b>	<b>-5.5</b>	<b>32,637,067</b>	<b>27,976,448</b>	<b>4,660,619</b>	<b>16.7</b>	<b>30,612,137</b>	<b>2,024,930</b>	<b>6.6</b>
Operating Expense														
Interest Expense	1,477,745	1,546,316	(68,571)	-4.4	1,449,098	28,646	2.0	8,104,312	9,643,481	(1,539,169)	-16.0	8,304,915	(200,603)	-2.4
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	857,522	979,321	(121,800)	-12.4	834,381	23,141	2.8	5,219,524	5,726,543	(507,019)	-8.9	4,972,575	246,950	5.0
Shared Expenses	280,340	241,129	39,210	16.3	223,317	57,022	25.5	1,648,307	2,008,029	(359,722)	-17.9	1,629,520	18,787	1.2
Marketing Expense	2,693	21,856	(19,163)	-87.7	12,294	(9,601)	-78.1	378,061	418,246	(40,185)	-9.6	95,881	282,180	294.3
Professional Services	780,695	1,990,549	(1,209,853)	-60.8	1,016,064	(235,369)	-23.2	8,809,078	11,032,016	(2,222,938)	-20.1	4,646,761	4,162,318	89.6
Claim and Loss Expenses	(14,883)	(2,510)	(12,374)	493.0	36,381	(51,264)	-140.9	(152,790)	(10,034)	(142,755)	1422.7	25,013	(177,803)	-710.8
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	24,938	(23,641)	48,579	-205.5	13,444	11,494	85.5	(46,247)	(144,888)	98,641	-68.1	(165,648)	119,401	-72.1
Overhead Allocation	(15,887)	(15,907)	20	-0.1	(10,628)	(5,259)	49.5	(70,444)	(108,039)	37,594	-34.8	(75,295)	4,850	-6.4
<b>Total Operating Expense</b>	<b>3,393,162</b>	<b>4,737,113</b>	<b>(1,343,951)</b>	<b>-28.4</b>	<b>3,574,351</b>	<b>(181,188)</b>	<b>-5.1</b>	<b>23,889,801</b>	<b>28,565,353</b>	<b>(4,675,553)</b>	<b>-16.4</b>	<b>19,433,721</b>	<b>4,456,079</b>	<b>22.9</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>1,542,026</b>	<b>(16,416)</b>	<b>1,558,441</b>	<b>-9493.6</b>	<b>1,648,081</b>	<b>(106,056)</b>	<b>-6.4</b>	<b>8,747,266</b>	<b>(588,905)</b>	<b>9,336,172</b>	<b>-1585.3</b>	<b>11,178,416</b>	<b>(2,431,150)</b>	<b>-21.7</b>
Net Grant (Income) Expense														
Grant Revenue	(16,085,877)	(11,407,567)	(4,678,310)	41.0	(18,631,113)	2,545,236	-13.7	(90,673,343)	(83,599,402)	(7,073,941)	8.5	(164,148,377)	73,475,034	-44.8
Grant Expense	14,946,057	11,013,014	3,933,044	35.7	20,174,196	(5,228,139)	-25.9	78,687,682	70,282,004	8,405,678	12.0	158,112,209	(79,424,527)	-50.2
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>(1,139,820)</b>	<b>(394,553)</b>	<b>(745,267)</b>	<b>188.9</b>	<b>1,543,083</b>	<b>(2,682,903)</b>	<b>-173.9</b>	<b>(11,985,660)</b>	<b>(13,317,398)</b>	<b>1,331,738</b>	<b>-10.0</b>	<b>(6,036,168)</b>	<b>(5,949,493)</b>	<b>98.6</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>2,681,846</b>	<b>378,138</b>	<b>2,303,708</b>	<b>609.2</b>	<b>104,998</b>	<b>2,576,848</b>	<b>2454.2</b>	<b>20,732,927</b>	<b>12,728,493</b>	<b>8,004,434</b>	<b>62.9</b>	<b>17,214,584</b>	<b>3,518,343</b>	<b>20.4</b>
Other Non-Operating (Income) Expense	3,235,286	-	3,235,286	0.0	(310,727)	3,546,012	-1141.2	9,412,096	-	9,412,096	0.0	(348,332)	9,760,428	-2802.0
<b>Net Income (Loss)</b>	<b>(553,440)</b>	<b>378,138</b>	<b>(931,577)</b>	<b>-246.4</b>	<b>415,725</b>	<b>(969,165)</b>	<b>-233.1</b>	<b>11,320,831</b>	<b>12,728,493</b>	<b>(1,407,662)</b>	<b>-11.1</b>	<b>17,562,916</b>	<b>(6,242,085)</b>	<b>-35.5</b>
IFA Home Dept Staff Count	84	92	(8)	-8.7	83	1	1.2	84	93	(9)	-9.9	81	2	2.9
FTE Staff Count	83	90	(8)	-8.5	82	0	0.5	83	91	(8)	-9.1	81	2	2.5

Balance Sheet	Housing Authority (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	440,735,380	384,090,105	56,645,275	14.7	179,607,023	261,128,357	145.4
Investments	827,000	170,000	657,000	386.5	-	827,000	0.0
Mortgage Backed Securities	913,580,031	873,959,514	39,620,517	4.5	810,464,031	103,116,000	12.7
Line of Credit	26,449,440	20,843,769	5,605,671	26.9	24,601,538	1,847,902	7.5
Loans - net of reserve for losses	121,075,558	129,284,323	(8,208,765)	-6.3	118,410,179	2,665,379	2.3
Capital Assets (net of accumulated depreciation)	14,538,692	14,546,450	(7,759)	-0.1	14,062,694	475,997	3.4
Other Assets	28,511,713	28,072,046	439,666	1.6	26,996,614	1,515,099	5.6
Deferred Outflows	9,109,192	12,601,380	(3,492,188)	-27.7	12,751,293	(3,642,101)	-28.6
<b>Total Assets and Deferred Outflows</b>	<b>1,554,827,005</b>	<b>1,463,567,588</b>	<b>91,259,418</b>	<b>6.2</b>	<b>1,186,893,373</b>	<b>367,933,632</b>	<b>31.0</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	858,910,335	846,409,757	12,500,578	1.5	723,234,337	135,675,997	18.8
Interest Payable	7,583,835	8,985,288	(1,401,454)	-15.6	7,072,360	511,475	7.2
Unearned Revenue	228,536,698	143,952,617	84,584,081	58.8	7,954,874	220,581,825	2772.9
Escrow Deposits	10,935,134	9,684,025	1,251,109	12.9	9,537,882	1,397,253	14.6
Reserves for Claims	2,099,554	1,937,751	161,803	8.4	1,883,153	216,401	11.5
Accounts Payable & Accrued Liabilities	7,047,654	6,752,212	295,442	4.4	6,572,633	475,021	7.2
Other liabilities	11,813,565	16,226,385	(4,412,820)	-27.2	14,851,131	(3,037,566)	-20.5
Deferred Inflows	2,666,990	1,684,867	982,123	58.3	3,129,526	(462,536)	-14.8
<b>Total Liabilities and Deferred Inflows</b>	<b>1,129,593,765</b>	<b>1,035,632,902</b>	<b>93,960,863</b>	<b>9.1</b>	<b>774,235,894</b>	<b>355,357,871</b>	<b>45.9</b>
<b>Equity</b>							
YTD Earnings(Loss)	11,320,831	12,728,493	(1,407,662)	-11.1	17,562,916	(6,242,085)	-35.5
Prior Years Earnings	413,911,609	415,206,192	(1,294,583)	-0.3	395,114,563	18,797,047	4.8
Transfers	-	-	-	0.0	(20,000)	20,000	-100.0
<b>Total Equity</b>	<b>425,232,440</b>	<b>427,934,685</b>	<b>(2,702,245)</b>	<b>-0.6</b>	<b>412,657,478</b>	<b>12,574,962</b>	<b>3.0</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,554,826,205</b>	<b>1,463,567,588</b>	<b>91,258,618</b>	<b>6.2</b>	<b>1,186,893,373</b>	<b>367,932,832</b>	<b>31.0</b>

IOWA FINANCE AUTHORITY  
RESERVE FOR LOAN LOSS ANALYSIS

December 31, 2021					
Series	Description	Principal	Reserve %	Reserve \$	Loans, Net of Reserve
001-010	General Fund	381,418	0%	-	381,418
	Performing first mortgage loans	1,392,987	0%	-	
	Performing less than first mortgage loans	60,388	5%	3,019	
100-053	Single Family	1,453,375	0%	3,000	1,450,375
	Single Family Second Mortgage Loans	13,064,050	1%	98,000	12,966,050
	Performing first mortgage loans	24,453,753	0%	-	
	Impaired first mortgage loans:				
	MF-09-004P - SA Roosevelt LP	1,513,851	25%	378,463	
	MF-08-003 - Welch Hotel	406,321	25%	101,580	
	MF-08-005 - Maquoketa Housing	208,502	25%	52,125	
	MF-07-001 - Humility of Mary Shelter	770,100	100%	770,100	
	Performing less than first mortgage loans	237,816	5%	11,891	
	Cash Flow Loans:				
	MF-02-003B -West Cap Santa Clara, LLC	13,447	25%	3,362	
200-005	MF Program	27,603,790	5%	1,318,000	26,285,790
200-007	MF 2007 AB	18,918,559	0%	-	18,918,559
200-009	MF 2008 A	3,221,683	0%	-	3,221,683
200-011	MF FHLB 1	9,721,036	0%	-	9,721,036
200-100	MF FHLB 2018	1,492,738	0%	-	1,492,738
	Performing first mortgage loans	311,290	0%	-	
	Impaired first mortgage loans:				
	MF-03-002 - Marsh Place, L.P.	277,581	25%	69,395	
	Performing less than first mortgage loans	994,599	5%	49,730	
	Impaired Loans:				
	MF-08-004 - Welch Hotel	182,416	25%	45,604	
	MF-08-006 - Maquoketa Housing	93,950	25%	23,487	
	IHC-95-034 - Countryside Assoc of Manchester	45,000	100%	45,000	
	Cash Flow Loans:				
	MF-15-004 - Twin Oaks Manor	218,509	100%	218,509	
	IHC-03-001 - Stout Place	64,201	100%	64,201	
500-047	State Housing Trust Fund	2,187,639	24%	516,000	1,671,639
500-049	Senior Living Trust Fund	6,150,551	0%	-	6,150,551
	Performing first mortgage loans	1,362,063	0%	-	
	Performing less than first mortgage loans	145,642	5%	7,282	
500-050	Home and Community Based Trust	1,507,706	0%	7,000	1,500,706
	Performing first mortgage loans	397,622	0%	-	
	Impaired loans:				
	TH-06-001 - The Way Home I, LLP	387,784	25%	96,946	
500-051	Transitional Housing Trust	785,405	12%	97,000	688,405
500-057	Tax Credit Assistance Proram (TCAP)	17,975,692	100%	17,976,000	(308)
	Risk Category 1 - fully amortizing	2,833,521	5%	138,726	
	Risk Category 2 - partially amortizing with balloon	36,779,107	50%	18,389,554	
	Risk Category 3 - interest only with balloon	5,169,406	55%	2,843,173	
	Risk Category 4 - less than interest only with balloon	5,526,780	60%	3,316,068	
	Risk Category 5 - cash flow loans	3,767,468	70%	2,637,228	
	Risk Category 6 - no payment loans with balloon	14,922,032	75%	11,191,524	
	Risk Category 7 & 8 CHDO & Forgivable	40,701,164	100%	40,701,164	
500-058	HOME	109,699,633	72%	79,217,000	30,482,633
	Performing first mortgage loans	157,451	0%	-	
	Forgivable Loans				
	CH-17-001B Hope Haven Development Ctr.	120,000	100%	120,000	
	CH-19-001B Hope Haven Development Ctr.	297,500	100%	297,500	
	CH-19-002B Hope Haven Development Ctr.	174,700	100%	174,700	
500-062	Community Housing and Services	749,651	79%	592,000	157,651
600-174	Ag Loan Participating Program IFA Loans	189,369	1%	2,000	187,369
	Performing participation loans	5,674,136	1%	56,741	
	Impaired participation loans:				
	AG-P0275 - Northwest Bank	139,128	40%	55,651	
600-635	Ag Development	5,813,264	2%	112,000	5,701,264
Total Housing Authority Loans		220,915,558		99,938,000	120,977,558

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2021	Additional Funding	Total Disb	Deallocated Funds/Error Corrections	Commitment Balance
<b>Local Housing Trust Fund Grant (FY19)</b>							
City of Dubuque Housing Trust Fund	19-LHTF-05	147,046	47,682		(47,682)		-
Chariton Valley Regional Housing Trust Fund, Inc.	19-LHTF-15	196,789	61,317		(61,317)		-
Northwest Iowa Regional Housing Trust Fund, Inc.	19-LHTF-16	312,551	263,304		(263,304)		-
Great River Housing, Inc.	19-LHTF-18	284,649	132,657		(98,000)		34,657
Story County Housing Trust	19-LHTF-19	216,928	66,809		(66,809)		-
Housing Fund for Linn County	19-LHTF-21	369,033	69,428		(69,428)		0
East Central Iowa Housing Trust Fund	19-LHTF-24	255,966	12,180		(12,180)		-
Western Iowa Community Improvement Regional Housing Trust Fund	19-LHTF-25	241,098	64,502		(49,879)		14,623
<b>Subtotal</b>		2,024,060	717,879		(668,599)	-	49,280
<b>Local Housing Trust Fund Grant (FY20)</b>							
NIACOG Housing Trust Fund, Inc.	20-LHTF-01	207,431	20,312		(20,312)		0
Northwest Iowa Regional Housing Trust Fund, Inc.	20-LHTF-02	273,539	273,539		-		273,539
Sioux City Housing Trust Fund, Inc.	20-LHTF-04	153,550	92,144		(92,144)		-
Waterloo Housing Trust Fund	20-LHTF-06	139,986	81,540		(81,540)		-
AHEAD Regional Housing Trust Fund	20-LHTF-07	246,599	20,962		(20,962)		(0)
Northeast Iowa Regional Housing Trust Fund	20-LHTF-08	229,763	15,280		(15,280)		0
Region 6 Housing Trust Fund	20-LHTF-09	240,120	70,075		(67,699)		2,376
City of Dubuque Housing Trust Fund	20-LHTF-10	129,755	87,306		-		87,306
Chariton Valley Regional Housing Trust Fund, Inc.	20-LHTF-11	185,559	176,339		(176,339)		-
Great River Housing, Inc.	20-LHTF-12	252,333	252,333		(126,333)		126,003
Western Iowa Community Improvement Regional Housing Trust Fund	20-LHTF-13	219,234	165,796		(12,490)		153,306
Iowa Northland Regional Housing Council LHTF	20-LHTF-14	252,996	95,779		(95,779)		0
Pottawattamie County Housing Trust Fund Inc (Council Bluffs HTF)	20-LHTF-15	193,500	20,835		(20,835)		0
East Central Iowa Housing Trust Fund	20-LHTF-16	230,534	160,143		(57,378)		102,765
Heart of Iowa Regional Housing Trust Fund	20-LHTF-17	201,002	155,316		(84,583)		70,733
Eastern Iowa Regional Housing Corporation Housing Trust Fund	20-LHTF-18	284,181	52,636		(52,636)		(0)
Housing Trust Fund of Johnson County	20-LHTF-19	229,338	39,313		(39,313)		-
Council of Governments Housing, Inc.	20-LHTF-20	220,937	189,474		(46,643)		142,831
Southwest Iowa Housing Trust Fund, Inc.	20-LHTF-21	235,712	10,006		(1,175)		8,831
Housing Fund for Linn County	20-LHTF-24	305,665	242,205		(60,894)		181,311
Scott County Housing Council	20-LHTF-25	347,571	85,915		(85,915)		0
Dallas County Local Housing Trust Fund, Inc.	20-LHTF-26	167,828	54,620		(23,029)		31,591
Story County Housing Trust	20-LHTF-27	190,065	190,065		(26,737)		163,328
<b>Subtotal</b>		5,137,198	2,551,932		(1,208,412)	-	1,343,520
<b>Local Housing Trust Fund Grant (FY21)</b>							
Homeward HTF	21-LHTF-01	283,686	224,012		(127,794)		96,218
Northeast Iowa Regional HTF	21-LHTF-02	246,555	246,555		(216,428)		30,127
NIACOG HTF	21-LHTF-03	219,522	219,522		(48,758)		170,764
Northwest Iowa Regional HTF, Inc	21-LHTF-04	299,547	299,547		-		299,547
Waterloo HTF	21-LHTF-05	153,667	135,236		(14,869)		120,367
Southwest Iowa HTF, Inc	21-LHTF-06	253,756	188,374		(114,050)		74,324
Sioux City HTF, Inc	21-LHTF-07	170,087	170,087		-		170,087
Region 6 HTF	21-LHTF-08	259,092	259,092		(92,995)		166,097
Pottawattamie County HTF, Inc.	21-LHTF-09	212,132	211,615		(50,475)		161,140
Iowa Northland Regional Housing Council LHTF	21-LHTF-10	274,680	247,212		(108,863)		138,349
AHEAD Regional HTF	21-LHTF-11	266,935	266,935		(245,455)		21,480
Eastern Iowa Regional Housing Corporation HTF	21-LHTF-12	312,429	279,403		(93,320)		186,083
HTF of Johnson County	21-LHTF-13	255,514	214,963		-		214,963
Chariton Valley Regional HTF, Inc.	21-LHTF-14	193,046	193,046		-		193,046
Heart of Iowa Regional HTF	21-LHTF-15	211,739	211,739		-		211,739
Dallas County LHTF, Inc.	21-LHTF-16	181,055	181,055		(50,065)		130,990
Housing Fund for Linn County	21-LHTF-17	347,910	347,910		-		347,910
City of Dubuque HTF	21-LHTF-18	141,283	141,283		-		141,283
Story County Housing Trust	21-LHTF-19	207,973	207,973		-		207,973
Central Iowa HTF	21-LHTF-20	314,084	289,084		(60,956)		228,128
East Central Iowa HTF	21-LHTF-21	247,489	247,489		-		247,489
Western Iowa Community Improvement Regional HTF	21-LHTF-22	233,810	233,810		-		233,810
Scott County Housing Council	21-LHTF-23	389,164	248,172		(162,860)		85,311
Council of Governments Housing, Inc.	21-LHTF-24	235,872	235,872		-		235,872
Great River Housing, Inc.	21-LHTF-25	273,877	273,877		-		273,877
Southern Iowa COG HFT	21-LHTF-26	229,482	229,482		(118,444)		111,038
Polk County HTF	21-LHTF-27	600,236	446,486		(394,774)		51,712
<b>Subtotal</b>		7,014,622	6,449,830		(1,900,108)	-	4,549,723
<b>Project Based Grant (FY21)</b>							
Habitat for Humanity of Marion County Inc	21-PBHP-01	50,000	50,000		-		50,000
Habitat for Humanity of North Central Iowa	21-PBHP-02	50,000	50,000		-		50,000
Habitat for Humanity of Iowa - Disaster Assistance Grant	HI 19-26	100,000	100,000		(100,000)		-
<b>Subtotal</b>		200,000	200,000		(100,000)	-	100,000
<b>General Fund Homes for Iowa</b>							
Homes for Iowa RUN Thru MF CKG	HI 19-10	1,200,000	420,000		(420,000)		-
<b>Subtotal</b>		1,200,000	420,000		(420,000)	-	-
<b>Shelter Assistance Fund (2019)</b>							
Crisis Intervention Services	SAF-62003-19	33,271	1,777		-	(1,777)	-
Dubuque Community YMCA/YWCA	SAF-31022-19	40,185	40,185		-	(40,185)	-
Family Resources, Inc	SAF-82030-19	90,111	30,666		-	(30,666)	-
Muscatine Center for Social Action	SAF-70001-19	69,268	2,256		-	(2,256)	-
Youth Emergency Services & Shelter	SAF-77026-19	16,040	5,995		-	(5,995)	-

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2021	Additional Funding	Total Disb	Deallocated Funds/Error Corrections	Commitment Balance
<b>Subtotal</b>		248,875	80,879	-	-	(80,879)	-
<b>Shelter Assistance Fund (2020)</b>							
Beacon of Life	SAF-77111-20	25,168	4,203	-	-	(4,203)	-
Council on Sexual Assault & Domestic Violence	SAF-97002-20	32,742	25	-	-	(25)	-
Crisis Intervention Services	SAF-62003-20	30,691	2,647	-	-	(2,647)	-
Youth Emergency Services & Shelter	SAF-77026-20	13,781	5,615	-	-	(5,615)	-
<b>Subtotal</b>		102,382	12,490	-	-	(12,490)	-
<b>Shelter Assistance Fund (2021)</b>							
Beacon of Life	SAF-77111-21	27,102	8,637	-	(8,637)	-	-
Catholic Council for Social Concern dba Catholic Charities	SAF-78020-21	45,493	18,281	-	(18,281)	-	-
Center For Siouxland	SAF-97001-21	47,784	17,054	-	(17,054)	-	-
Central Iowa Shelter & Services	SAF-77129-21	75,378	71,031	-	-	-	71,031
Community Kitchen of North Iowa, Inc.	SAF-17003-21	21,319	5,550	-	(5,550)	-	-
Council on Sexual Assault & Domestic Violence	SAF-97002-21	35,258	11,942	-	(11,942)	-	-
Crisis Intervention Services	SAF-62003-21	33,049	16,204	-	(11,858)	-	4,346
Domestic/Sexual Assault Outreach Ctr	SAF-94001-21	37,222	19,835	-	(18,560)	-	1,275
Domestic Violence Intervention Program	SAF-52001-21	53,841	17,060	-	(17,060)	-	-
Family Promise of Greater Des Moines	SAF-77194-21	19,834	4,724	-	(4,724)	-	-
Family Resources, Inc	SAF-82030-21	53,841	34,879	-	(13,677)	-	21,202
Fort Dodge Housing Agency	SAF-94013-21	13,723	7,848	-	(6,752)	-	1,096
Foundation 2, Inc.	SAF-57003-21	14,556	8,531	-	(7,444)	-	1,087
Hawthorn Hill	SAF-77013-21	39,305	20,565	-	(20,565)	-	-
Humility Homes and Services, Inc	SAF-82003-21	107,683	107,683	-	(107,683)	-	-
Institute for Community Alliances	SAF-2021	63,800	30,003	-	(21,698)	-	8,305
MICAH House	SAF-78002-21	77,435	45,175	-	(38,712)	-	6,463
Muscatine Center for Social Action	SAF-70001-21	75,378	43,983	-	(43,957)	-	26
New Visions Homeless Services	SAF-78017-21	179,766	102,976	-	(100,743)	-	2,233
The Salvation Army of Waterloo/Cedar Falls	SAF-07005-21	43,386	3,835	-	(3,835)	-	-
Shelter House	SAF-52003-21	102,299	102,299	-	(102,299)	-	-
Shelter Housing Corporation dba Emergency Residence Project	SAF-85002-21	48,457	32,989	-	(30,605)	-	2,384
<b>Subtotal</b>		1,215,909	731,084	-	(611,636)	-	119,448
<b>Emergency Solutions Grant Program (FFY 2018 in CY 2019)</b>							
Central Iowa Shelter & Services	ESG 77129-19	86,858	5,319	-	-	(5,319)	-
Domestic Violence Intervention Program	ESG-52001-19	84,752	68	-	-	(68)	-
Home Opportunities Made Easy (HOME INC)	ESG 77014-19	45,500	113	-	-	(113)	-
Iowa Legal Aid	ESG 77054-19	80,900	3,680	-	-	(3,680)	-
Muscatine Center for Social Action	ESG 70001-19	64,746	5,317	-	-	(5,317)	-
NIAD Center for Human Development	ESG 17001-19	76,500	892	-	-	(892)	-
The Salvation Army of the Quad Cities	ESG 82005-19	80,250	11,700	-	-	(11,700)	-
West Des Moines Human Services	ESG 77029-19	38,750	3	-	-	(3)	-
Willis Dady Emergency Shelter	ESG 57010-19	128,824	0	-	-	(0)	-
Youth and Shelter Services, Inc.	ESG 85003-19	58,167	354	-	-	(354)	-
YWCA Clinton	ESG 23009-19	130,500	10,566	-	-	(10,566)	-
<b>Subtotal</b>		875,747	38,011	-	-	(38,011)	-
<b>Emergency Solutions Grant Program (FFY 2019 in CY 2020)</b>							
Cedar Valley Friends of the Family	ESG 09001-20	106,962	168	-	-	(168)	-
Central Iowa Shelter & Services	ESG 77129-20	70,179	6	-	-	(6)	-
Community Action Agency of Siouxland	ESG-97005-20	59,131	26,178	-	-	(26,178)	-
Community Action of Southeast Iowa	ESG 29001-20	47,243	3,025	-	-	(3,025)	-
Family Resources, Inc.	ESG 82030-20	72,691	1	-	-	(1)	-
Home Opportunities Made Easy (HOME INC)	ESG 77014-20	37,366	295	-	-	(295)	-
Muscatine Center for Social Action	ESG 70001-20	36,683	422	-	-	(422)	-
Upper Des Moines Opportunity, Inc.	ESG 74003-20	143,403	5,054	-	-	(5,054)	-
Youth and Shelter Services, Inc.	ESG 85003-20	103,905	28,916	-	-	(28,916)	-
YWCA Clinton	ESG 23009-20	138,586	7	-	-	(7)	-
<b>Subtotal</b>		816,149	64,072	-	-	(64,072)	-
<b>Emergency Solutions Grant Program (FFY 2020 in CY 2021)</b>							
Assault Care Center Extending Shelter and Support (ACCESS)	ESG 85001-21	96,611	68,934	-	(47,000)	-	21,934
Central Iowa Shelter & Services	ESG 77129-21	75,462	74,614	-	-	-	74,614
Children & Families of Iowa (CFI)	ESG-77193-21	69,426	3,144	-	(1,782)	-	1,362
Community Action Agency of Siouxland	ESG-97005-21	63,584	45,063	-	(41,932)	-	3,131
Community Action of Southeast Iowa	ESG 29001-21	50,800	32,702	-	(10,032)	-	22,670
Community Solutions of Eastern Iowa (East Central Development Corp)	ESG-31024-21	150,243	99,338	-	(82,134)	-	17,204
Crisis Intervention & Advocacy Center	ESG 25001-21	112,683	86,751	-	(75,566)	-	11,185
Domestic Violence Intervention Program	ESG-52001-21	92,564	49,450	-	(45,926)	-	3,524
Family Crisis Centers	ESG-84003-21	87,723	35,008	-	(33,424)	-	1,584
Family Resources, Inc.	ESG 82030-21	78,164	55,081	-	(7,382)	-	47,699
Friends of the Family (Cedar Valley)	ESG-09001-21	115,015	91,343	-	(72,185)	-	19,158
Hawkeye Area Community Action Prog.	ESG-00005-21	135,219	133,549	-	(44,630)	-	88,919
Heartland Family Service (HFS)	ESG 78018-21	169,330	144,097	-	(89,332)	-	54,765
HOME	ESG-77014-21	40,179	26,986	-	(2,105)	-	24,881
Humility Homes and Services, Inc	ESG-82003-21	44,090	44,090	-	(32,616)	-	11,474
Institute for Community Alliances	ESG-2021	55,000	29,008	-	(18,813)	-	10,195
Iowa Legal Aid	ESG 77054-21	81,278	22,247	-	(22,247)	-	-

**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2021	Additional Funding	Total Disb	Deallocated Funds/Error Corrections	Commitment Balance
Muscatine Center for Social Action	ESG-70001-21	39,445	21,267		(16,426)		4,841
NIAD Center for Human Development	ESG-17001-21	76,075	13,506		(13,506)		-
Shelter House Community Shelter and Transition Services	ESG-52003-21	77,454	55,055		-		55,055
Shelter Housing Corporation-Emergency Residence Project	ESG-85002-21	75,065	-		(25,634)		-
The Salvation Army of the Quad Cities	ESG-82005-21	98,074	62,141		(4,448)		57,693
Upper Des Moines Opportunity, Inc	ESG-74003-21	154,200	133,719		(129,620)		4,099
Waypoint Services	ESG 57007-21	182,445	111,770		(104,840)		6,930
West Des Moines Human Services	ESG 77029-21	113,343	79,655		(76,069)		3,586
Willis Dady Emergency Shelter	ESG 57010-21	121,504	72,665		(72,400)		265
YWCA Clinton	ESG 23009-21	149,020	75,288		(72,095)		3,193
Youth and Shelter Services, Inc.	ESG 85003-21	111,728	79,473		(33,035)		46,438
<b>Subtotal</b>		<b>2,543,651</b>	<b>1,628,030</b>		<b>(1,175,179)</b>	<b>-</b>	<b>596,399</b>

**Emergency Solutions Grant Program (Cares Funding)**

Area Substance Abuse Council	ESG-CV2-57001-20	44,629	27,209		(24,247)		2,962
Assault Care Center Extending Shelter & Support (ACCESS)	ESG-CV-85001-20	44,923	7,506		(7,506)		-
Assault Care Center Extending Shelter & Support (ACCESS)	ESG-CV2-85001-20	77,000	41,914		(25,299)		16,615
Catherine McAuley Center	ESG-CV2-57002-20	35,500	9,347		(9,347)		-
Catholic Council for Social Concern	ESG-CV2-78020-20	54,000	33,556		(33,556)		-
Children & Families of Iowa	ESG-CV2-77193-20	40,000	23,956		(21,917)		2,039
Central Iowa Shelter & Services	ESG-CV-77129-20	417,931	230,281		(95,379)		134,902
Central Iowa Shelter & Services	ESG-CV2-77129-20	723,996	652,543		-		652,543
City of Sioux City	ESG-CV-97077-20	63,531	26,316		(16,260)		10,056
City of Sioux City	ESG-CV2-97077-20	148,648	124,332	33,290	(53,654)		103,968
Community Action Agency of Siouxland	ESG-CV-97005-20	29,566	18,235		(16,263)		1,972
Community Action Agency of Siouxland	ESG-CV2-97005-20	18,915	10,676		(10,676)		-
Community Action of Southeast Iowa	ESG-CV-29001-20	23,621	8,947		(8,928)		3,119
Council on Sexual Assault and Domestic Violence	ESG-CV-97002-20	16,371	15,521		(15,220)		301
Council on Sexual Assault and Domestic Violence	ESG-CV2-97002-20	20,000	11,500		(11,500)		-
Crisis Intervention & Advocacy Center	ESG-CV-25001-20	426,959	243,884		(144,275)		99,609
Crisis Intervention & Advocacy Center	ESG-CV2-25001-20	333,518	333,518		(42,943)		290,575
Community Solutions of Eastern Iowa	ESG-CV-31024-20	427,776	100,385		(77,427)		22,958
Community Solutions of Eastern Iowa	ESG-CV2-31024-20	225,000	193,160		(64,918)		128,242
Cedar Valley Friends of the Family	ESG-CV-09001-20	876,142	593,440		(52,998)		70,442
Cedar Valley Friends of the Family	ESG-CV2-09001-20	685,685	658,842		(36,735)		622,107
Domestic/Sexual Assault Outreach Center	ESG-CV2-94001-20	22,000	13,563		(13,356)		3,207
Domestic Violence Intervention Program	ESG-CV-52001-20	323,059	122,089		(73,538)		48,551
Domestic Violence Intervention Program	ESG-CV2-52001-20	419,864	327,090	94,000	(87,692)		333,398
Family Crisis Centers, Inc	ESG-CV-84003-20	248,284	101,467		(99,386)		2,081
Family Crisis Centers, Inc	ESG-CV2-84003-20	204,756	204,756	100,000	(169,917)		134,839
Family Promise of Greater Des Moines	ESG-CV2-77194-20	18,575	5,562		(5,562)		-
Family Resources, Inc.	ESG-CV-82030-20	157,745	105,055		(72,205)		32,850
Family Resources, Inc.	ESG-CV2-82030-20	217,692	177,006		(104,529)		72,477
Hawkeye Area Community Action Program	ESG-CV-00005-20	301,168	42,168		(42,168)		-
Hawkeye Area Community Action Program	ESG-CV2-00005-20	210,885	210,885		(112,490)		98,395
Heartland Family Service	ESG-CV-78018-20	307,186	236,150		(111,880)		124,270
Heartland Family Service	ESG-CV2-78018-20	171,093	162,869		(25,471)		137,398
Home Opportunities Made Easy (HOME)	ESG-CV-77014-20	643,478	292,498		(208,489)		84,009
Home Opportunities Made Easy (HOME)	ESG-CV2-77014-20	556,329	379,780	210,000	(88,560)		501,220
Humility Homes and Services, Inc	ESG-CV-82003-20	377,476	186,502		(132,172)		54,330
Humility Homes and Services, Inc	ESG-CV2-82003-20	473,335	281,220		(41,803)		239,417
Institute for Community Alliances	ESG-CV-20	287,248	242,946		(40,335)		202,611
Iowa Legal Aid	ESG-CV-77054-20	200,000	81,753		(75,735)		6,018
Lotus Community Project, Inc	ESG-CV2-94014-20	166,778	147,280	97,450	(166,663)		78,067
MICHA House Corp	ESG-CV-78002-20	35,955	11,443		(9,804)		1,639
MICAH House	ESG-CV2-78002-20	50,000	31,757		(27,033)		4,724
Muscatine Center for Social Action	ESG-CV-70001-20	203,113	96,479		(50,428)		46,051
Muscatine Center for Social Action	ESG-CV2-70001-20	340,568	333,631		(63,168)		270,463
New Visions Homeless Services	ESG-CV-78017-20	185,367	49,614		(22,930)		26,684
New Visions Homeless Services	ESG-CV2-78017-20	277,288	138,565		(117,686)		20,879
NAID Center for Human Development dba Crisis Intervention Service	ESG-CV-17001-20	35,374	1,313		(1,313)		-
Northern Lights Alliance for the Homeless	ESG-CV-17014-20	15,000	1,324		-		1,324
Northern Lights Alliance for the Homeless	ESG-CV2-17014-20	45,000	17,925		(10,016)		7,909
The Salvation Army Quad Cities Family Services	ESG-CV-82005-20	302,920	18,797		(18,797)		-
The Salvation Army Quad Cities Family Services	ESG-CV2-82005-20	304,119	126,649		(50,317)		76,332
Transitions DMC, Inc	ESG-CV-29003-20	125,000	(2,600)		-		(2,600)
Transitions DMC, Inc	ESG-CV2-29003-20	40,000	14,700		(12,100)		2,600
Shelter House Community Shelter and Transition Services	ESG-CV-52003-20	760,589	401,377		(87,748)		313,629
Shelter House Community Shelter and Transition Services	ESG-CV2-52003-20	802,880	571,261		(97,680)		473,581
Waypoint Services	ESG-CV-57007-20	1,415,056	674,598		(287,124)		387,474
Waypoint Services	ESG-CV2-57007-20	1,248,785	1,109,439	314,320	(145,263)		1,278,496
West Des Moines Human Services	ESG-CV-77029-20	52,703	52,703		-	(52,703)	-
Willis Dady Emergency Shelter	ESG-CV-57010-20	78,965	56,022		(38,544)		17,478
Willis Dady Emergency Shelter	ESG-CVc-57010-20	132,214	132,214		(15,770)		116,444
Youth and Shelter Services, Inc.	ESG-CV-85003-20	51,953	25,276		-		25,276
Shelter Housing Corporation dba Emergency Residence Project	ESG-CV-85002-20	353,317	214,450		(207,766)		6,684
Shelter Housing Corporation dba Emergency Residence Project	ESG-CV2-85002-20	200,000	75,292	200,000	(160,904)		114,388
Upper Des Moines Opportunity, Inc	ESG-CV-74003-20	313,514	174,474		(144,240)		30,234
Upper Des Moines Opportunity, Inc	ESG-CV2-74003-20	215,314	213,609		(64,511)		149,098
City of Cedar Rapids	ESG-CV2-57011-20	150,000	-	150,000	(4,692)		145,308
<b>Subtotal</b>		<b>17,581,027</b>	<b>11,226,019</b>	<b>1,199,060</b>	<b>(4,538,041)</b>	<b>(52,703)</b>	<b>7,684,335</b>



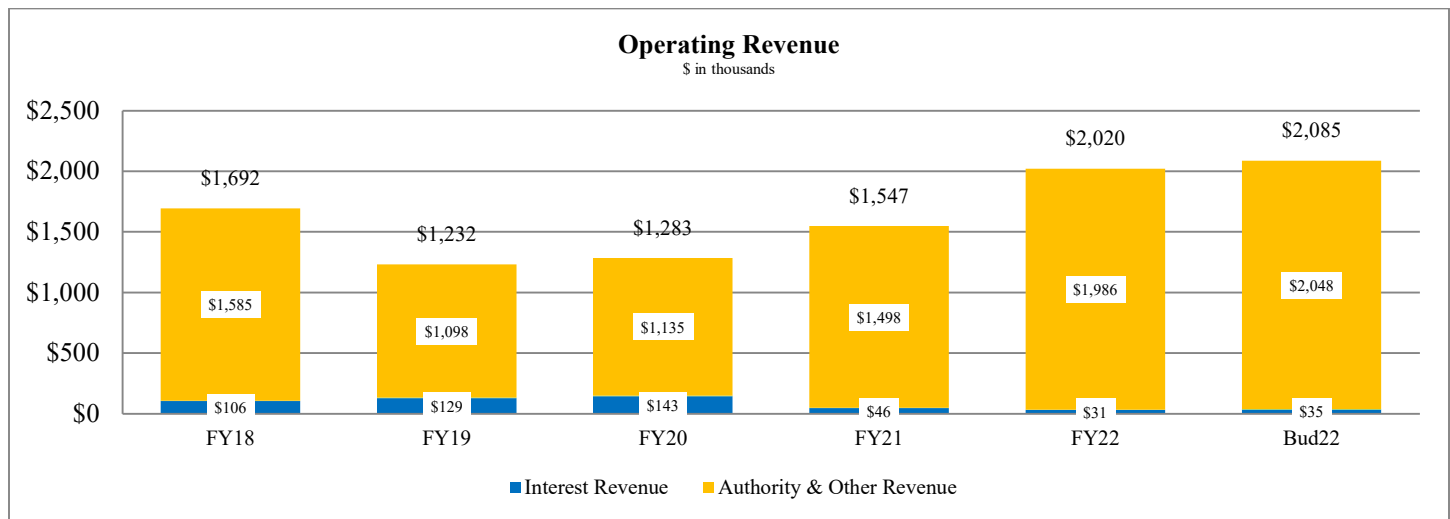
**Iowa Finance Authority  
Housing Agency Grant Commitments**

Grant Program	Grant #	Original Commitment	Balance 06/30/2021	Additional Funding	Total Disb	Deallocated Funds/Error Corrections	Commitment Balance
<b>HOPWA (FFY 2018 IN CY 2019)</b>							
University of Iowa	HOPWA 052-2019	131,952	1,682		-	(1,682)	-
Siouxland Community Health Center	HOPWA 097-2019	73,541	6,322		-	(6,322)	-
Primary Health Care Inc	HOPWA 077-2019	219,283	11		-	(11)	-
Cedar Valley Hospice	HOPWA 007-2019	33,706	4,134		-	(4,134)	-
The Project of the Quad Cities (AIDS Project Quad Cities)	HOPWA 082-2019	60,868	(30,556)		-		(30,556)
<b>Subtotal</b>		519,350	(18,406)		-	(12,150)	(30,556)
<b>HOPWA (FFY 2019 IN CY 2020)</b>							
Institute for Community Alliances	HOPWA Ia Ins 2020	17,140	2,229		-	(2,229)	-
University of Iowa	HOPWA 052-2020	152,933	2,096		-	(2,096)	-
Siouxland Community Health Center	HOPWA 097-2020	83,008	7,207		-	(7,207)	-
Primary Health Care Inc	HOPWA 077-2020	254,602	10,127		-	(10,127)	-
Cedar Valley Hospice	HOPWA 007-2020	39,037	2,454		-	(2,454)	-
The Project of the Quad Cities (AIDS Project Quad Cities)	HOPWA 082-2020	80,863	-		-	-	-
<b>Subtotal</b>		627,583	24,113		-	(24,113)	-
<b>HOPWA (FFY 2020 IN CY 2021)</b>							
		2,809					
Cedar Valley Hospice	HOPWA-007-2021	41,403	29,183		(16,505)		12,678
Institute for Community Alliances	HOPWA-2021	19,307	13,133		(3,643)		9,490
Primary Health Care Inc	HOPWA-077-2021	280,110	187,012		(119,387)		67,625
Siouxland Community Health Center	HOPWA -097-2021	97,236	97,236		(81,016)		16,220
University of Iowa	HOPWA-052-2021	162,509	95,771		(76,418)	23	19,376
The Project of the Quad Cities (AIDS Project Quad Cities)	HOPWA-082-2021	93,055	72,454		(56,549)		15,905
<b>Subtotal</b>		693,620	494,789		(353,518)	23	141,294
<b>HOPWA (Cares Funding)</b>							
Cedar Valley Hospice	HOPWA-CV-007-2020	6,275	1,604		-		1,604
Institute for Community Alliances	HOPWA-CV- 2020- 2021	2,809	2,526		(580)		1,946
Primary Health Care	HOPWA-CV-077-2020	40,930	30,426		(16,867)		13,559
University of Iowa	HOPWA-CV-052-2020	24,585	24,165		(13,739)	(23)	10,403
Siouxland Community Health Center	HOPWA-CV-097-2020	13,344	2,504		(2,403)		101
<b>Subtotal</b>		87,943	61,225		(33,589)	(23)	27,613

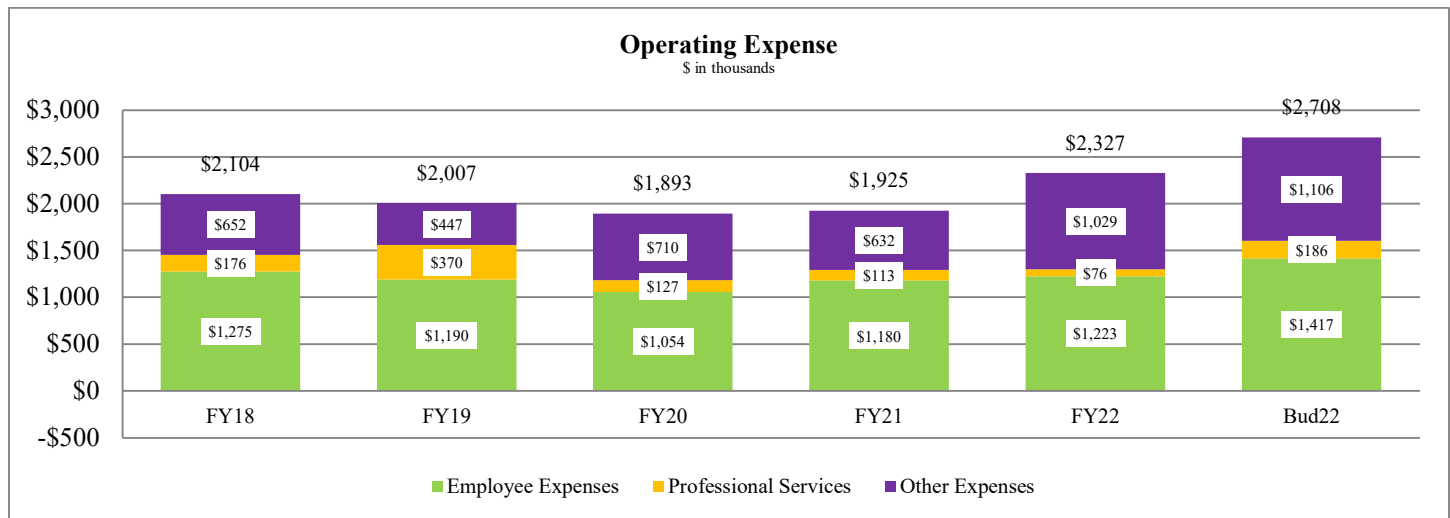
To: IFA Board of Directors  
 From: Karen Klinkefus  
 Date: January 14, 2022  
 Re: YTD December 2021 Financial Results

**Overhead Departments** (\$ in thousands)

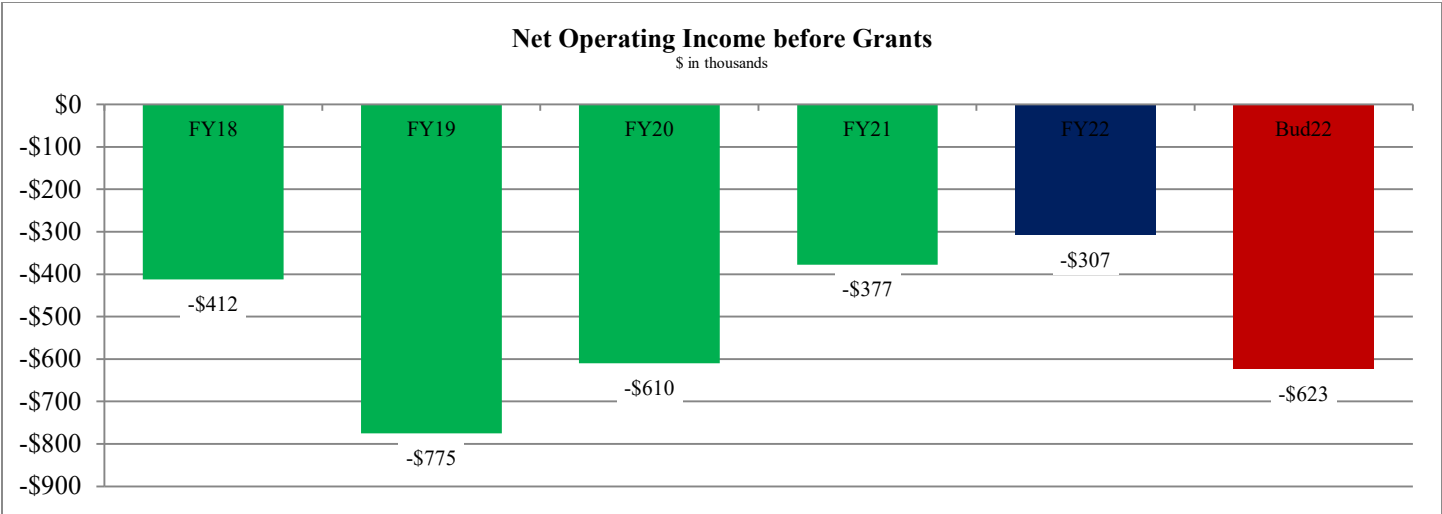
With the end of second quarter FY22, the Overhead departments are operating favorable to budget.



Operating Revenue was \$65 or 3.1% unfavorable to budget, but 30.5% favorable to last year. The Housing Conference was planned at a breakeven of \$215,000, but experienced lower attendance thus lower revenue.



Operating Expense was \$381 or 14.1% favorable to budget, but 20.9% unfavorable to last year. Shared Expenses, Employee Expenses, Professional Services and Marketing are favorable to budget.



As a result, NOIBG was \$316 or 50.8% favorable to budget and 18.7% favorable to last year.

**General Fund Liquidity**

The GF short term and total liquidity goals of \$2.8 million and \$11.0 million were \$11.4 million and \$12.5 million for December.

Income Statement	Overhead (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	5,233	5,581	(347)	-6.2	7,167	(1,933)	-27.0	31,232	34,549	(3,318)	-9.6	45,822	(14,590)	-31.8
Authority Revenue	-	-	-	0.0	-	-	0.0	1,168,151	1,128,955	39,196	3.5	976,140	192,011	19.7
Fee Revenue	750	500	250	50.0	400	350	87.4	2,871	3,000	(129)	-4.3	3,305	(434)	-13.1
Other Revenue	115,813	119,467	(3,653)	-3.1	83,638	32,176	38.5	817,470	918,560	(101,090)	-11.0	522,140	295,330	56.6
<b>Total Operating Revenue</b>	<b>121,797</b>	<b>125,548</b>	<b>(3,751)</b>	<b>-3.0</b>	<b>91,205</b>	<b>30,592</b>	<b>33.5</b>	<b>2,019,723</b>	<b>2,085,065</b>	<b>(65,342)</b>	<b>-3.1</b>	<b>1,547,407</b>	<b>472,316</b>	<b>30.5</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	(940)	-	(940)	0.0	-	(940)	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	205,792	237,119	(31,327)	-13.2	214,466	(8,674)	-4.0	1,222,820	1,416,746	(193,926)	-13.7	1,179,793	43,027	3.6
Shared Expenses	250,509	209,073	41,436	19.8	205,415	45,094	22.0	1,290,652	1,653,426	(362,773)	-21.9	1,317,926	(27,274)	-2.1
Marketing Expense	(2,143)	16,667	(18,810)	-112.9	11,446	(13,589)	-118.7	294,253	315,002	(20,749)	-6.6	91,936	202,318	220.1
Professional Services	3,848	68,471	(64,623)	-94.4	15,281	(11,433)	-74.8	76,171	185,824	(109,653)	-59.0	112,973	(36,801)	-32.6
Claim and Loss Expenses	-	-	-	0.0	(1,000)	1,000	-100.0	-	-	-	0.0	(2,000)	2,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(18,491)	(31,266)	12,776	-40.9	(25,978)	7,487	-28.8	(136,556)	(190,638)	54,082	-28.4	(240,850)	104,294	-43.3
Overhead Allocation	(116,716)	(83,811)	(32,905)	39.3	(68,966)	(47,751)	69.2	(419,806)	(672,112)	252,306	-37.5	(535,030)	115,224	-21.5
<b>Total Operating Expense</b>	<b>322,798</b>	<b>416,252</b>	<b>(93,454)</b>	<b>-22.5</b>	<b>350,664</b>	<b>(27,866)</b>	<b>-7.9</b>	<b>2,326,595</b>	<b>2,708,247</b>	<b>(381,652)</b>	<b>-14.1</b>	<b>1,924,747</b>	<b>401,848</b>	<b>20.9</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(201,001)</b>	<b>(290,704)</b>	<b>89,703</b>	<b>-30.9</b>	<b>(259,459)</b>	<b>58,458</b>	<b>-22.5</b>	<b>(306,872)</b>	<b>(623,182)</b>	<b>316,310</b>	<b>-50.8</b>	<b>(377,340)</b>	<b>70,469</b>	<b>-18.7</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(1,000,000)	1,000,000	-100.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>(1,000,000)</b>	<b>1,000,000</b>	<b>-100.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(201,001)</b>	<b>(290,704)</b>	<b>89,703</b>	<b>-30.9</b>	<b>(259,459)</b>	<b>58,458</b>	<b>-22.5</b>	<b>(306,872)</b>	<b>(623,182)</b>	<b>316,310</b>	<b>-50.8</b>	<b>622,660</b>	<b>(929,531)</b>	<b>-149.3</b>
Other Non-Operating (Income) Expense	5,637	-	5,637	0.0	446	5,191	1164.2	23,035	-	23,035	0.0	2,131	20,904	981.0
<b>Net Income (Loss)</b>	<b>(206,639)</b>	<b>(290,704)</b>	<b>84,066</b>	<b>-28.9</b>	<b>(259,905)</b>	<b>53,267</b>	<b>-20.5</b>	<b>(329,906)</b>	<b>(623,182)</b>	<b>293,275</b>	<b>-47.1</b>	<b>620,529</b>	<b>(950,435)</b>	<b>-153.2</b>
IFA Home Dept Staff Count	22	29	(7)	-24.1	25	(3)	-12.0	23	30	(7)	-22.3	25	(2)	-7.3
FTE Staff Count	18	22	(4)	-19.5	19	(1)	-6.7	18	23	(5)	-21.7	18	(1)	-3.8

Income Statement	010 - Admin													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	5,233	5,581	(347)	-6.2	7,167	(1,933)	-27.0	31,232	34,549	(3,318)	-9.6	45,822	(14,590)	-31.8
Authority Revenue	-	-	-	0.0	-	-	0.0	1,168,151	1,128,955	39,196	3.5	976,140	192,011	19.7
Fee Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>5,233</b>	<b>5,581</b>	<b>(347)</b>	<b>-6.2</b>	<b>7,167</b>	<b>(1,933)</b>	<b>-27.0</b>	<b>1,199,383</b>	<b>1,163,505</b>	<b>35,878</b>	<b>3.1</b>	<b>1,021,962</b>	<b>177,420</b>	<b>17.4</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	(940)	-	(940)	0.0	-	(940)	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	84,830	72,368	12,461	17.2	74,637	10,193	13.7	372,871	420,947	(48,076)	-11.4	361,352	11,519	3.2
Shared Expenses	213	1,895	(1,683)	-88.8	482	(269)	-55.9	28,252	37,045	(8,793)	-23.7	26,181	2,070	7.9
Marketing Expense	-	-	-	0.0	-	-	0.0	8,500	-	8,500	0.0	-	8,500	0.0
Professional Services	2,500	6,867	(4,367)	-63.6	2,508	(8)	-0.3	21,235	41,200	(19,966)	-48.5	14,697	6,538	44.5
Claim and Loss Expenses	-	-	-	0.0	(1,000)	1,000	-100.0	-	-	-	0.0	(2,000)	2,000	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(23,511)	23,511	-100.0
Overhead Allocation	(15,410)	(26,554)	11,143	-42.0	(19,389)	3,979	-20.5	(118,799)	(135,593)	16,794	-12.4	(112,708)	(6,091)	5.4
<b>Total Operating Expense</b>	<b>72,132</b>	<b>54,576</b>	<b>17,556</b>	<b>32.2</b>	<b>57,237</b>	<b>14,895</b>	<b>26.0</b>	<b>311,119</b>	<b>363,599</b>	<b>(52,480)</b>	<b>-14.4</b>	<b>264,011</b>	<b>47,107</b>	<b>17.8</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(66,898)</b>	<b>(48,995)</b>	<b>(17,903)</b>	<b>36.5</b>	<b>(50,070)</b>	<b>(16,829)</b>	<b>33.6</b>	<b>888,264</b>	<b>799,906</b>	<b>88,358</b>	<b>11.0</b>	<b>757,951</b>	<b>130,313</b>	<b>17.2</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(1,000,000)	1,000,000	-100.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>(1,000,000)</b>	<b>1,000,000</b>	<b>-100.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(66,898)</b>	<b>(48,995)</b>	<b>(17,903)</b>	<b>36.5</b>	<b>(50,070)</b>	<b>(16,829)</b>	<b>33.6</b>	<b>888,264</b>	<b>799,906</b>	<b>88,358</b>	<b>11.0</b>	<b>1,757,951</b>	<b>(869,687)</b>	<b>-49.5</b>
Other Non-Operating (Income) Expense	5,637	-	5,637	0.0	446	5,191	1164.2	23,035	-	23,035	0.0	2,131	20,904	981.0
<b>Net Income (Loss)</b>	<b>(72,535)</b>	<b>(48,995)</b>	<b>(23,540)</b>	<b>48.0</b>	<b>(50,515)</b>	<b>(22,020)</b>	<b>43.6</b>	<b>865,229</b>	<b>799,906</b>	<b>65,323</b>	<b>8.2</b>	<b>1,755,820</b>	<b>(890,591)</b>	<b>-50.7</b>
IFA Home Dept Staff Count	6	9	(3)	-29.4	6	-	0.0	6	9	(3)	-29.4	6	-	0.0
FTE Staff Count	5	6	(1)	-21.5	5	(0)	-8.6	5	6	(1)	-21.6	5	0	2.8

Income Statement	011 - Acctg & Finance													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	750	500	250	50.0	400	350	87.4	2,871	3,000	(129)	-4.3	3,305	(434)	-13.1
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>750</b>	<b>500</b>	<b>250</b>	<b>50.0</b>	<b>400</b>	<b>350</b>	<b>87.4</b>	<b>2,871</b>	<b>3,000</b>	<b>(129)</b>	<b>-4.3</b>	<b>3,305</b>	<b>(434)</b>	<b>-13.1</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	65,795	84,740	(18,945)	-22.4	79,205	(13,409)	-16.9	486,307	525,249	(38,942)	-7.4	483,216	3,090	0.6
Shared Expenses	51	1,005	(954)	-94.9	2,319	(2,268)	-97.8	139,625	155,590	(15,965)	-10.3	146,091	(6,466)	-4.4
Marketing Expense	-	-	-	0.0	-	-	0.0	420	-	420	0.0	-	420	0.0
Professional Services	(1,130)	7,270	(8,400)	-115.5	4,961	(6,092)	-122.8	15,033	43,620	(28,587)	-65.5	25,693	(10,660)	-41.5
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(21,844)	21,844	-100.0
Overhead Allocation	9,571	5,325	4,247	79.8	4,951	4,620	93.3	28,439	52,865	(24,426)	-46.2	42,179	(13,741)	-32.6
<b>Total Operating Expense</b>	<b>74,287</b>	<b>98,340</b>	<b>(24,053)</b>	<b>-24.5</b>	<b>91,437</b>	<b>(17,150)</b>	<b>-18.8</b>	<b>669,823</b>	<b>777,324</b>	<b>(107,500)</b>	<b>-13.8</b>	<b>675,336</b>	<b>(5,513)</b>	<b>-0.8</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(73,537)</b>	<b>(97,840)</b>	<b>24,302</b>	<b>-24.8</b>	<b>(91,037)</b>	<b>17,500</b>	<b>-19.2</b>	<b>(666,952)</b>	<b>(774,324)</b>	<b>107,371</b>	<b>-13.9</b>	<b>(672,031)</b>	<b>5,079</b>	<b>-0.8</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(73,537)</b>	<b>(97,840)</b>	<b>24,302</b>	<b>-24.8</b>	<b>(91,037)</b>	<b>17,500</b>	<b>-19.2</b>	<b>(666,952)</b>	<b>(774,324)</b>	<b>107,371</b>	<b>-13.9</b>	<b>(672,031)</b>	<b>5,079</b>	<b>-0.8</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(73,537)</b>	<b>(97,840)</b>	<b>24,302</b>	<b>-24.8</b>	<b>(91,037)</b>	<b>17,500</b>	<b>-19.2</b>	<b>(666,952)</b>	<b>(774,324)</b>	<b>107,371</b>	<b>-13.9</b>	<b>(672,031)</b>	<b>5,079</b>	<b>-0.8</b>
IFA Home Dept Staff Count	12	14	(2)	-14.3	14	(2)	-14.3	13	14	(1)	-8.1	14	(1)	-6.0
FTE Staff Count	8	8	0	3.3	8	(0)	-5.5	8	8	0	1.8	8	(0)	-4.1

Income Statement	014 - Information Technology													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	29,676	39,293	(9,617)	-24.5	40,483	(10,807)	-26.7	203,529	223,861	(20,332)	-9.1	212,543	(9,014)	-4.2
Shared Expenses (a)	1,559	70	1,489	2126.9	61	1,498	2460.5	1,863	420	1,443	343.7	419	1,445	344.9
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	-	36,000	(36,000)	-100.0	-	-	0.0	26,431	41,000	(14,569)	-35.5	219	26,212	11949.3
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	4,102	2,346	1,756	74.8	2,259	1,843	81.6	12,188	21,985	(9,797)	-44.6	19,244	(7,056)	-36.7
<b>Total Operating Expense</b>	<b>35,337</b>	<b>77,709</b>	<b>(42,372)</b>	<b>-54.5</b>	<b>42,803</b>	<b>(7,466)</b>	<b>-17.4</b>	<b>244,012</b>	<b>287,265</b>	<b>(43,254)</b>	<b>-15.1</b>	<b>232,426</b>	<b>11,586</b>	<b>5.0</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(35,337)</b>	<b>(77,709)</b>	<b>42,372</b>	<b>-54.5</b>	<b>(42,803)</b>	<b>7,466</b>	<b>-17.4</b>	<b>(244,012)</b>	<b>(287,265)</b>	<b>43,254</b>	<b>-15.1</b>	<b>(232,426)</b>	<b>(11,586)</b>	<b>5.0</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(35,337)</b>	<b>(77,709)</b>	<b>42,372</b>	<b>-54.5</b>	<b>(42,803)</b>	<b>7,466</b>	<b>-17.4</b>	<b>(244,012)</b>	<b>(287,265)</b>	<b>43,254</b>	<b>-15.1</b>	<b>(232,426)</b>	<b>(11,586)</b>	<b>5.0</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(35,337)</b>	<b>(77,709)</b>	<b>42,372</b>	<b>-54.5</b>	<b>(42,803)</b>	<b>7,466</b>	<b>-17.4</b>	<b>(244,012)</b>	<b>(287,265)</b>	<b>43,254</b>	<b>-15.1</b>	<b>(232,426)</b>	<b>(11,586)</b>	<b>5.0</b>
IFA Home Dept Staff Count	2	5	(3)	-55.6	3	(1)	-33.3	2	5	(3)	-55.6	3	(1)	-33.3
FTE Staff Count	2	3	(2)	-47.9	2	(0)	-12.1	2	3	(2)	-54.4	2	(0)	-20.5

(a) Shared Expenses - Progress Software purchase

Income Statement	019 - Marketing													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Revenue	2,000	-	2,000	0.0	-	2,000	0.0	133,845	215,000	(81,155)	-37.7	425	133,420	31392.9
<b>Total Operating Revenue</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>	<b>0.0</b>	<b>-</b>	<b>2,000</b>	<b>0.0</b>	<b>133,845</b>	<b>215,000</b>	<b>(81,155)</b>	<b>-37.7</b>	<b>425</b>	<b>133,420</b>	<b>31392.9</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	12,634	22,148	(9,514)	-43.0	7,508	5,126	68.3	80,948	139,332	(58,384)	-41.9	45,880	35,068	76.4
Shared Expenses	844	4,490	(3,647)	-81.2	10,001	(9,157)	-91.6	14,621	27,910	(13,289)	-47.6	25,965	(11,345)	-43.7
Marketing Expense	(2,143)	16,667	(18,810)	-112.9	11,446	(13,589)	-118.7	285,333	315,002	(29,669)	-9.4	91,936	193,398	210.4
Professional Services	2,444	18,334	(15,890)	-86.7	3,454	(1,010)	-29.2	9,578	60,004	(50,426)	-84.0	67,955	(58,377)	-85.9
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(31,081)	31,081	-100.0
Overhead Allocation	2,859	1,405	1,454	103.5	1,393	1,466	105.3	8,495	17,481	(8,987)	-51.4	11,863	(3,368)	-28.4
<b>Total Operating Expense</b>	<b>16,637</b>	<b>63,044</b>	<b>(46,406)</b>	<b>-73.6</b>	<b>33,801</b>	<b>(17,164)</b>	<b>-50.8</b>	<b>398,975</b>	<b>559,730</b>	<b>(160,755)</b>	<b>-28.7</b>	<b>212,518</b>	<b>186,457</b>	<b>87.7</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(14,637)</b>	<b>(63,044)</b>	<b>48,406</b>	<b>-76.8</b>	<b>(33,801)</b>	<b>19,164</b>	<b>-56.7</b>	<b>(265,130)</b>	<b>(344,730)</b>	<b>79,600</b>	<b>-23.1</b>	<b>(212,093)</b>	<b>(53,037)</b>	<b>25.0</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(14,637)</b>	<b>(63,044)</b>	<b>48,406</b>	<b>-76.8</b>	<b>(33,801)</b>	<b>19,164</b>	<b>-56.7</b>	<b>(265,130)</b>	<b>(344,730)</b>	<b>79,600</b>	<b>-23.1</b>	<b>(212,093)</b>	<b>(53,037)</b>	<b>25.0</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(14,637)</b>	<b>(63,044)</b>	<b>48,406</b>	<b>-76.8</b>	<b>(33,801)</b>	<b>19,164</b>	<b>-56.7</b>	<b>(265,130)</b>	<b>(344,730)</b>	<b>79,600</b>	<b>-23.1</b>	<b>(212,093)</b>	<b>(53,037)</b>	<b>25.0</b>
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	3	(1)	-20.0	2	-	0.0
FTE Staff Count	1	2	(1)	-32.0	1	0	15.3	1	3	(1)	-40.5	1	0	16.8



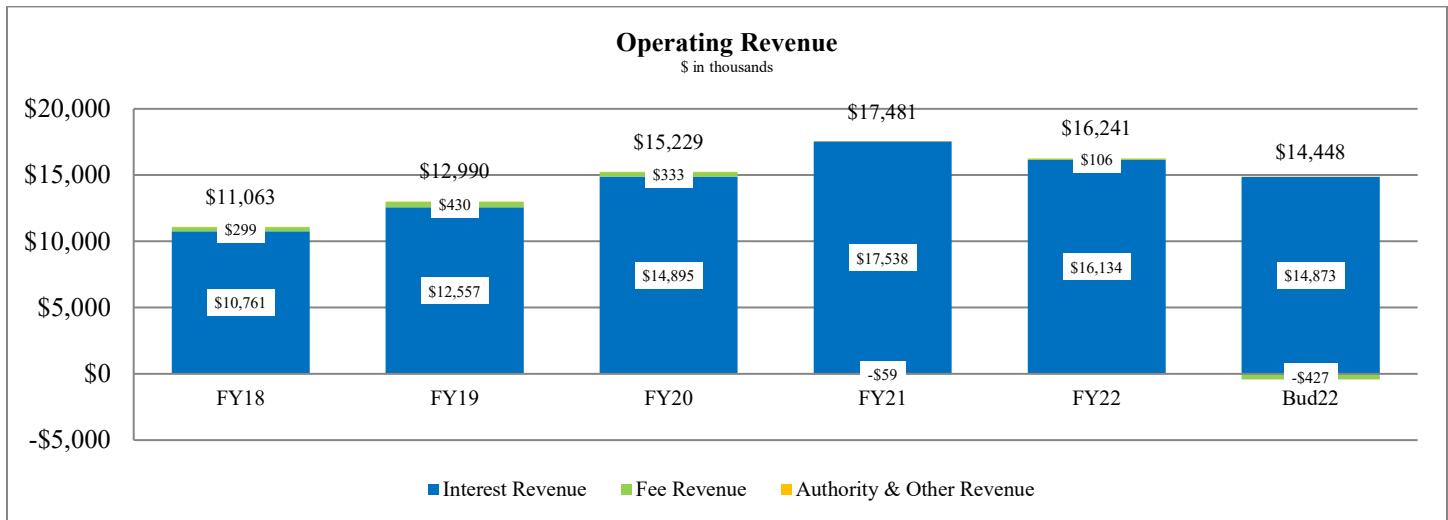
Income Statement	Tenant Expenses (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Other Revenue	30,605	30,482	123	0.4	8,283	22,321	269.5	191,551	182,606	8,945	4.9	134,108	57,443	42.8
<b>Total Operating Revenue</b>	<b>30,605</b>	<b>30,482</b>	<b>123</b>	<b>0.4</b>	<b>8,283</b>	<b>22,321</b>	<b>269.5</b>	<b>191,551</b>	<b>182,606</b>	<b>8,945</b>	<b>4.9</b>	<b>134,108</b>	<b>57,443</b>	<b>42.8</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	13,894	18,419	(4,525)	-24.6	12,494	1,400	11.2	82,281	105,257	(22,975)	-21.8	74,927	7,354	9.8
Shared Expenses	42,557	44,640	(2,083)	-4.7	59,157	(16,601)	-28.1	251,557	267,840	(16,283)	-6.1	237,928	13,629	5.7
Marketing Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Professional Services	4	-	4	0.0	4,358	(4,353)	-99.9	3,707	-	3,707	0.0	4,408	(701)	-15.9
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	(18,491)	(31,266)	12,776	-40.9	(25,978)	7,487	-28.8	(136,556)	(190,638)	54,082	-28.4	(164,415)	27,859	-16.9
Overhead Allocation	3,232	1,805	1,427	79.0	-	3,232	0.0	9,603	16,916	(7,314)	-43.2	-	9,603	0.0
<b>Total Operating Expense</b>	<b>41,196</b>	<b>33,598</b>	<b>7,598</b>	<b>22.6</b>	<b>50,032</b>	<b>(8,836)</b>	<b>-17.7</b>	<b>210,593</b>	<b>199,375</b>	<b>11,218</b>	<b>5.6</b>	<b>152,849</b>	<b>57,744</b>	<b>37.8</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(10,591)</b>	<b>(3,116)</b>	<b>(7,475)</b>	<b>239.9</b>	<b>(41,748)</b>	<b>31,157</b>	<b>-74.6</b>	<b>(19,041)</b>	<b>(16,769)</b>	<b>(2,272)</b>	<b>13.6</b>	<b>(18,741)</b>	<b>(301)</b>	<b>1.6</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(10,591)</b>	<b>(3,116)</b>	<b>(7,475)</b>	<b>239.9</b>	<b>(41,748)</b>	<b>31,157</b>	<b>-74.6</b>	<b>(19,041)</b>	<b>(16,769)</b>	<b>(2,272)</b>	<b>13.6</b>	<b>(18,741)</b>	<b>(301)</b>	<b>1.6</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(10,591)</b>	<b>(3,116)</b>	<b>(7,475)</b>	<b>239.9</b>	<b>(41,748)</b>	<b>31,157</b>	<b>-74.6</b>	<b>(19,041)</b>	<b>(16,769)</b>	<b>(2,272)</b>	<b>13.6</b>	<b>(18,741)</b>	<b>(301)</b>	<b>1.6</b>
IFA Home Dept Staff Count	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
FTE Staff Count	2	3	(1)	-35.4	2	(0)	-14.4	2	3	(1)	-34.0	2	(0)	-15.9

Balance Sheet	Overhead (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	11,356,025	10,049,463	1,306,562	13.0	10,593,797	762,229	7.2
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	1,190,984	637,511	553,473	86.8	808,137	382,847	47.4
Line of Credit	-	200,000	(200,000)	-100.0	699,700	(699,700)	-100.0
Loans - net of reserve for losses	381,418	494,719	(113,301)	-22.9	513,911	(132,493)	-25.8
Capital Assets (net of accumulated depreciation)	14,538,692	14,546,450	(7,759)	-0.1	14,062,694	475,997	3.4
Other Assets	943,006	1,506,930	(563,924)	-37.4	1,700,410	(757,404)	-44.5
Deferred Outflows	1,144,197	1,092,499	51,698	4.7	1,092,499	51,698	4.7
<b>Total Assets and Deferred Outflows</b>	<b>29,554,322</b>	<b>28,527,573</b>	<b>1,026,749</b>	<b>3.6</b>	<b>29,471,148</b>	<b>83,174</b>	<b>0.3</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	526,289	440,487	85,802	19.5	725,233	(198,945)	-27.4
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	1,956,049	2,038,316	(82,268)	-4.0	1,775,587	180,462	10.2
Other liabilities	5,059,289	5,880,856	(821,567)	-14.0	4,621,100	438,189	9.5
Deferred Inflows	641,333	298,578	342,755	114.8	1,049,139	(407,806)	-38.9
<b>Total Liabilities and Deferred Inflows</b>	<b>8,182,959</b>	<b>8,658,237</b>	<b>(475,278)</b>	<b>-5.5</b>	<b>8,171,059</b>	<b>11,900</b>	<b>0.1</b>
<b>Equity</b>							
YTD Earnings(Loss)	(329,906)	(623,182)	293,275	-47.1	620,529	(950,435)	-153.2
Prior Years Earnings	20,675,691	20,160,947	514,744	2.6	20,309,257	366,434	1.8
Transfers	1,025,578	331,570	694,008	209.3	370,303	655,275	177.0
<b>Total Equity</b>	<b>21,371,362</b>	<b>19,869,335</b>	<b>1,502,027</b>	<b>7.6</b>	<b>21,300,089</b>	<b>71,273</b>	<b>0.3</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>29,554,322</b>	<b>28,527,573</b>	<b>1,026,749</b>	<b>3.6</b>	<b>29,471,148</b>	<b>83,174</b>	<b>0.3</b>

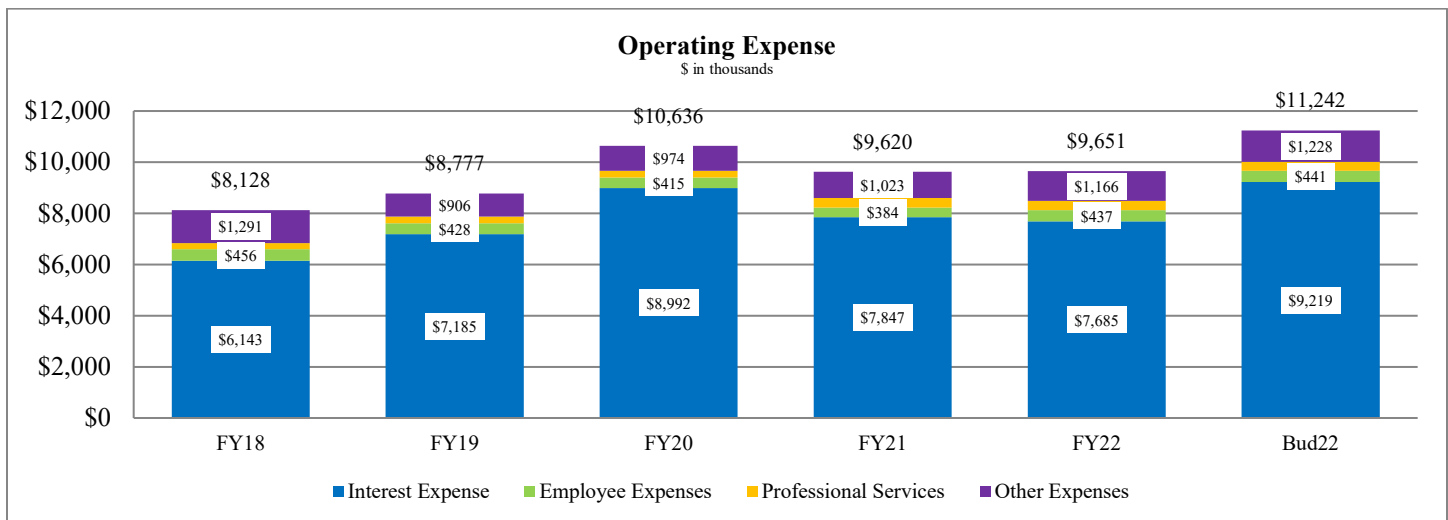
To: IFA Board of Directors  
 From: Joshua Kasibbo  
 Date: January 18, 2022  
 Re: December 2021 YTD Single Family Financial Results

### Single Family Results (\$ in thousands)

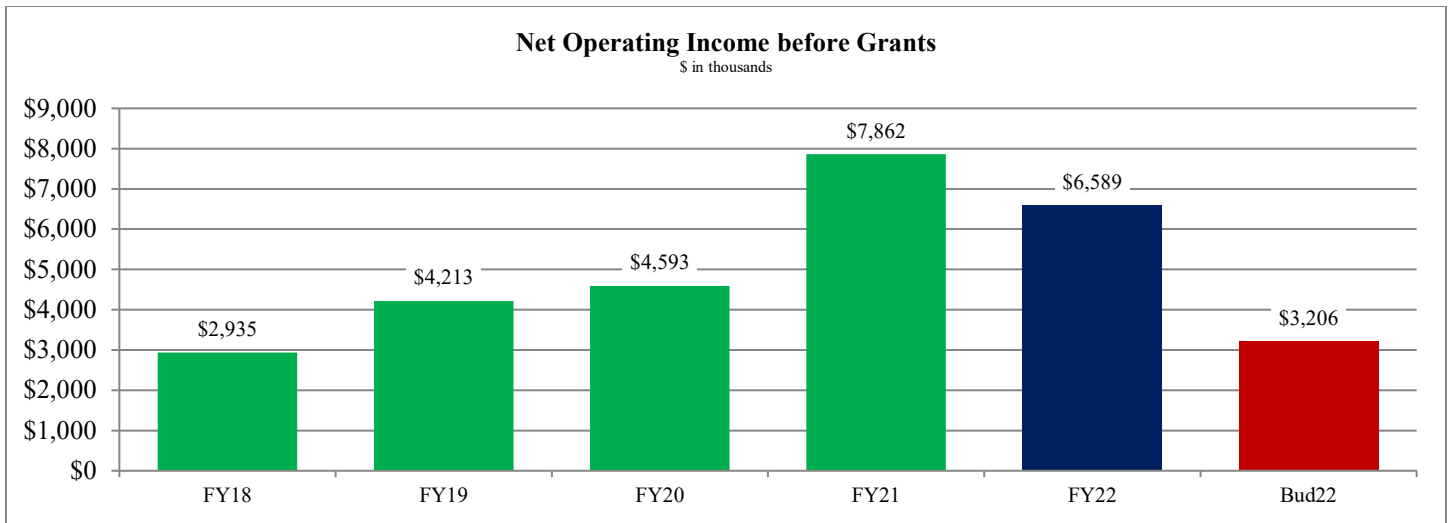
Halfway through FY22, the Single-Family program continues to operate favorable to budget.



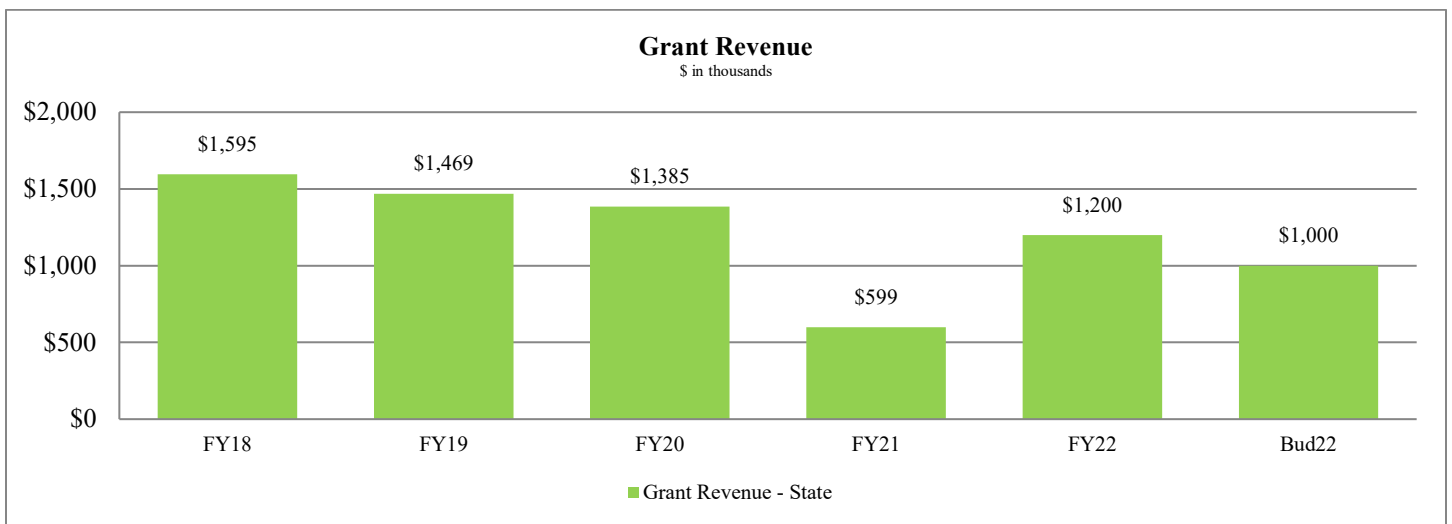
Operating Revenue was \$1,792 or 12.4% favorable to budget but \$1,241 or 7.1% unfavorable to last year. Interest Revenue was \$1,261 or 8.5% favorable to budget primarily due to higher than planned gains on MBS sales. Fee Revenue was favorable to budget due to higher than planned income from FNMA and Freddie Mac Risk Based Pricing.



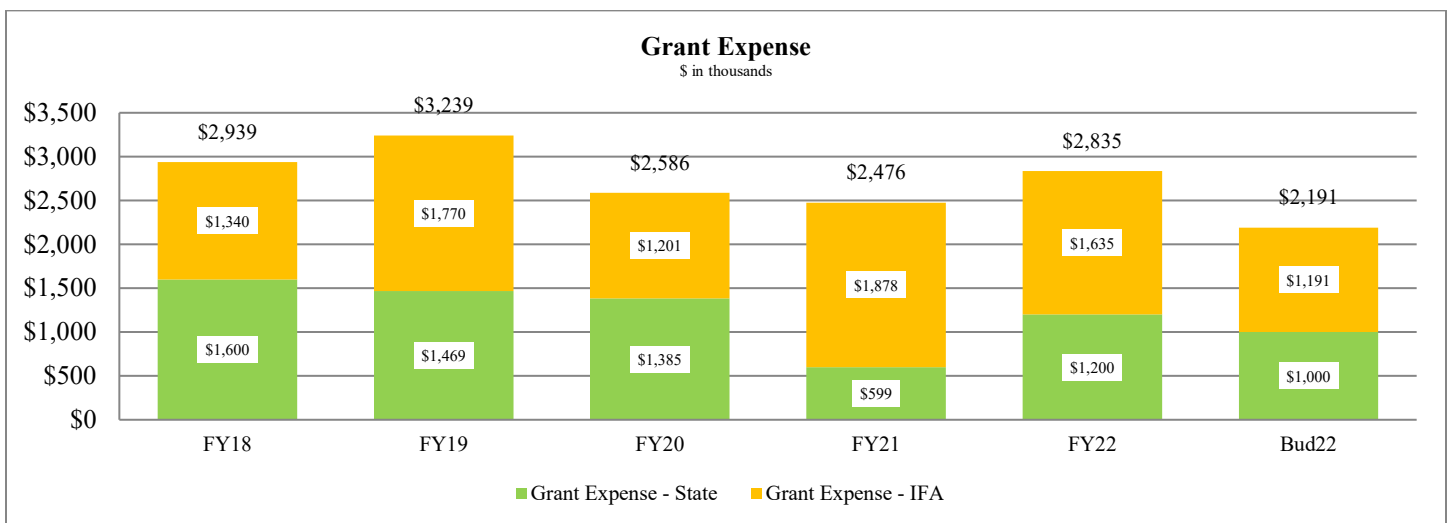
Operating Expenses were favorable to budget by \$1,591 or 14.2% and nearly at par with last year. Interest Expense accounts for \$1,534 of the favorable variance. This is largely explained by high bond premium amortization due to higher prepayments. All remaining expense categories were within budget range.



NOIBG was favorable to budget by \$3,383 or 105.5%.



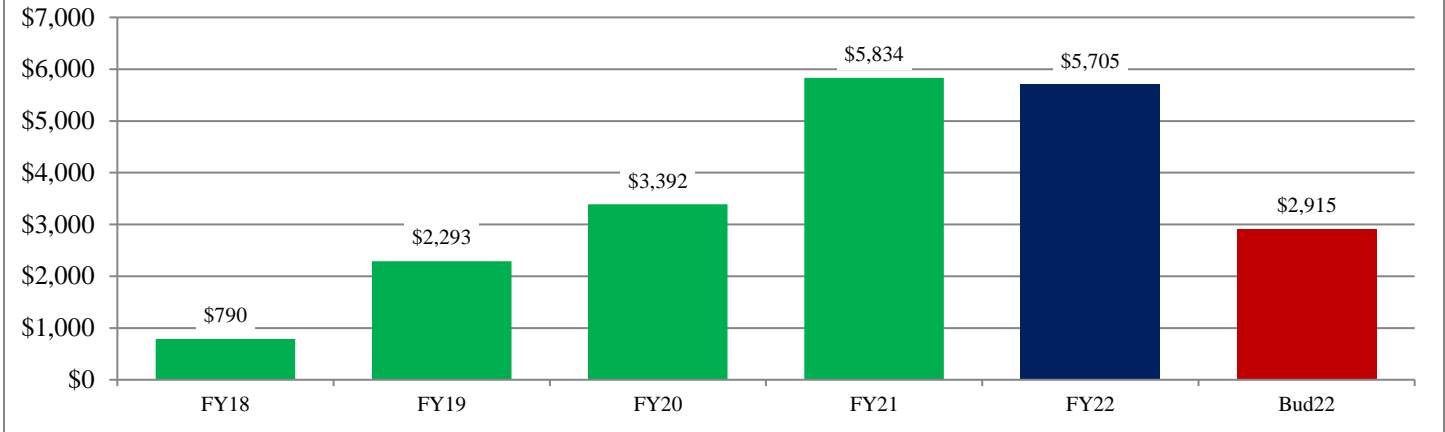
Grant Revenue was \$200 or 20.0% favorable to budget as well as last year by \$601 or 100.4%. Unlike FY21, FY22 opened with a balance of \$361 in reservations. Grant Revenue is solely made up of military DPA.



Grant Expenses were unfavorable to budget by \$643 or 29.4% as well as last year by \$358 or 14.5%. This is largely explained by DPA on MBS sales and amortization of DPA due to the paydown of debt faster than budgeted. Grant Expense IFA is made up of DPA on MBS sales and amortized DPA.

### Net Operating Income after Grants

\$ in thousands



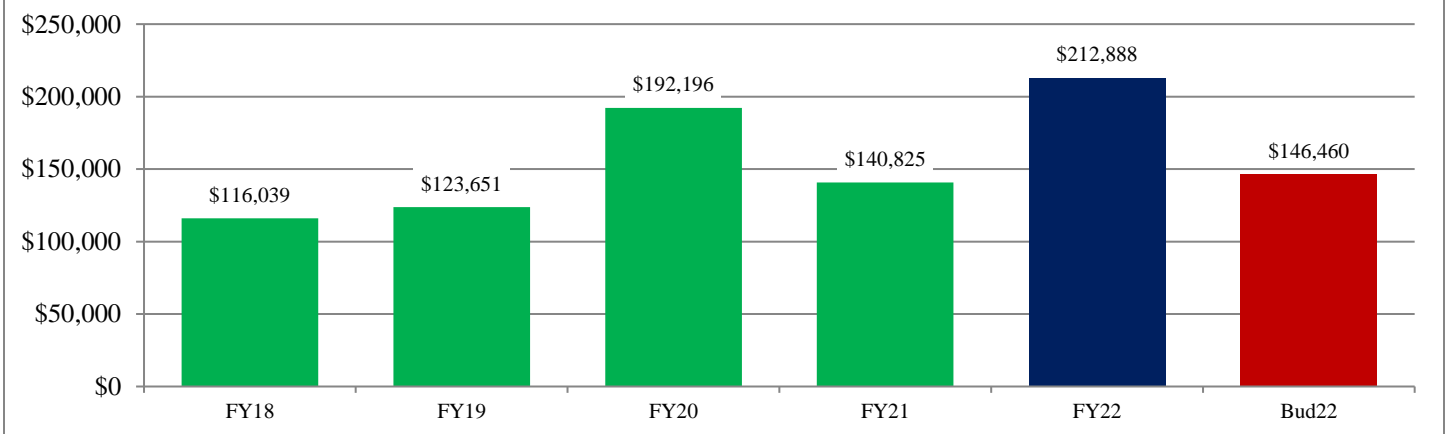
Net Operating Income After Grants was favorable to budget by \$2,790 or 95.7% but below last year by \$129 or 2.2%. To date, \$750 has been received from Federal and State in Intra-Agency Transfers against a budget of \$900.

### MBS Activity (\$ in thousands)

Series	Purchased	Sold	Net	DPA Grant	Funds Available
RHF Security (034)	8,203	-	8,203	-	1,694
RHF Program (053)	-	-	-	770	-
Retired MBS (058)	-	-	-	-	10,923
2021 BC (071)	58,486	-	58,486	408	3,283
2021 DEF (072)	73,029	-	73,029	521	21,501
SF Warehouse Acct (054)	73,170	(67,648)	5,522	-	33,837
<b>Total Single Family</b>	<b>212,888</b>	<b>(67,648)</b>	<b>145,240</b>	<b>1,698</b>	<b>71,238</b>
General Fund	-	-	-	-	-
<b>Grand Total</b>	<b>212,888</b>	<b>(67,648)</b>	<b>145,240</b>	<b>1,698</b>	<b>71,238</b>

### MBS Purchases

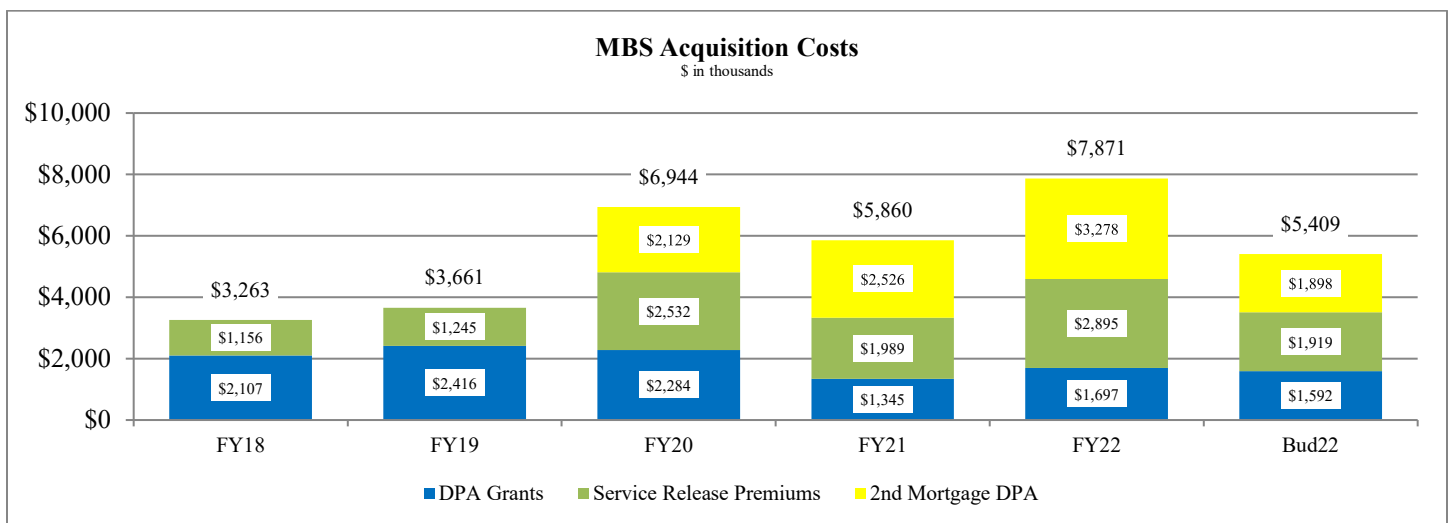
\$ in thousands



MBS Purchases were \$66,428 or 45.4% favorable to budget.

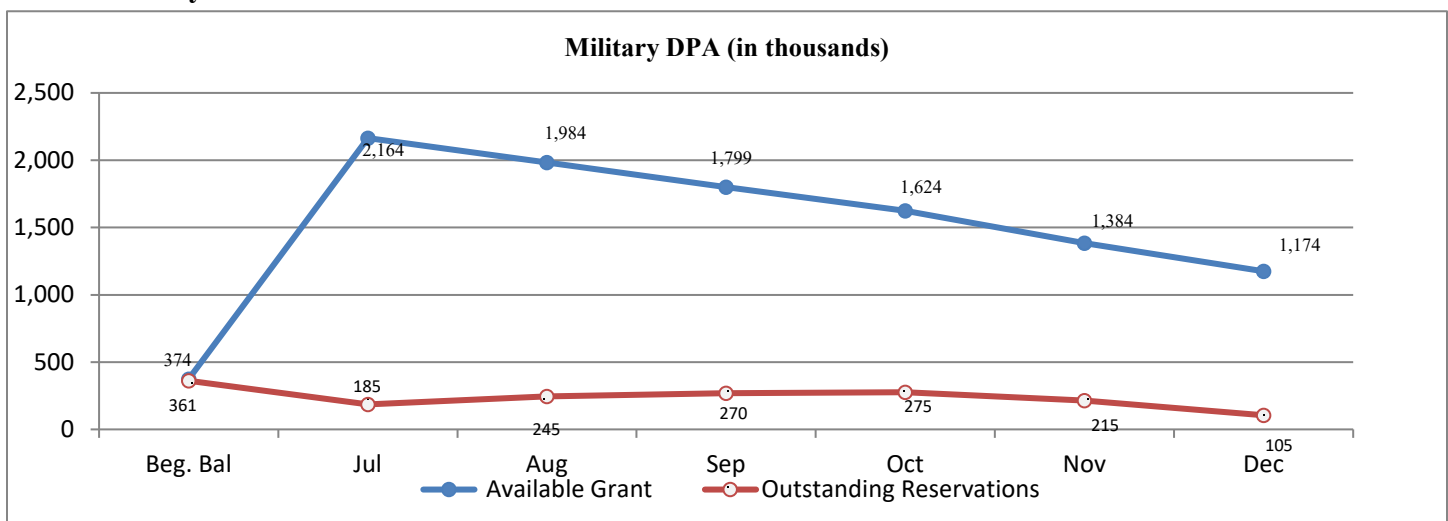
## SF Portfolio Analysis (\$ in thousands)

Description	6/30/21 Balance	Additions	Reduction	YTD FY22	
				Balance	Chg
Mortgage Backed Sec - Cost	800,735	145,240	(71,870)	874,105	9%
Other SF Loans (net of reserve)	1,524		(74)	1,450	-5%
SF Second Mortgage DPA	9,786	3,591	(313)	13,064	33%
Warehouse Loans - LOC	29,229			26,449	-10%
<b>Subtotal</b>	<b>841,275</b>	<b>148,831</b>	<b>(72,258)</b>	<b>915,068</b>	<b>9%</b>
MBS - FMVA	46,549	-	(8,265)	38,284	-18%
<b>Total Portfolio</b>	<b>887,824</b>	<b>148,831</b>	<b>(80,523)</b>	<b>953,352</b>	<b>7%</b>

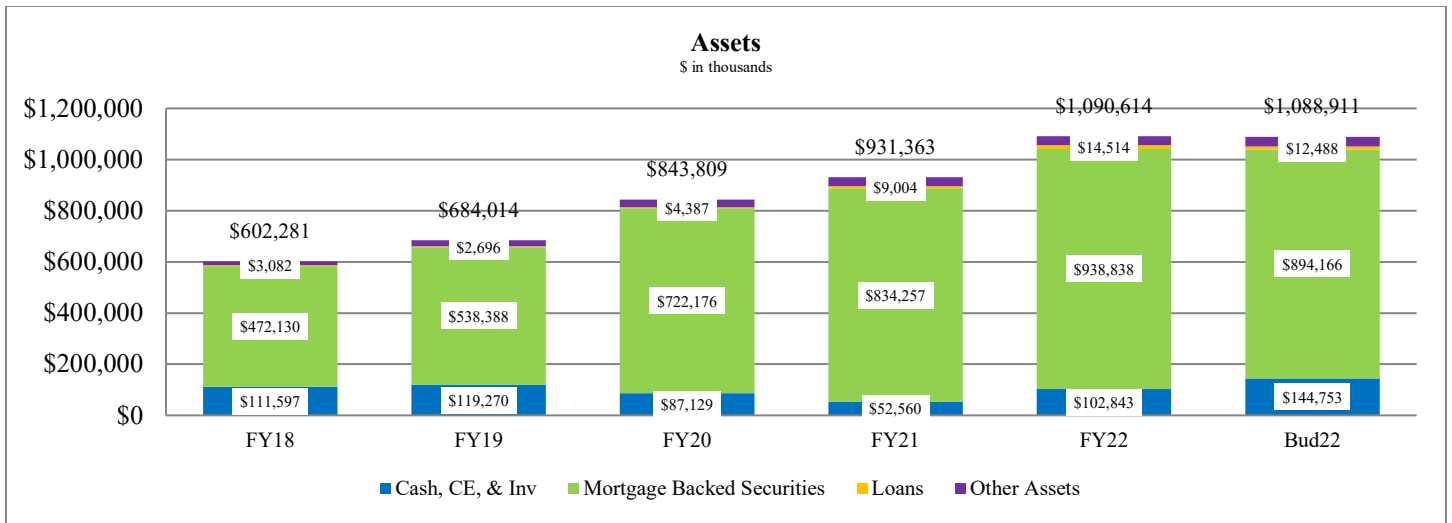


MBS Acquisition Costs were 45.5% above budget with SRP and second mortgage DPA in the lead.

## Other Activity



Total disbursements to date \$1,200, available grants \$1,174 and outstanding reservations of \$105. The carryover of \$374 was due to the 60–120-day reservation period along with cancellations.



Total assets and deferred outflows were \$1,703 or 0.2% favorable to budget.

Income Statement	Single Family (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	2,470,605	2,509,699	(39,095)	-1.6	2,919,920	(449,316)	-15.4	16,133,771	14,872,643	1,261,129	8.5	17,537,633	(1,403,862)	-8.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	(5,713)	(59,420)	53,707	-90.4	25,626	(31,339)	-122.3	105,874	(427,456)	533,329	-124.8	(59,274)	165,147	-278.6
Other Revenue	-	1,000	(1,000)	-100.0	1,000	(1,000)	-100.0	1,000	3,000	(2,000)	-66.7	3,000	(2,000)	-66.7
<b>Total Operating Revenue</b>	<b>2,464,892</b>	<b>2,451,279</b>	<b>13,613</b>	<b>0.6</b>	<b>2,946,546</b>	<b>(481,654)</b>	<b>-16.3</b>	<b>16,240,645</b>	<b>14,448,187</b>	<b>1,792,458</b>	<b>12.4</b>	<b>17,481,360</b>	<b>(1,240,715)</b>	<b>-7.1</b>
<b>Operating Expense</b>														
Interest Expense	1,407,604	1,475,914	(68,310)	-4.6	1,373,194	34,410	2.5	7,685,393	9,219,416	(1,534,023)	-16.6	7,847,205	(161,812)	-2.1
Authority Expense	-	-	-	0.0	-	-	0.0	1,103,816	1,064,720	39,096	3.7	910,631	193,185	21.2
Employee Expenses	76,207	76,838	(631)	-0.8	62,960	13,247	21.0	436,832	441,332	(4,500)	-1.0	383,615	53,218	13.9
Shared Expenses	3,069	3,960	(891)	-22.5	2,250	819	36.4	73,357	75,735	(2,378)	-3.1	66,105	7,252	11.0
Marketing Expense	4,567	2,500	2,067	82.7	-	4,567	0.0	61,005	40,000	21,005	52.5	459	60,546	13187.4
Professional Services	20,857	28,717	(7,860)	-27.4	32,349	(11,491)	-35.5	363,114	353,208	9,905	2.8	366,152	(3,038)	-0.8
Claim and Loss Expenses	(1,000)	-	(1,000)	0.0	(1,000)	-	0.0	(99,000)	-	(99,000)	0.0	(1,000)	(98,000)	9800.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	10	-	10	0.0	-	10	0.0	60	-	60	0.0	-	60	0.0
Overhead Allocation	8,950	5,079	3,871	76.2	5,478	3,472	63.4	26,592	47,590	(20,998)	-44.1	46,661	(20,069)	-43.0
<b>Total Operating Expense</b>	<b>1,520,263</b>	<b>1,593,007</b>	<b>(72,744)</b>	<b>-4.6</b>	<b>1,475,230</b>	<b>45,034</b>	<b>3.1</b>	<b>9,651,169</b>	<b>11,242,002</b>	<b>(1,590,833)</b>	<b>-14.2</b>	<b>9,619,828</b>	<b>31,341</b>	<b>0.3</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>944,629</b>	<b>858,272</b>	<b>86,357</b>	<b>10.1</b>	<b>1,471,317</b>	<b>(526,688)</b>	<b>-35.8</b>	<b>6,589,476</b>	<b>3,206,186</b>	<b>3,383,290</b>	<b>105.5</b>	<b>7,861,532</b>	<b>(1,272,055)</b>	<b>-16.2</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	(210,000)	(166,667)	(43,333)	26.0	(145,000)	(65,000)	44.8	(1,199,934)	(1,000,000)	(199,934)	20.0	(598,702)	(601,232)	100.4
Grant Expense	410,276	364,881	45,395	12.4	479,995	(69,719)	-14.5	2,834,779	2,191,409	643,370	29.4	2,476,407	358,372	14.5
Intra-Agency Transfers	-	(450,000)	450,000	-100.0	-	-	0.0	(750,000)	(900,000)	150,000	-16.7	150,000	(900,000)	-600.0
<b>Total Net Grant (Income) Expense</b>	<b>200,276</b>	<b>(251,786)</b>	<b>452,061</b>	<b>-179.5</b>	<b>334,995</b>	<b>(134,719)</b>	<b>-40.2</b>	<b>884,845</b>	<b>291,409</b>	<b>593,436</b>	<b>203.6</b>	<b>2,027,705</b>	<b>(1,142,860)</b>	<b>-56.4</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>744,353</b>	<b>1,110,058</b>	<b>(365,705)</b>	<b>-32.9</b>	<b>1,136,322</b>	<b>(391,969)</b>	<b>-34.5</b>	<b>5,704,631</b>	<b>2,914,776</b>	<b>2,789,855</b>	<b>95.7</b>	<b>5,833,827</b>	<b>(129,196)</b>	<b>-2.2</b>
<b>Other Non-Operating (Income) Expense</b>														
Other Non-Operating (Income) Expense	3,229,648	-	3,229,648	0.0	(311,173)	3,540,821	-1137.9	9,389,061	-	9,389,061	0.0	(359,758)	9,748,819	-2709.8
<b>Net Income (Loss)</b>	<b>(2,485,295)</b>	<b>1,110,058</b>	<b>(3,595,353)</b>	<b>-323.9</b>	<b>1,447,495</b>	<b>(3,932,790)</b>	<b>-271.7</b>	<b>(3,684,430)</b>	<b>2,914,776</b>	<b>(6,599,206)</b>	<b>-226.4</b>	<b>6,193,585</b>	<b>(9,878,015)</b>	<b>-159.5</b>
IFA Home Dept Staff Count	6	5	1	20.0	4	2	50.0	5	5	0	3.3	5	1	10.7
FTE Staff Count	7	7	(0)	-1.9	6	1	18.2	7	7	(0)	-4.9	6	1	14.7

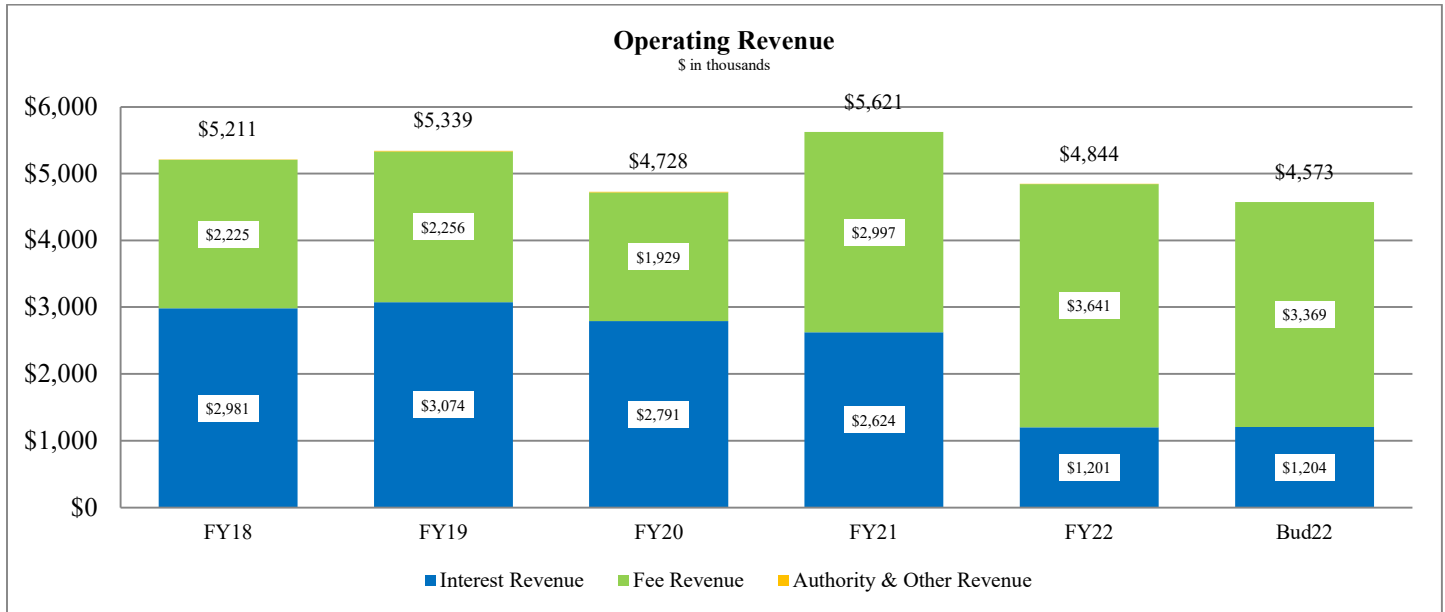


Balance Sheet	Single Family (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	102,842,687	144,752,836	(41,910,150)	-29.0	52,560,475	50,282,211	95.7
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	912,389,047	873,322,003	39,067,044	4.5	809,655,893	102,733,154	12.7
Line of Credit	26,449,440	20,843,769	5,605,671	26.9	24,601,538	1,847,902	7.5
Loans - net of reserve for losses	14,514,425	12,487,500	2,026,924	16.2	9,004,445	5,509,980	61.2
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	27,104,025	26,732,758	371,267	1.4	24,618,768	2,485,257	10.1
Deferred Outflows	7,314,820	10,772,014	(3,457,194)	-32.1	10,921,927	(3,607,107)	-33.0
<b>Total Assets and Deferred Outflows</b>	<b>1,090,614,444</b>	<b>1,088,910,881</b>	<b>1,703,563</b>	<b>0.2</b>	<b>931,363,047</b>	<b>159,251,397</b>	<b>17.1</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	826,009,256	812,923,678	13,085,578	1.6	688,720,645	137,288,611	19.9
Interest Payable	7,424,471	8,808,276	(1,383,806)	-15.7	6,904,922	519,549	7.5
Unearned Revenue	1,174,280	1,889,214	(714,934)	-37.8	1,434,214	(259,934)	-18.1
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	476,710	356,865	119,846	33.6	668,094	(191,383)	-28.6
Other liabilities	5,003,190	8,599,165	(3,595,975)	-41.8	8,599,165	(3,595,975)	-41.8
Deferred Inflows	1,843,458	1,301,973	541,485	41.6	1,822,268	21,191	1.2
<b>Total Liabilities and Deferred Inflows</b>	<b>841,931,365</b>	<b>833,879,171</b>	<b>8,052,195</b>	<b>1.0</b>	<b>708,149,307</b>	<b>133,782,058</b>	<b>18.9</b>
<b>Equity</b>							
YTD Earnings(Loss)	(3,684,430)	2,914,776	(6,599,206)	-226.4	6,193,585	(9,878,015)	-159.5
Prior Years Earnings	251,778,209	251,483,977	294,232	0.1	216,506,452	35,271,757	16.3
Transfers	589,300	632,957	(43,657)	-6.9	513,704	75,597	14.7
<b>Total Equity</b>	<b>248,683,079</b>	<b>255,031,710</b>	<b>(6,348,631)</b>	<b>-2.5</b>	<b>223,213,740</b>	<b>25,469,339</b>	<b>11.4</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>1,090,614,444</b>	<b>1,088,910,881</b>	<b>1,703,563</b>	<b>0.2</b>	<b>931,363,047</b>	<b>159,251,397</b>	<b>17.1</b>

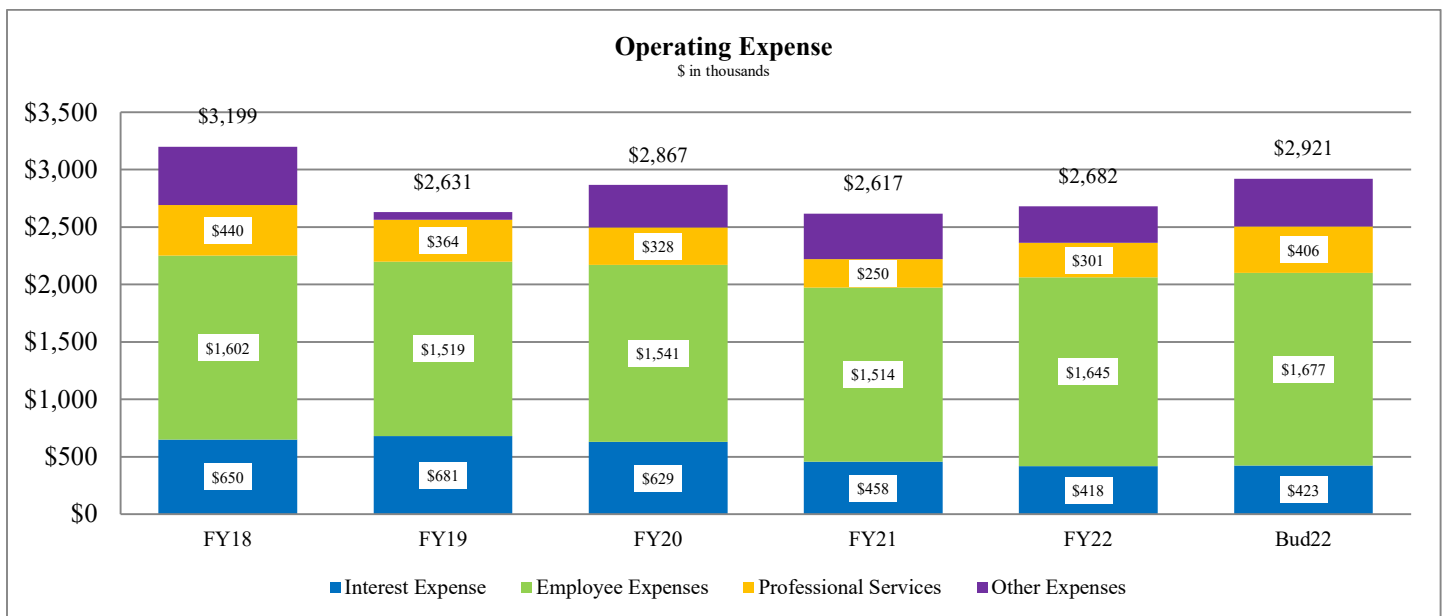
To: IFA Board Members  
 From: Jennifer Pulford  
 Date: January 19, 2022  
 Re: December 2021 YTD Multi-Family Financial Results

## Multi-Family Results (\$ in thousands)

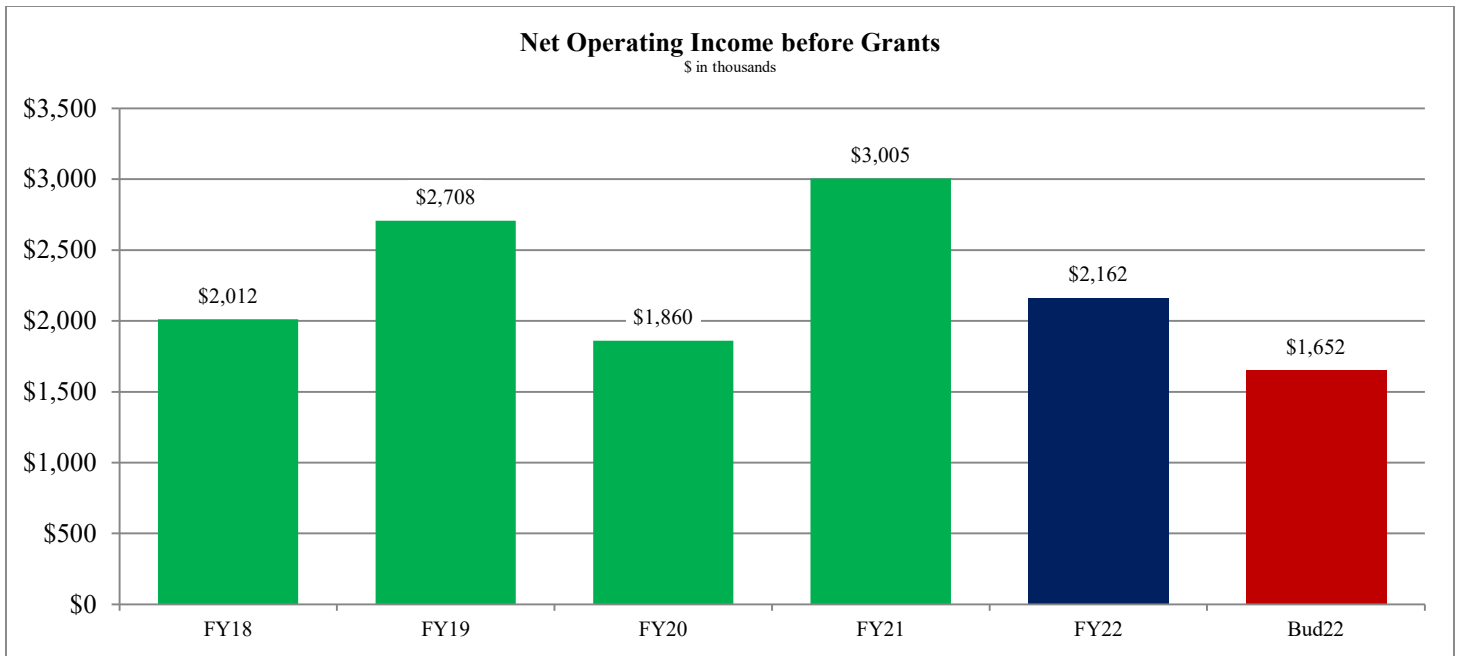
Multi-Family programs are operating favorable to budget through the first half of the fiscal year.



Operating Revenue was \$271 or 5.9% above budget but \$777 or 13.8% below last year. Fee revenue was \$271 above budget due to higher than anticipated LIHTC reservation and application fees.



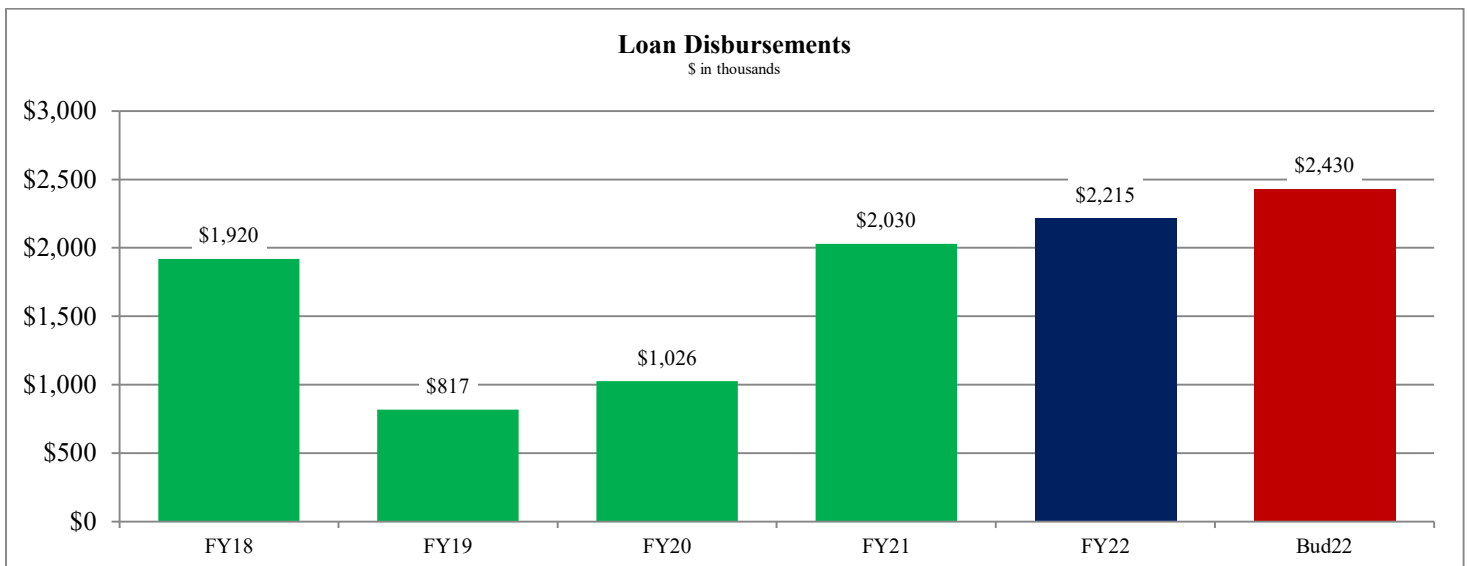
Operating Expense was \$239 or 8.2% below budget but \$65 or 2.5% above last year. Most expense categories are below budget.



NOIBG was \$510 or 30.9% above budget but \$843 or 28.0% below last year.

### MF Portfolio Analysis (\$ in whole dollars)

	#	6/30/2021	Additions	Transfers	Reductions	End Bal	CHG	#
Multifamily Program Loans	41	26,291,818	2,215,000	0	(903,028)	27,603,790	5%	39
Multifamily Loans	6	33,675,976	0	0	(321,960)	33,354,015	-1%	6
	47	59,967,794	2,215,000	0	(1,224,989)	60,957,805		45
Loan Reserves		(1,325,000)	0	0	7,000	(1,318,000)	-1%	
Capitalized Interest Reserves		0	0	0	0	0	0%	
<b>Total Portfolio</b>		<b>58,642,794</b>	<b>2,215,000</b>	<b>0</b>	<b>(1,217,989)</b>	<b>59,639,805</b>	<b>2%</b>	



**MF Commitments (\$ in whole dollars)**

	Commitment Date	Original Commitment	11/30/2021 Balance	Monthly Activity	12/31/2021 Balance	Remaining Commitment
<b>Grants</b>						
Homes for Iowa, Inc	6/5/2019	1,200,000	1,080,000	120,000	1,200,000	0
Mobile Response Team - FY20/FY21/FY22	12/4/2019	275,221	175,221	0	175,221	100,000
<b>Total Grants</b>		<b>1,475,221</b>	<b>1,255,221</b>	<b>120,000</b>	<b>1,375,221</b>	<b>100,000</b>
<b>Construction Loans</b>						
MF-20-001 - Champions Ridge	11/6/2019	250,000	250,000	(250,000)	0	0
MF-20-002 - ECDC/Bear Creek	5/1/2019	350,000	285,000	50,000	335,000	15,000
<b>Total Construction</b>		<b>600,000</b>	<b>535,000</b>	<b>(200,000)</b>	<b>335,000</b>	<b>15,000</b>
<b>Permanent Loans</b>						
<b>Total Permanent</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Totals</b>		<b>2,075,221</b>	<b>1,790,221</b>	<b>(80,000)</b>	<b>1,710,221</b>	<b>115,000</b>
xxx = no loan agreement signed						

Income Statement	Multi Family (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	202,959	202,219	740	0.4	450,739	(247,780)	-55.0	1,200,835	1,203,608	(2,774)	-0.2	2,624,417	(1,423,582)	-54.2
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	418,414	310,397	108,017	34.8	298,784	119,630	40.0	3,641,048	3,369,225	271,823	8.1	2,997,079	643,968	21.5
Other Revenue	-	-	-	0.0	-	-	0.0	2,500	-	2,500	0.0	-	2,500	0.0
<b>Total Operating Revenue</b>	<b>621,372</b>	<b>512,616</b>	<b>108,756</b>	<b>21.2</b>	<b>749,523</b>	<b>(128,151)</b>	<b>-17.1</b>	<b>4,844,382</b>	<b>4,572,833</b>	<b>271,549</b>	<b>5.9</b>	<b>5,621,496</b>	<b>(777,114)</b>	<b>-13.8</b>
Operating Expense														
Interest Expense	70,141	70,235	(95)	-0.1	75,905	(5,764)	-7.6	417,859	422,874	(5,016)	-1.2	457,710	(39,851)	-8.7
Authority Expense	-	-	-	0.0	-	-	0.0	64,335	64,235	100	0.2	65,509	(1,174)	-1.8
Employee Expenses	261,307	289,244	(27,937)	-9.7	236,089	25,218	10.7	1,644,613	1,677,131	(32,518)	-1.9	1,514,337	130,276	8.6
Shared Expenses	768	6,144	(5,376)	-87.5	689	79	11.5	105,205	117,814	(12,609)	-10.7	129,073	(23,868)	-18.5
Marketing Expense	-	-	-	0.0	-	-	0.0	50	2,370	(2,320)	-97.9	790	(740)	-93.7
Professional Services	19,269	64,662	(45,393)	-70.2	64,040	(44,771)	-69.9	300,761	406,226	(105,465)	-26.0	249,536	51,225	20.5
Claim and Loss Expenses	(1,000)	-	(1,000)	0.0	(1,000)	-	0.0	(7,000)	-	(7,000)	0.0	(5,000)	(2,000)	40.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	147	-	147	0.0	90	57	63.3	172	-	172	0.0	90	82	91.1
Overhead Allocation	41,504	28,965	12,538	43.3	27,158	14,346	52.8	155,891	229,900	(74,009)	-32.2	204,573	(48,682)	-23.8
<b>Total Operating Expense</b>	<b>392,136</b>	<b>459,250</b>	<b>(67,114)</b>	<b>-14.6</b>	<b>402,970</b>	<b>(10,834)</b>	<b>-2.7</b>	<b>2,681,885</b>	<b>2,920,550</b>	<b>(238,665)</b>	<b>-8.2</b>	<b>2,616,618</b>	<b>65,267</b>	<b>2.5</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>229,236</b>	<b>53,365</b>	<b>175,871</b>	<b>329.6</b>	<b>346,552</b>	<b>(117,316)</b>	<b>-33.9</b>	<b>2,162,497</b>	<b>1,652,283</b>	<b>510,214</b>	<b>30.9</b>	<b>3,004,878</b>	<b>(842,382)</b>	<b>-28.0</b>
Net Grant (Income) Expense														
Grant Revenue	(5,633,728)	(5,700,000)	66,272	-1.2	(5,650,745)	17,017	-0.3	(34,181,942)	(34,200,000)	18,058	-0.1	(34,222,133)	40,191	-0.1
Grant Expense	5,753,728	5,700,000	53,728	0.9	5,710,745	42,983	0.8	34,701,942	34,200,000	501,942	1.5	34,462,133	239,809	0.7
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(199,163)	199,163	-100.0
<b>Total Net Grant (Income) Expense</b>	<b>120,000</b>	<b>-</b>	<b>120,000</b>	<b>0.0</b>	<b>60,000</b>	<b>60,000</b>	<b>100.0</b>	<b>520,000</b>	<b>-</b>	<b>520,000</b>	<b>0.0</b>	<b>40,837</b>	<b>479,163</b>	<b>1173.3</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>109,236</b>	<b>53,365</b>	<b>55,871</b>	<b>104.7</b>	<b>286,552</b>	<b>(177,316)</b>	<b>-61.9</b>	<b>1,642,497</b>	<b>1,652,283</b>	<b>(9,786)</b>	<b>-0.6</b>	<b>2,964,041</b>	<b>(1,321,544)</b>	<b>-44.6</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	9,295	(9,295)	-100.0
<b>Net Income (Loss)</b>	<b>109,236</b>	<b>53,365</b>	<b>55,871</b>	<b>104.7</b>	<b>286,552</b>	<b>(177,316)</b>	<b>-61.9</b>	<b>1,642,497</b>	<b>1,652,283</b>	<b>(9,786)</b>	<b>-0.6</b>	<b>2,954,746</b>	<b>(1,312,249)</b>	<b>-44.4</b>
IFA Home Dept Staff Count	26	28	(2)	-7.1	26	-	0.0	25	28	(3)	-9.5	25	-	0.0
FTE Staff Count	24	25	(1)	-3.0	24	0	2.1	24	25	(1)	-4.1	23	1	2.4

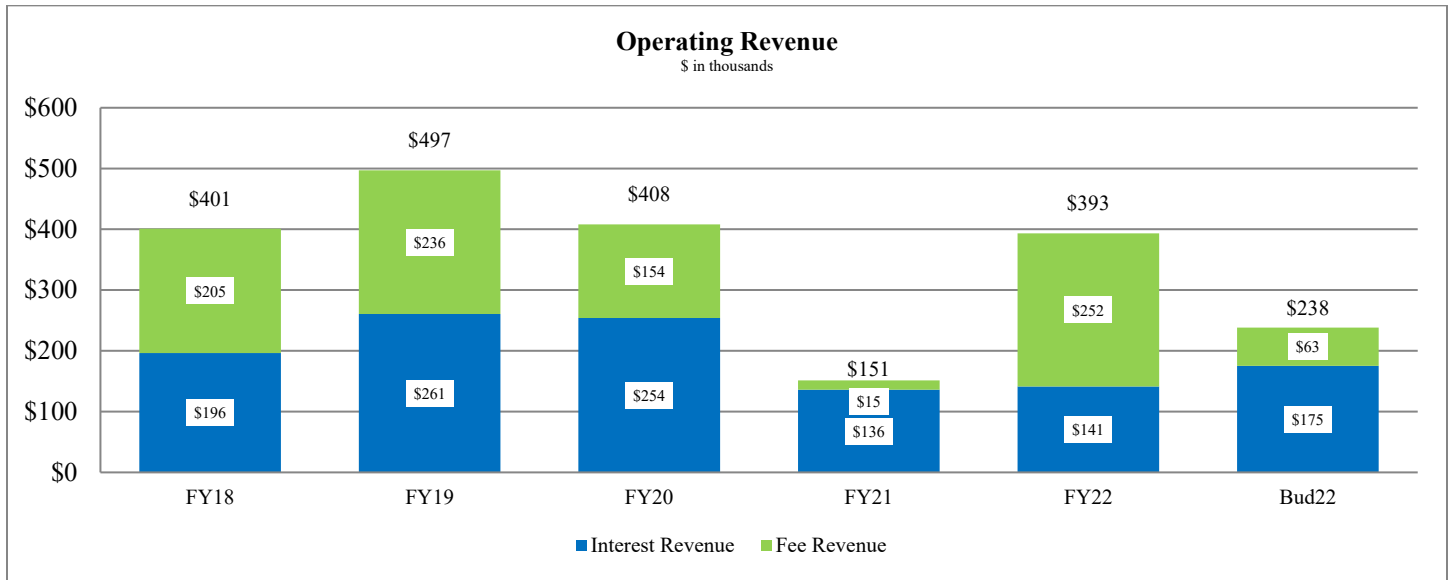
Balance Sheet	Multi Family (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	25,781,997	25,610,996	171,000	0.7	56,475,690	(30,693,694)	-54.3
Investments	827,000	170,000	657,000	386.5	-	827,000	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	59,639,805	60,704,605	(1,064,800)	-1.8	57,954,340	1,685,465	2.9
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	51,355	78,416	(27,061)	-34.5	722,360	(671,005)	-92.9
Deferred Outflows	332,311	466,677	(134,366)	-28.8	466,677	(134,366)	-28.8
<b>Total Assets and Deferred Outflows</b>	<b>86,632,468</b>	<b>87,030,694</b>	<b>(398,226)</b>	<b>-0.5</b>	<b>115,619,068</b>	<b>(28,986,600)</b>	<b>-25.1</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	32,901,079	33,486,079	(585,000)	-1.7	34,513,692	(1,612,613)	-4.7
Interest Payable	159,364	175,207	(15,843)	-9.0	167,438	(8,074)	-4.8
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	9,995,423	8,771,737	1,223,686	14.0	8,686,917	1,308,505	15.1
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	35,429	100,373	(64,944)	-64.7	34,121	1,308	3.8
Other liabilities	332,311	466,677	(134,366)	-28.8	466,677	(134,366)	-28.8
Deferred Inflows	7,094	2,531	4,562	180.3	2,531	4,562	180.3
<b>Total Liabilities and Deferred Inflows</b>	<b>43,430,699</b>	<b>43,002,605</b>	<b>428,095</b>	<b>1.0</b>	<b>43,871,377</b>	<b>(440,678)</b>	<b>-1.0</b>
<b>Equity</b>							
YTD Earnings(Loss)	1,642,497	1,652,283	(9,786)	-0.6	2,954,746	(1,312,249)	-44.4
Prior Years Earnings	43,014,735	43,332,307	(317,572)	-0.7	69,708,403	(26,693,668)	-38.3
Transfers	(1,455,463)	(956,500)	(498,963)	52.2	(915,459)	(540,004)	59.0
<b>Total Equity</b>	<b>43,201,769</b>	<b>44,028,090</b>	<b>(826,321)</b>	<b>-1.9</b>	<b>71,747,691</b>	<b>(28,545,922)</b>	<b>-39.8</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>86,632,468</b>	<b>87,030,694</b>	<b>(398,226)</b>	<b>-0.5</b>	<b>115,619,068</b>	<b>(28,986,600)</b>	<b>-25.1</b>

To: IFA Board Members  
 From: Stephanie Willis  
 Date: January 18, 2022  
 Re: December 2021 YTD Financial Results

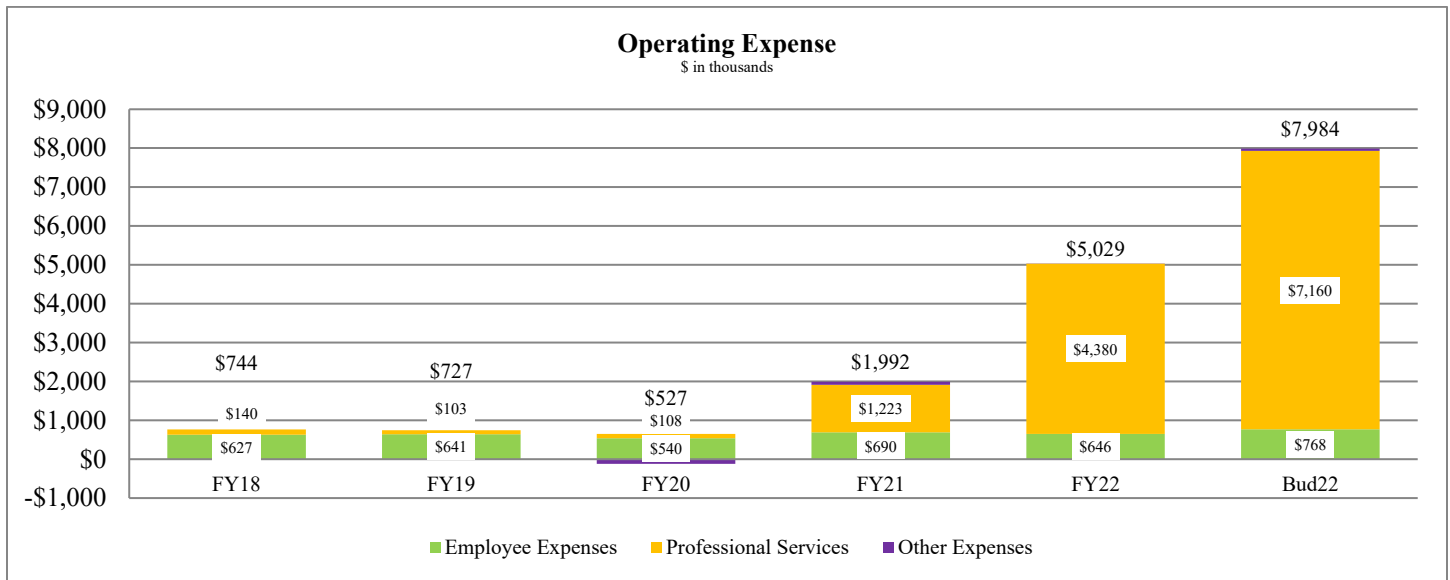


**Federal and State Programs (\$ in thousands)**

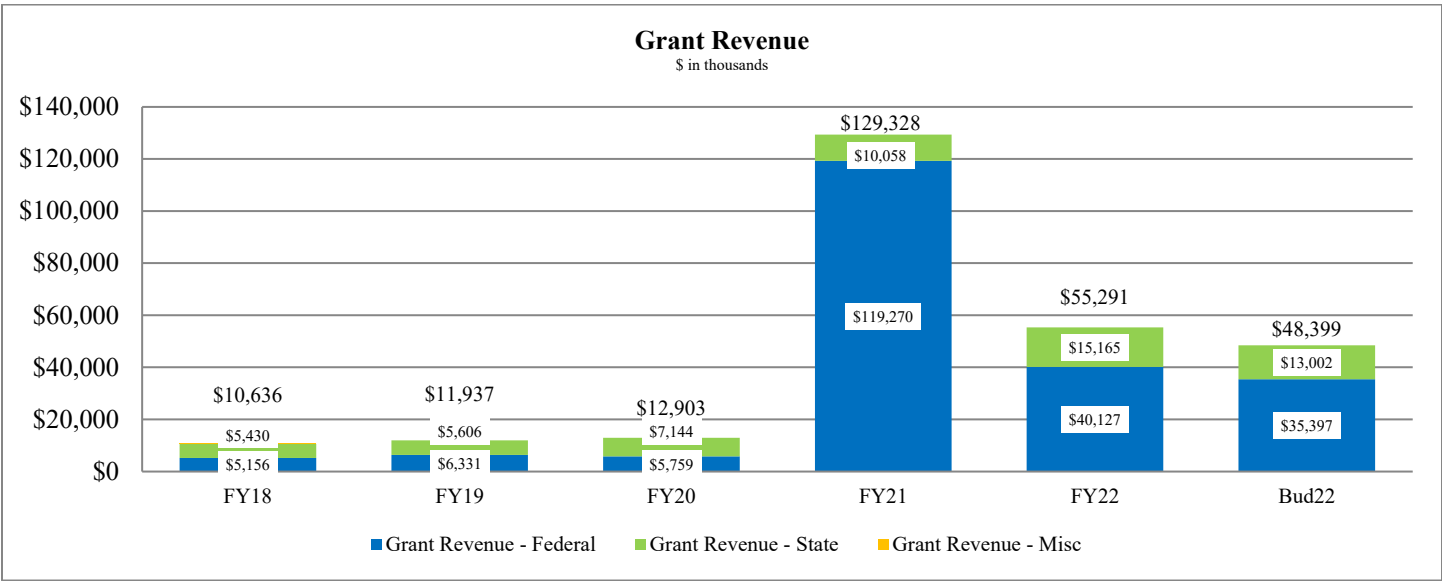
Federal and State programs are operating favorable to budget as of December FY 2022.



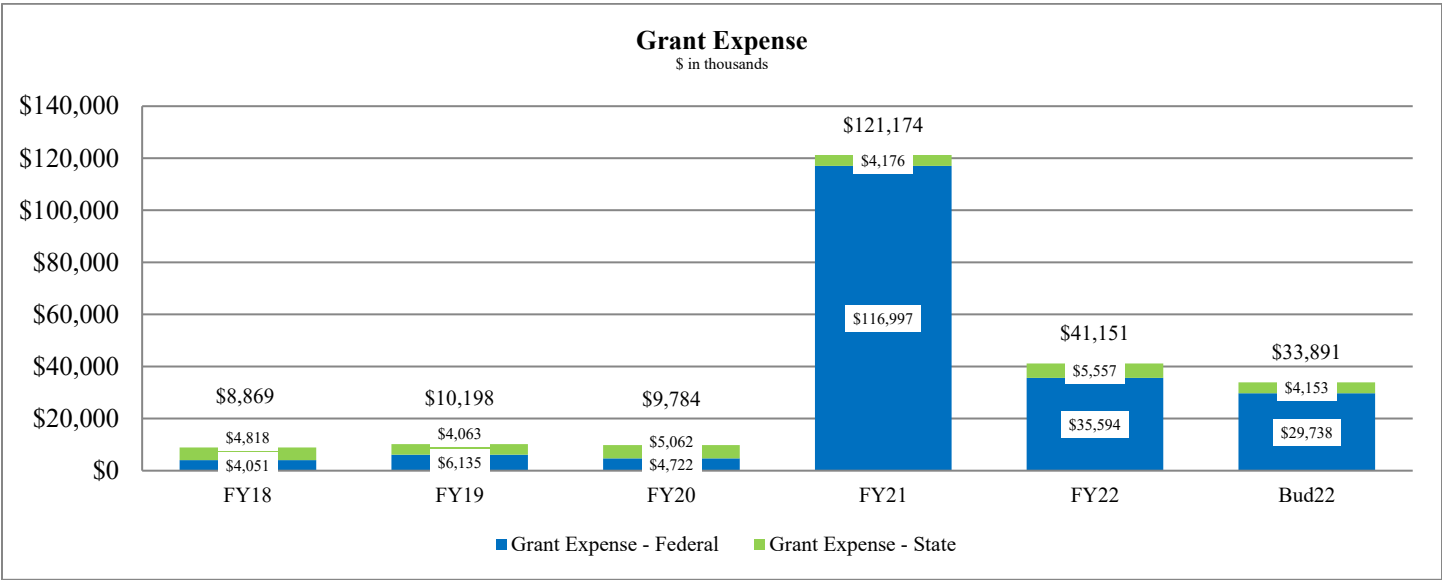
Operating Revenue was favorable to budget and prior year by \$155 or 65.2%, and \$242 or 160.0%, respectively. Fee revenue was above budget by \$189 or 299.9% due to the Private Activity bond program.



Operating Expense was \$2,955 or 37.0% favorable to budget. Professional Services expenses were \$2,780 or 38.8% below budget, due to consultants for the Iowa Rent and Utility Assistance Program (IRUAP). Operating expenses were unfavorable to prior year by \$3,037 or 152.4%. The \$3,157 increase in Professional Services over prior year is due to the increase in consultants for the IRUAP.

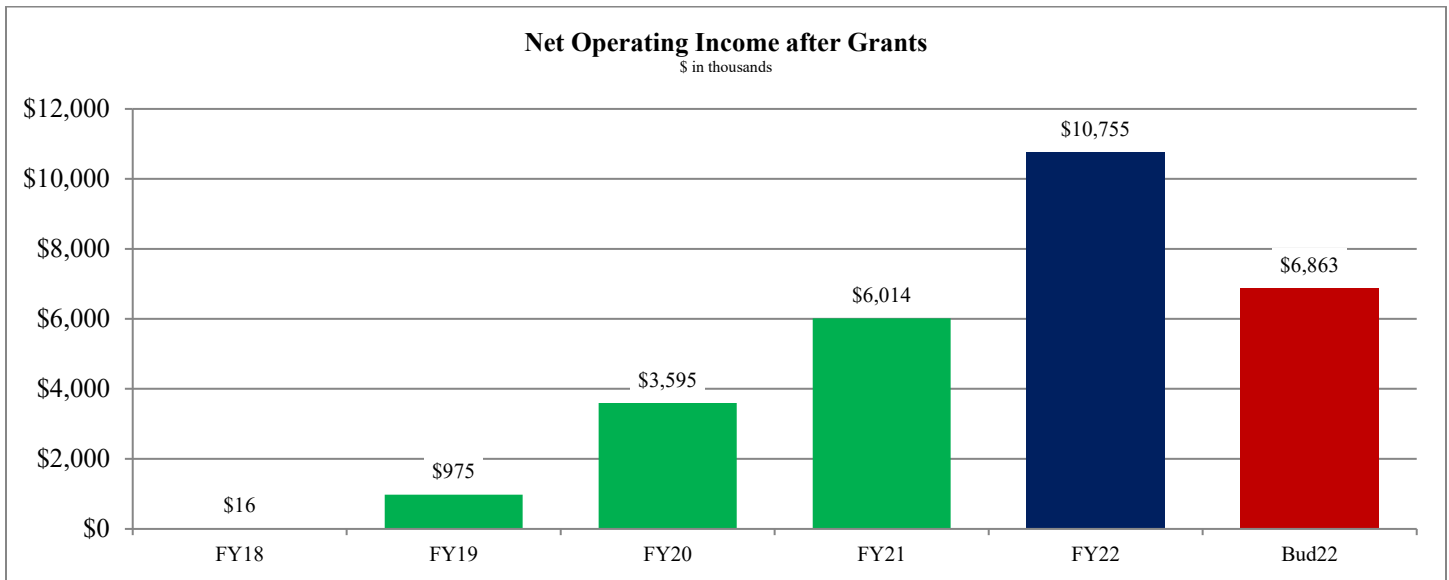


Grant Revenue was favorable to budget by \$6,892 or 14.2%. Grant revenue was unfavorable to prior year by \$74,037 or 57.2%. The federal decrease of \$79,143 is largely due to the Iowa Livestock disbursement in FY 21 of \$62,486 and Beginning Farmers of \$14,216.



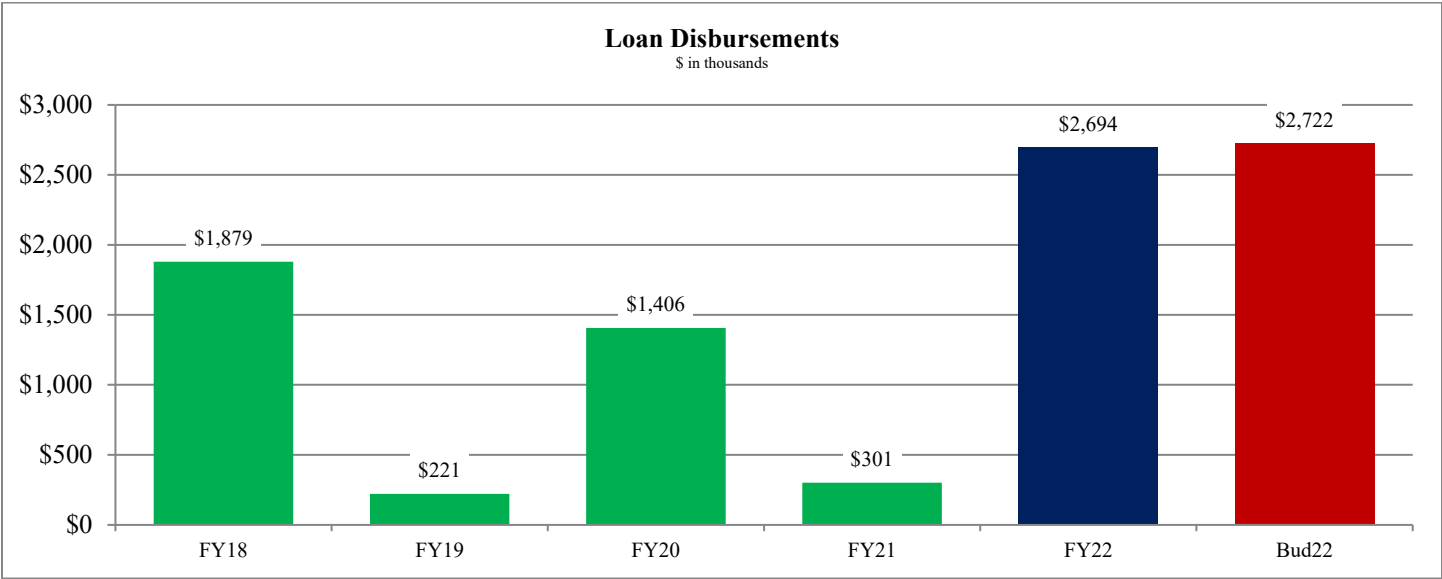
Grant Expense was unfavorable to budget by \$7,260 or 21.4%, largely due to IRUAP disbursements above budget. Similar to Revenue, Grant Expenses were below prior year primarily due to the Iowa Livestock and Beginning Farmers disbursement in FY 21 of \$76,412.





NOIAG was favorable to budget by \$3,892 or 56.7%, and favorable to prior year by \$4,741 or 78.8%. The variance is largely due to the increase in funding for the Water Quality Programs (loans and grants).

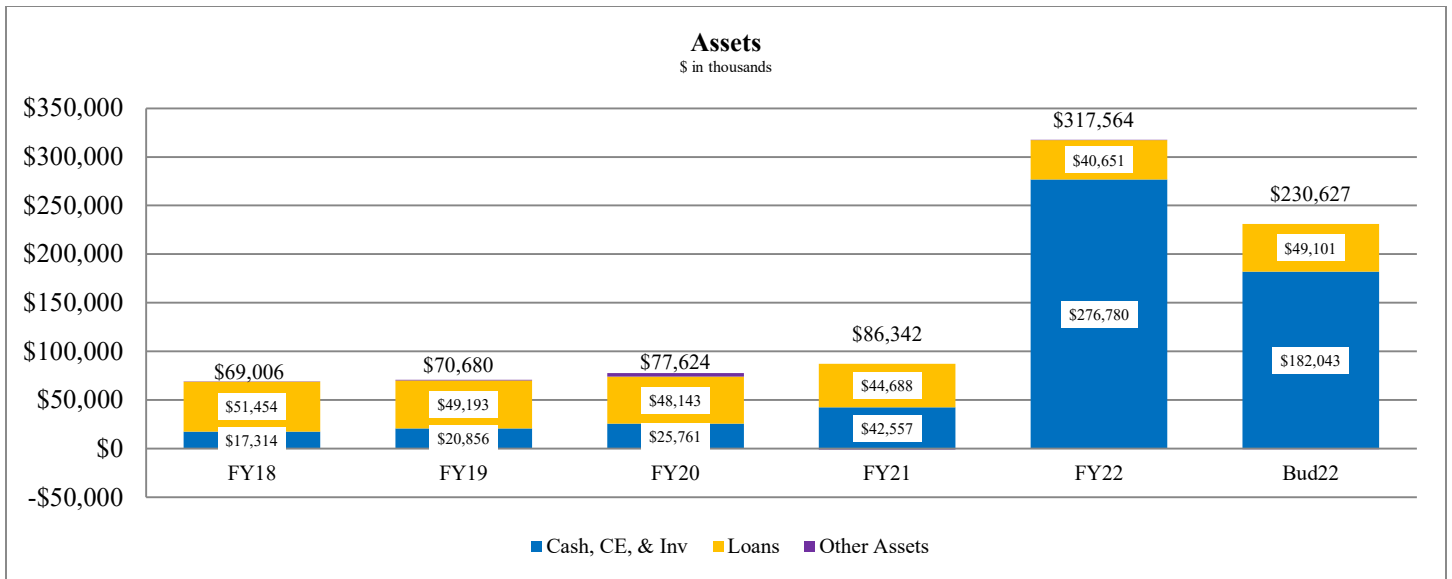
FSP Loan Portfolio by Series	June 30, 2021		Additions	Payments	Ending Balance		
	#	Balance			Balance	Chg	#
500-047 SHTF - Loans	11	1,970,618	-	(53,689)	1,916,929	-2.7%	10
500-047 SHTF - Cash Flow Loans	6	453,497	-	(170,787)	282,710	-37.7%	2
500-049 Senior Living Trust Lns	10	4,250,398	2,000,000	(99,847)	6,150,551	44.7%	13
500-050 Home & Comm Tr Lns	8	1,693,756	-	(186,051)	1,507,706	-11.0%	7
500-051 Transitional Housing Lns	2	808,436	-	(23,031)	785,405	-2.8%	2
500-057 TCAP Loans	12	17,975,692	-	-	17,975,692	0.0%	12
500-058 HOME Loans	221	119,037,465	694,250	(1,265,082)	118,466,633	-0.5%	207
500-062 CHS Loans	8	758,484	-	(8,833)	749,651	-1.2%	8
Total Portfolio before Cap Int & Reserves		146,948,347	2,694,250	(1,807,320)	147,835,277	0.6%	
Loan Capitalized Interest Reserve		(8,844,000)	-	65,000	(8,779,000)	-0.7%	
Loan Reserves		(99,184,000)	-	779,000	(98,405,000)	-0.8%	
Total Portfolio	278	38,920,347	2,694,250	(963,320)	40,651,277	4.4%	261



Loan disbursements were comparable to budget.

Revolving Loan Fund Commitments (\$ in whole dollars)

							State Loan Funds
Cash, Cash Equiv & Investments							
	SLT 049						1,068,771
	HCBS 050						799,028
	THF 051						1,447,810
	CHS 062						2,107,022
							5,422,631
		Commitment Date	Original Commitment	11/30/2021 Balance	Monthly Activity	12/31/2021 Balance	Remaining Commitment
Loan Commitments							
	Chandler Pointe	8/5/2020	1,000,000	-	-	-	1,000,000
	Graceview Courtyard Phase II	9/8/2021	1,000,000	-	-	-	1,000,000
	Vive	9/8/2021	1,000,000	-	-	-	1,000,000
	Shenandoah Senior Villas	9/8/2021	1,000,000	-	-	-	1,000,000
	Grace Creek Senior Apts	9/8/2021	1,000,000	-	-	-	1,000,000
Total Commitments			5,000,000	-	-	-	5,000,000
Net Funds Available							422,631



The large asset in Cash & CE is derived from the funding for the Iowa Rent and Utility Assistance Program (IRUAP) at \$160,976, Emergency Rental Assistance II Program (ERA 2) at \$60,000 and Homeowner Assistance Fund at \$5,000.

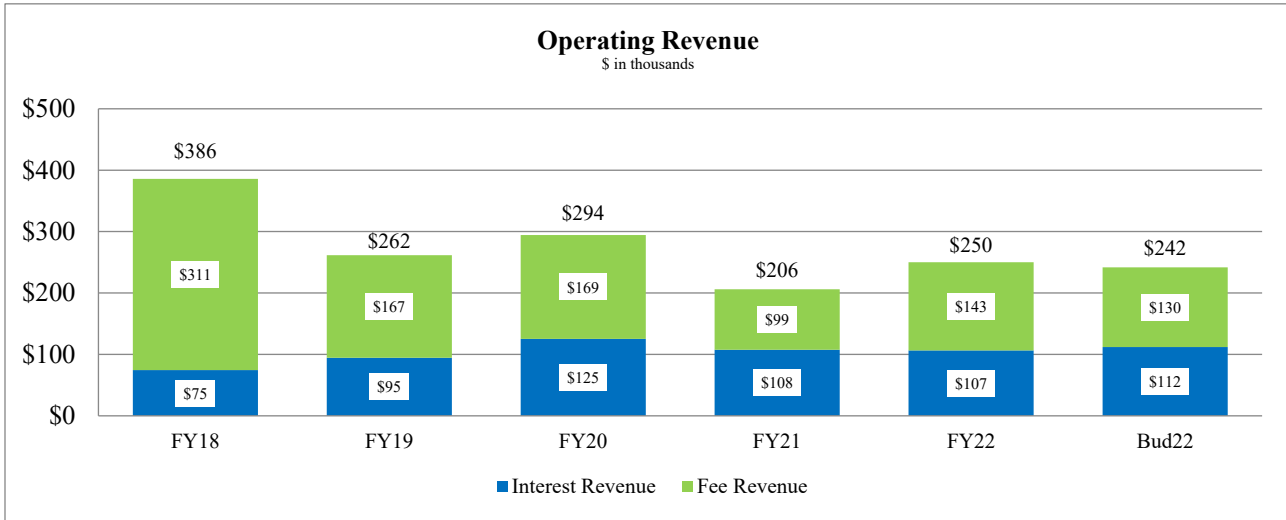
Balance Sheet	Federal and State Grant Programs (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	276,779,500	182,042,515	94,736,985	52.0	42,556,748	234,222,752	550.4
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	40,651,277	49,101,124	(8,449,846)	-17.2	44,687,782	(4,036,505)	-9.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	133,668	(517,041)	650,709	-125.9	(902,523)	1,036,192	-114.8
Deferred Outflows	-	-	-	0.0	-	-	0.0
<b>Total Assets and Deferred Outflows</b>	<b>317,564,446</b>	<b>230,626,598</b>	<b>86,937,848</b>	<b>37.7</b>	<b>86,342,006</b>	<b>231,222,440</b>	<b>267.8</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	226,835,565	141,622,916	85,212,649	60.2	5,795,426	221,040,139	3814.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	463,824	463,824	-	0.0	463,824	-	0.0
Accounts Payable & Accrued Liabilities	9,600	2,173	7,427	341.9	-	9,600	0.0
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>227,308,988</b>	<b>142,088,912</b>	<b>85,220,076</b>	<b>60.0</b>	<b>6,259,249</b>	<b>221,049,739</b>	<b>3531.6</b>
<b>Equity</b>							
YTD Earnings(Loss)	10,754,654	6,862,716	3,891,938	56.7	6,013,818	4,740,836	78.8
Prior Years Earnings	79,659,419	81,682,997	(2,023,578)	-2.5	74,057,487	5,601,932	7.6
Transfers	(159,415)	(8,027)	(151,388)	1886.0	11,452	(170,867)	-1492.1
<b>Total Equity</b>	<b>90,254,658</b>	<b>88,537,686</b>	<b>1,716,972</b>	<b>1.9</b>	<b>80,082,757</b>	<b>10,171,901</b>	<b>12.7</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>317,563,646</b>	<b>230,626,598</b>	<b>86,937,048</b>	<b>37.7</b>	<b>86,342,006</b>	<b>231,221,640</b>	<b>267.8</b>

Income Statement	Federal and State Grant Programs (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	21,366	29,257	(7,891)	-27.0	18,070	3,296	18.2	141,297	175,089	(33,792)	-19.3	136,099	5,198	3.8
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	74,925	10,500	64,425	613.6	(3,058)	77,983	-2550.1	251,925	63,000	188,925	299.9	15,122	236,803	1566.0
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>96,291</b>	<b>39,757</b>	<b>56,534</b>	<b>142.2</b>	<b>15,012</b>	<b>81,279</b>	<b>541.4</b>	<b>393,222</b>	<b>238,089</b>	<b>155,134</b>	<b>65.2</b>	<b>151,221</b>	<b>242,001</b>	<b>160.0</b>
<b>Operating Expense</b>														
Interest Expense	-	-	-	0.0	-	-	0.0	2,000	-	2,000	0.0	-	2,000	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	107,573	131,968	(24,395)	-18.5	125,825	(18,252)	-14.5	645,611	767,776	(122,165)	-15.9	690,019	(44,407)	-6.4
Shared Expenses	200	258	(58)	-22.5	94	106	113.4	9,989	6,748	3,241	48.0	1,033	8,956	867.0
Marketing Expense	-	-	-	0.0	-	-	0.0	25	-	25	0.0	-	25	0.0
Professional Services	119,484	1,234,592	(1,115,108)	-90.3	369,375	(249,891)	-67.7	4,380,367	7,160,465	(2,780,098)	-38.8	1,223,064	3,157,303	258.1
Claim and Loss Expenses	(1,000)	(12,000)	11,000	-91.7	(2,000)	1,000	-50.0	(83,049)	(72,000)	(11,049)	15.3	(8,000)	(75,049)	938.1
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	220	25	195	780.0	20	200	1000.0	324	150	174	116.0	80	244	305.0
Overhead Allocation	19,052	16,193	2,859	17.7	11,312	7,740	68.4	73,806	121,040	(47,234)	-39.0	85,917	(12,111)	-14.1
<b>Total Operating Expense</b>	<b>245,529</b>	<b>1,371,036</b>	<b>(1,125,507)</b>	<b>-82.1</b>	<b>504,626</b>	<b>(259,097)</b>	<b>-51.3</b>	<b>5,029,073</b>	<b>7,984,180</b>	<b>(2,955,107)</b>	<b>-37.0</b>	<b>1,992,113</b>	<b>3,036,961</b>	<b>152.4</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(149,238)</b>	<b>(1,331,279)</b>	<b>1,182,041</b>	<b>-88.8</b>	<b>(489,614)</b>	<b>340,376</b>	<b>-69.5</b>	<b>(4,635,851)</b>	<b>(7,746,091)</b>	<b>3,110,240</b>	<b>-40.2</b>	<b>(1,840,891)</b>	<b>(2,794,960)</b>	<b>151.8</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	(10,242,149)	(5,540,900)	(4,701,249)	84.8	(12,835,368)	2,593,219	-20.2	(55,291,466)	(48,399,402)	(6,892,064)	14.2	(129,327,542)	74,036,076	-57.2
Grant Expense	8,782,053	4,948,133	3,833,921	77.5	13,983,456	(5,201,403)	-37.2	41,150,961	33,890,595	7,260,367	21.4	121,173,670	(80,022,708)	-66.0
Intra-Agency Transfers	(1,250,000)	(50,000)	(1,200,000)	2400.0	(500,000)	(750,000)	150.0	(1,250,000)	(100,000)	(1,150,000)	1150.0	299,163	(1,549,163)	-517.8
<b>Total Net Grant (Income) Expense</b>	<b>(2,710,096)</b>	<b>(642,768)</b>	<b>(2,067,328)</b>	<b>321.6</b>	<b>648,088</b>	<b>(3,358,184)</b>	<b>-518.2</b>	<b>(15,390,505)</b>	<b>(14,608,807)</b>	<b>(781,698)</b>	<b>5.4</b>	<b>(7,854,709)</b>	<b>(7,535,796)</b>	<b>95.9</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>2,560,858</b>	<b>(688,511)</b>	<b>3,249,369</b>	<b>-471.9</b>	<b>(1,137,702)</b>	<b>3,698,560</b>	<b>-325.1</b>	<b>10,754,654</b>	<b>6,862,716</b>	<b>3,891,938</b>	<b>56.7</b>	<b>6,013,818</b>	<b>4,740,836</b>	<b>78.8</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>2,560,858</b>	<b>(688,511)</b>	<b>3,249,369</b>	<b>-471.9</b>	<b>(1,137,702)</b>	<b>3,698,560</b>	<b>-325.1</b>	<b>10,754,654</b>	<b>6,862,716</b>	<b>3,891,938</b>	<b>56.7</b>	<b>6,013,818</b>	<b>4,740,836</b>	<b>78.8</b>
IFA Home Dept Staff Count	8	7	1	14.3	7	1	14.3	8	7	1	14.3	6	2	29.7
FTE Staff Count	10	11	(1)	-7.4	11	(1)	-6.5	11	11	(0)	-4.5	10	0	1.8

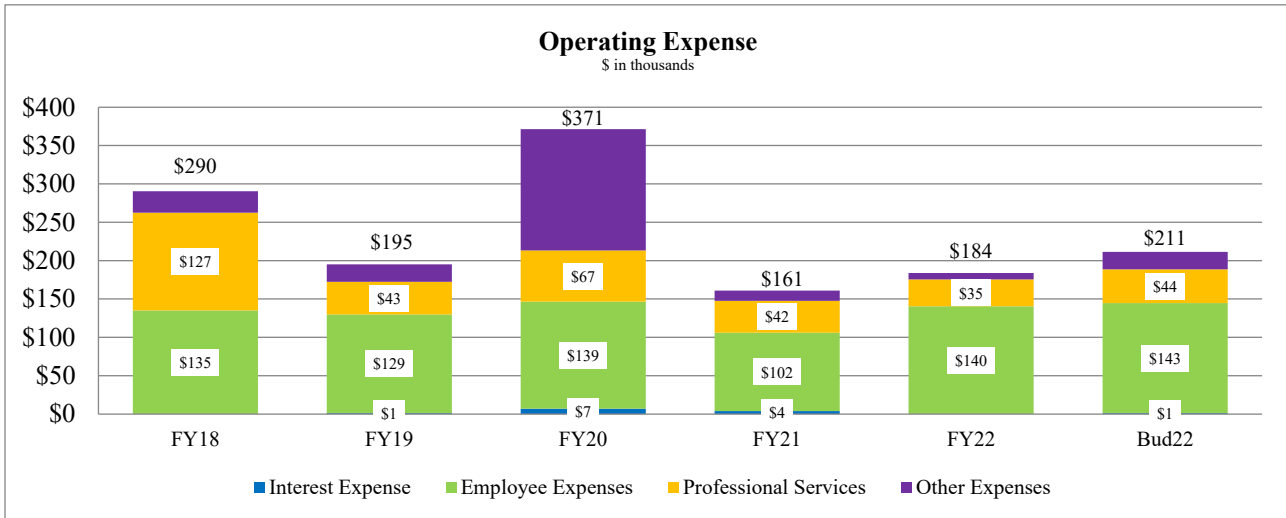
To: IFA and IADD Board Members  
 From: Becky Wu  
 Date: January 14, 2022  
 Re: December 2021 YTD IADD Financial Results

**Iowa Agricultural Development Division Results (\$ in thousands)**

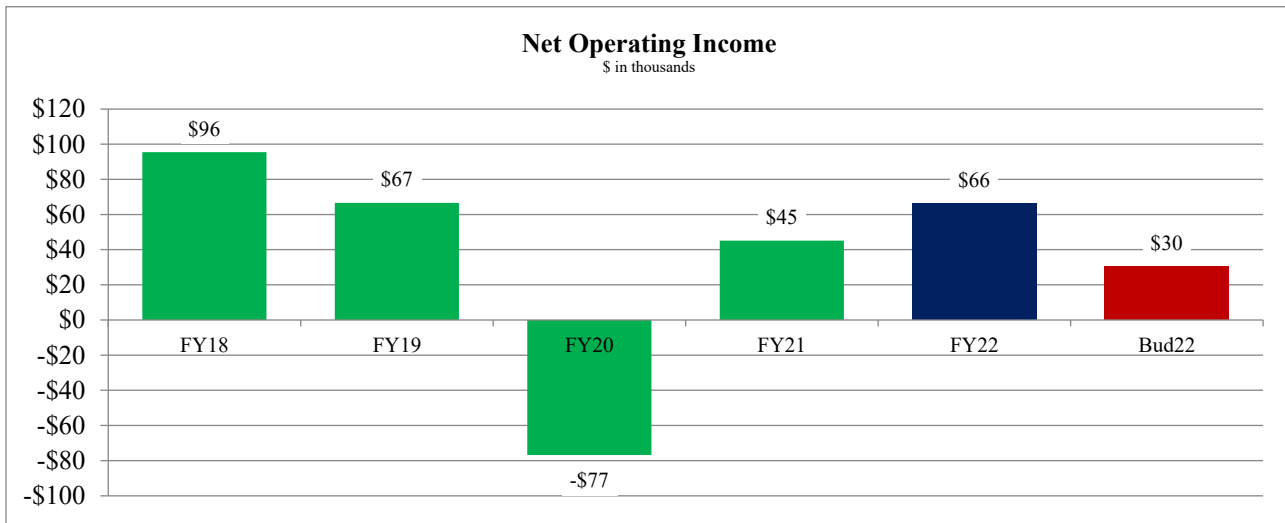
IADD operated favorable to budget as end of Second quarter of FY2022.



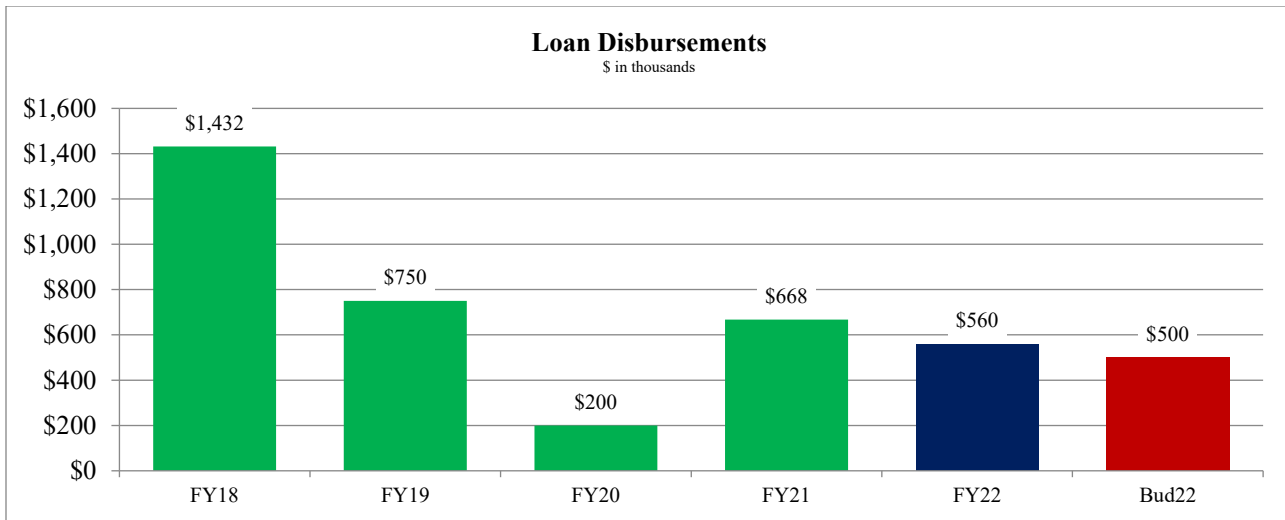
Operating Revenue was \$8 or 3.4% favorable to budget and \$44 or 21.3% favorable to last year. Fee Revenue was \$13 or 10.3% favorable budget due to BFTC Fee Income favorable to budget.



Operating Expense was \$27 or 13.0% favorable to budget but \$23 or 14.3% unfavorable to last year. Professional Services was \$9 favorable to budget, Marketing Expense, Shared Expenses and Claim and Loss Expenses were also favorable to budget.



Net Income was \$36 or 116.8% favorable to budget and \$21 or 46.4% favorable to last year.



Notes:

- There was \$479 available for administrative expenses.
- Restricted Rural Rehab Trust funds (includes cash, and LPP loan repayments) balance was \$545.
- The LPP loan balance net of reserves was \$5,889.

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### LPP Loan Commitments

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LPP	Bank	Commitment Date	Anticipated Closing Date	Original Commitment (\$ in actual)
P0302	Clear Lake Bank & Trust Co.	6/2/2021	3/1/2022	200,000
P0306	Community Savings Bank	10/6/2021	3/1/2022	200,000
P0307	American State Bank	12/1/2021	2/1/2022	200,000
Total Commitment				600,000

Balance Sheet	Agriculture Development Division (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	946,656	575,199	371,457	64.6	1,148,227	(201,571)	-17.6
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	5,888,632	6,496,376	(607,743)	-9.4	6,249,702	(361,069)	-5.8
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	67,508	40,788	26,720	65.5	74,396	(6,888)	-9.3
Deferred Outflows	-	-	-	0.0	-	-	0.0
<b>Total Assets and Deferred Outflows</b>	<b>6,902,796</b>	<b>7,112,363</b>	<b>(209,567)</b>	<b>-2.9</b>	<b>7,472,325</b>	<b>(569,529)</b>	<b>-7.6</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	200,000	(200,000)	-100.0	699,700	(699,700)	-100.0
Interest Payable	-	1,805	(1,805)	-100.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	1,517	17,873	(16,356)	-91.5	2,858	(1,341)	-46.9
Other liabilities	-	-	-	0.0	-	-	0.0
Deferred Inflows	-	-	-	0.0	-	-	0.0
<b>Total Liabilities and Deferred Inflows</b>	<b>1,517</b>	<b>219,678</b>	<b>(218,161)</b>	<b>-99.3</b>	<b>702,558</b>	<b>(701,041)</b>	<b>-99.8</b>
<b>Equity</b>							
YTD Earnings(Loss)	66,104	30,488	35,616	116.8	45,163	20,941	46.4
Prior Years Earnings	6,835,175	6,862,197	(27,022)	-0.4	6,724,604	110,571	1.6
Transfers	-	-	-	0.0	-	-	0.0
<b>Total Equity</b>	<b>6,901,279</b>	<b>6,892,685</b>	<b>8,594</b>	<b>0.1</b>	<b>6,769,767</b>	<b>131,512</b>	<b>1.9</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>6,902,796</b>	<b>7,112,363</b>	<b>(209,567)</b>	<b>-2.9</b>	<b>7,472,325</b>	<b>(569,529)</b>	<b>-7.6</b>



Income Statement	Agriculture Development Division (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Operating Revenue</b>														
Interest Revenue	16,579	18,861	(2,282)	-12.1	19,106	(2,527)	-13.2	106,561	111,834	(5,274)	-4.7	107,503	(942)	-0.9
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	15,817	17,600	(1,783)	-10.1	9,037	6,780	75.0	143,431	130,000	13,431	10.3	98,521	44,910	45.6
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>32,397</b>	<b>36,461</b>	<b>(4,065)</b>	<b>-11.1</b>	<b>28,143</b>	<b>4,253</b>	<b>15.1</b>	<b>249,992</b>	<b>241,834</b>	<b>8,158</b>	<b>3.4</b>	<b>206,024</b>	<b>43,968</b>	<b>21.3</b>
<b>Operating Expense</b>														
Interest Expense	-	167	(167)	-100.0	603	(603)	-100.0	-	1,190	(1,190)	-100.0	3,887	(3,887)	-100.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	22,272	24,636	(2,364)	-9.6	13,172	9,100	69.1	140,408	143,442	(3,034)	-2.1	102,142	38,266	37.5
Shared Expenses	-	235	(235)	-100.0	10	(10)	-100.0	231	1,410	(1,179)	-83.6	589	(358)	-60.8
Marketing Expense	-	700	(700)	-100.0	-	-	0.0	710	4,200	(3,491)	-83.1	-	710	0.0
Professional Services	2,888	5,300	(2,412)	-45.5	3,138	(250)	-8.0	35,045	44,000	(8,955)	-20.4	41,589	(6,543)	-15.7
Claim and Loss Expenses	1,000	(510)	1,510	-296.2	(1,000)	2,000	-200.0	(1,000)	1,966	(2,966)	-150.9	-	(1,000)	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Overhead Allocation	2,859	1,616	1,243	77.0	1,485	1,374	92.5	8,495	15,139	(6,644)	-43.9	12,654	(4,159)	-32.9
<b>Total Operating Expense</b>	<b>29,019</b>	<b>32,144</b>	<b>(3,125)</b>	<b>-9.7</b>	<b>17,408</b>	<b>11,611</b>	<b>66.7</b>	<b>183,888</b>	<b>211,347</b>	<b>(27,459)</b>	<b>-13.0</b>	<b>160,861</b>	<b>23,027</b>	<b>14.3</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>3,377</b>	<b>4,318</b>	<b>(940)</b>	<b>-21.8</b>	<b>10,736</b>	<b>(7,358)</b>	<b>-68.5</b>	<b>66,104</b>	<b>30,488</b>	<b>35,616</b>	<b>116.8</b>	<b>45,163</b>	<b>20,941</b>	<b>46.4</b>
<b>Net Grant (Income) Expense</b>														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>3,377</b>	<b>4,318</b>	<b>(940)</b>	<b>-21.8</b>	<b>10,736</b>	<b>(7,358)</b>	<b>-68.5</b>	<b>66,104</b>	<b>30,488</b>	<b>35,616</b>	<b>116.8</b>	<b>45,163</b>	<b>20,941</b>	<b>46.4</b>
<b>Other Non-Operating (Income) Expense</b>														
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>3,377</b>	<b>4,318</b>	<b>(940)</b>	<b>-21.8</b>	<b>10,736</b>	<b>(7,358)</b>	<b>-68.5</b>	<b>66,104</b>	<b>30,488</b>	<b>35,616</b>	<b>116.8</b>	<b>45,163</b>	<b>20,941</b>	<b>46.4</b>
IFA Home Dept Staff Count	2	2	-	0.0	2	-	0.0	2	2	-	0.0	2	-	0.0
FTE Staff Count	2	2	(0)	-0.9	2	0	24.6	2	2	0	2.5	2	1	28.2

Income Statement	Agriculture Development Division (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Operating Income</b>														
Interest Revenue - Loans	16,539	18,861	(2,323)	-12.3%	18,972	(2,434)	-13%	105,963	111,834	(5,871)	-5%	104,361	1,602	2%
Interest Revenue - CE & Inv	41	-	41	0.0%	134	(93)	-70%	598	-	598	0%	3,142	(2,544)	-81%
Fee Inc - BFLP	15,817	16,667	(850)	-5.1%	9,037	6,780	75%	94,831	100,002	(5,171)	-5%	60,899	33,933	56%
Fee Inc - LPP	-	833	(833)	-100.0%	-	-	0%	3,300	4,998	(1,698)	-34%	10,713	(7,413)	-69%
Fee Inc - BFTC	-	100	(100)	-100.0%	-	-	0%	45,300	25,000	20,300	81%	26,910	18,390	68%
Fee Inc - BFCH TC	-	-	-	0.0%	-	-	0%	-	-	-	0%	-	-	0%
<b>Total Operating Income</b>	<b>32,397</b>	<b>36,461</b>	<b>(4,065)</b>	<b>-11.1%</b>	<b>28,143</b>	<b>4,253</b>	<b>15%</b>	<b>249,992</b>	<b>241,834</b>	<b>8,158</b>	<b>3%</b>	<b>206,024</b>	<b>43,968</b>	<b>21%</b>
<b>Operating Expense</b>														
Employee Expenses	22,272	24,636	(2,364)	-9.6%	13,172	9,100	69%	140,408	143,442	(3,034)	-2%	102,142	38,266	37%
Shared Expenses	-	235	(235)	-100.0%	10	(10)	-100%	231	1,410	(1,179)	-84%	589	(358)	-61%
Marketing Expense	-	700	(700)	-100.0%	-	-	0%	710	4,200	(3,491)	-83%	-	710	0%
Professional Services	2,888	5,300	(2,412)	-45.5%	3,138	(250)	-8%	35,045	44,000	(8,955)	-20%	41,589	(6,543)	-16%
Claim and Loss Expenses	1,000	(510)	1,510	-296.2%	(1,000)	2,000	-200%	(1,000)	1,966	(2,966)	-151%	-	(1,000)	0%
<b>Operating Expense</b>	<b>29,019</b>	<b>32,144</b>	<b>(3,125)</b>	<b>-9.7%</b>	<b>17,408</b>	<b>11,611</b>	<b>67%</b>	<b>183,888</b>	<b>211,347</b>	<b>(27,459)</b>	<b>-13%</b>	<b>160,861</b>	<b>23,027</b>	<b>14%</b>
<b>Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b>Net Income (Loss)</b>	<b>3,377</b>	<b>4,318</b>	<b>(940)</b>	<b>-21.8%</b>	<b>10,736</b>	<b>(7,358)</b>	<b>-69%</b>	<b>66,104</b>	<b>30,488</b>	<b>35,616</b>	<b>117%</b>	<b>45,163</b>	<b>20,941</b>	<b>46%</b>

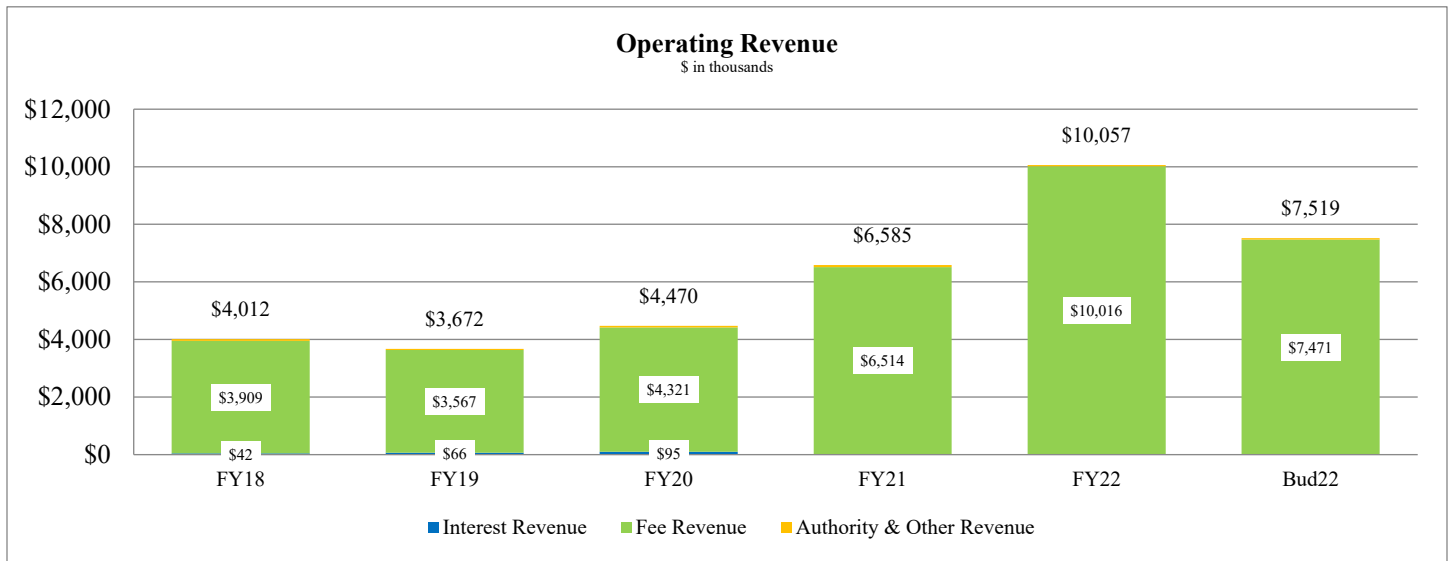
Balance Sheet	Admin	RRTF	Total
<b>Assets</b>			
Cash & Cash Equivalents	472,467	474,189	946,656
Investments	-	-	-
Loans - net of reserves	187,369	5,701,264	5,888,632
Other Assets	(21,642)	89,149	67,508
<b>Total Assets</b>	<b>638,194</b>	<b>6,264,602</b>	<b>6,902,796</b>
<b>Liabilities and Equity</b>			
A/P - STATE	-	-	-
A/P - IFA	-	-	-
A/P - MISC	1,517	-	1,517
<b>Total Liabilities</b>	<b>1,517</b>	<b>-</b>	<b>1,517</b>
<b>Equity</b>			
Current Years Earnings	(36,767)	102,871	66,104
Prior Years Earnings	673,445	6,161,730	6,835,175
<b>Equity</b>	<b>636,677</b>	<b>6,264,602</b>	<b>6,901,279</b>
<b>Total Liabilities and Equity</b>	<b>638,194</b>	<b>6,264,602</b>	<b>6,902,796</b>



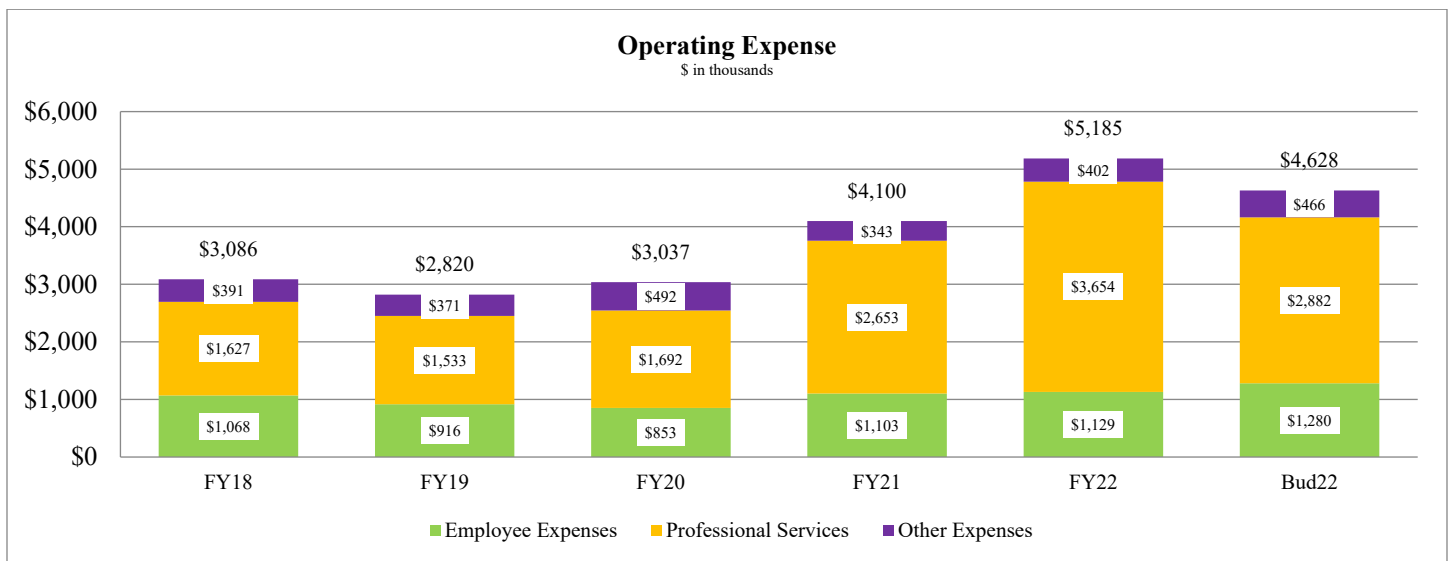
To: IFA & ITG Board Members  
From: David Morrison  
Date: January 19, 2022  
RE: December 2021 YTD Financial Results

**Iowa Title Guaranty Financial Results (\$ in thousands)**

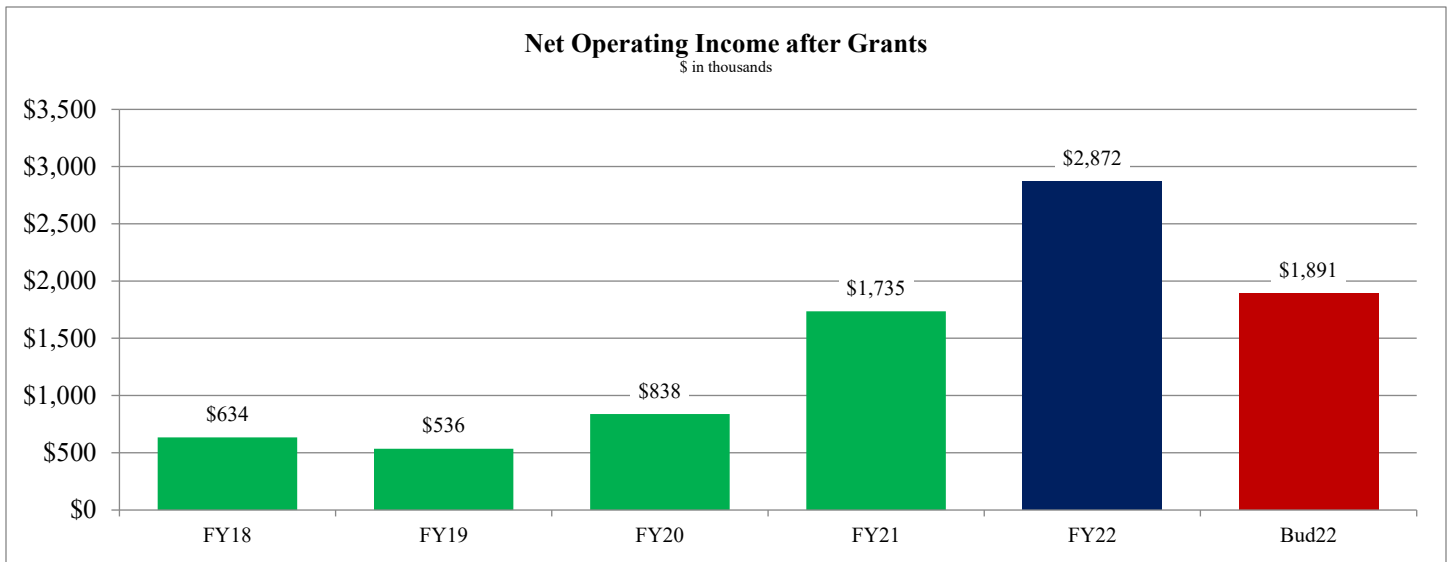
ITG operated favorably to budget for the first six months of FY2022.



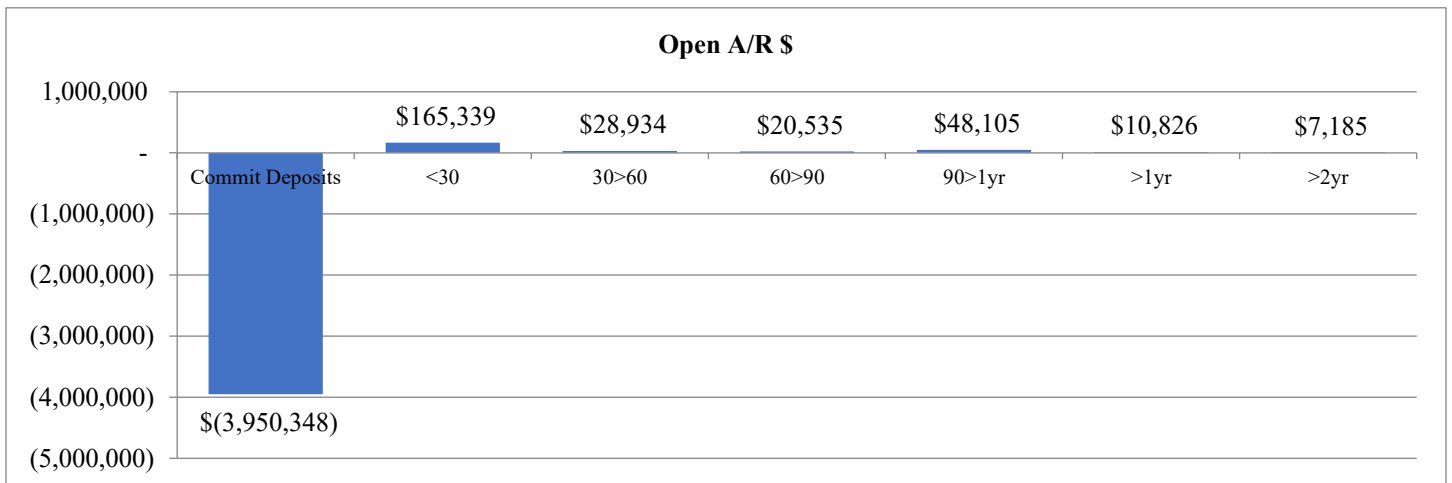
Operating revenue was \$2,538, or 33.8% above budget and 52.7% above last year. Fee Revenue is favorable to budget and prior year due to higher certificate issuance volumes.



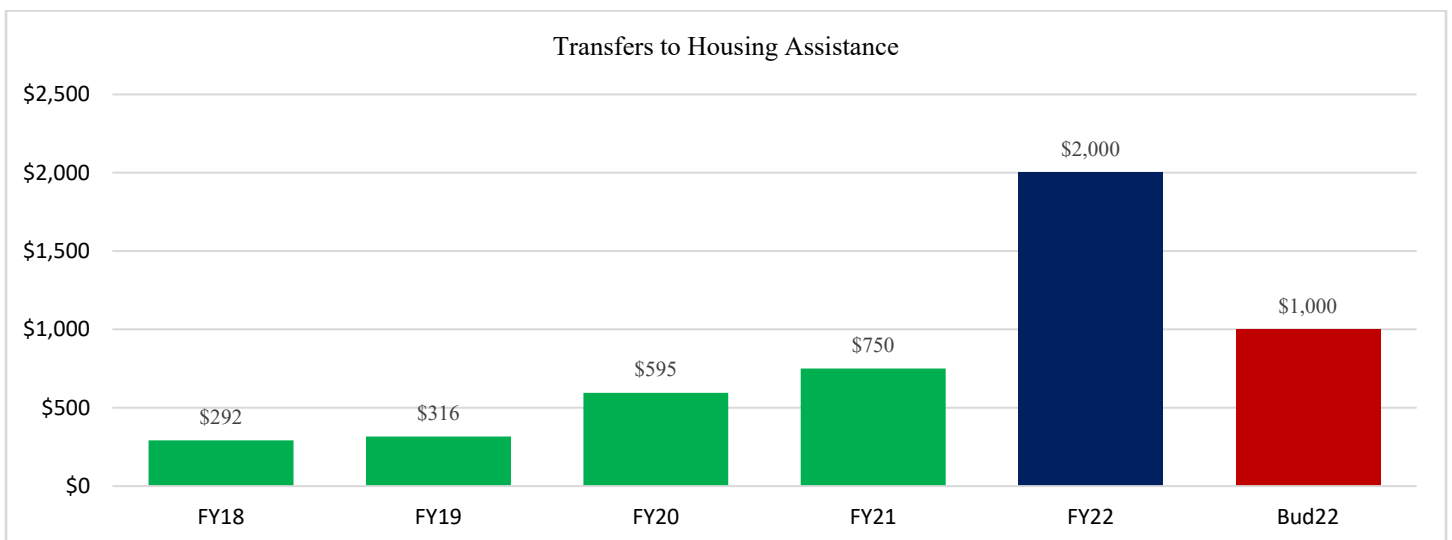
Operating expense was \$557, or 12.0% unfavorable to budget and 26.5% unfavorable to last year. Employee expenses were favorable to budget \$151, favorable Marketing \$35 and favorable Overhead allocation expenses to budget \$66; offset by unfavorable Shared expenses (\$16) due to ALTA membership rate structure change, unfavorable Misc. Operating (\$44) related to e-Recording fees, and Professional Services (\$771) – primarily related to higher incentive payments.



As a result, NOIAG is \$981 favorable to budget and \$1,137 favorable to last year.

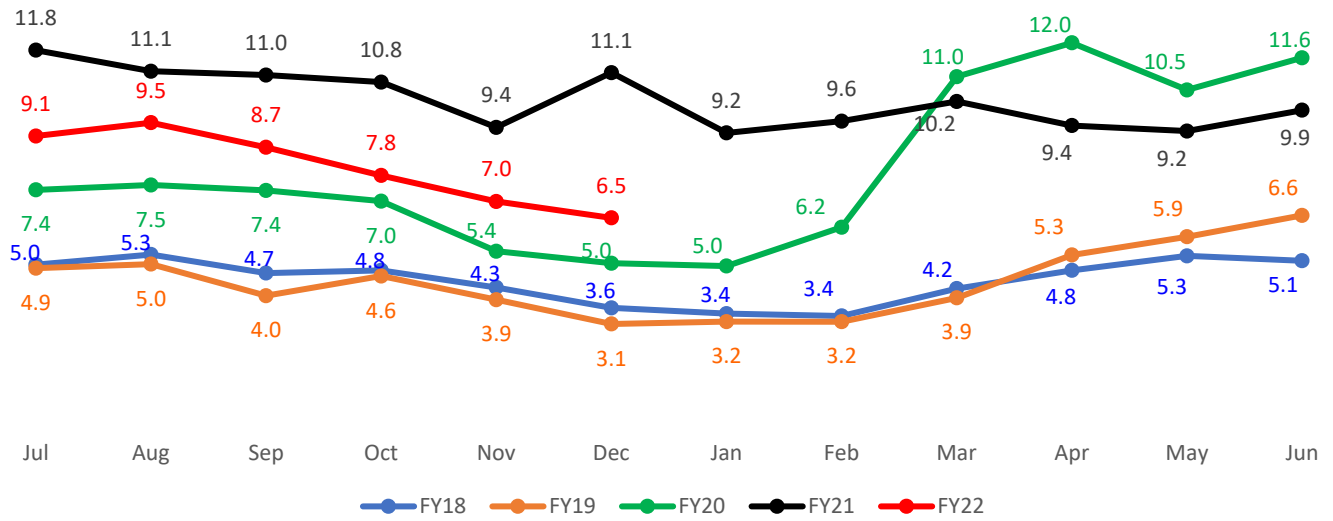


Commitments decreased 0.6% (\$3.950M vs \$3.976M) compared to November, while outstanding receivables decreased 6.0% in November (\$281k to \$299k primarily in 60<90 day and >2yr aging).

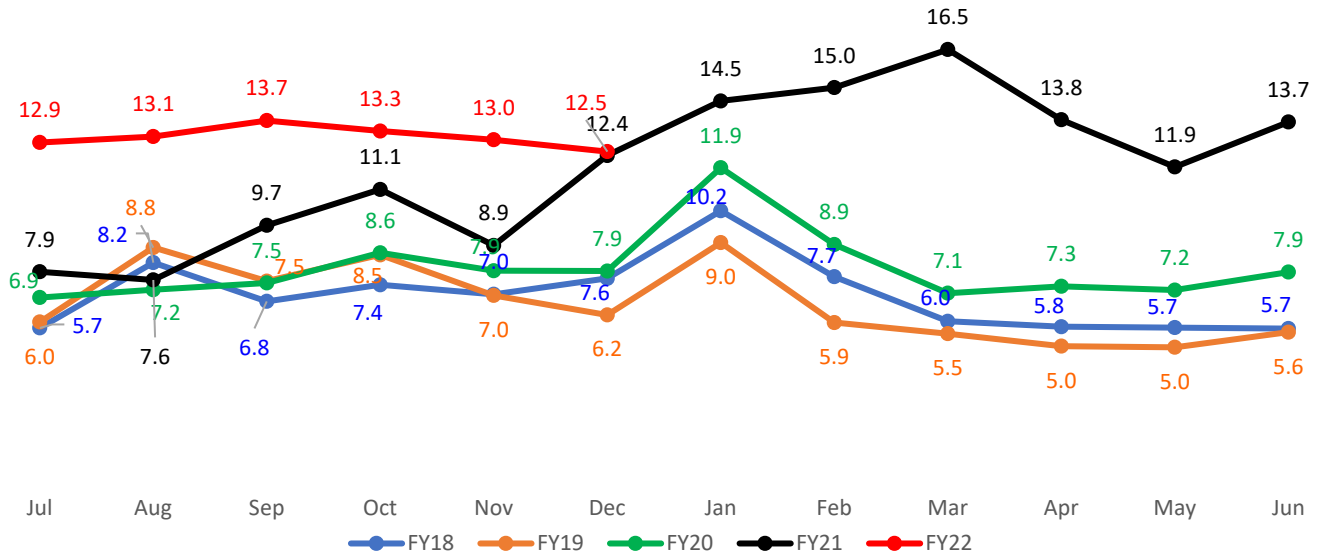


Comparison of December YTD

Monthly Trend - Commitments Issued- 5 yr trends



Monthly Trend - Certificates Issued 5 year trend



Balance Sheet	Iowa Title Guaranty Division (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	23,028,515	21,059,094	1,969,421	9.4	16,272,086	6,756,429	41.5
Investments	-	-	-	0.0	-	-	0.0
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	-	-	-	0.0	-	-	0.0
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	210,860	230,195	(19,335)	-8.4	783,203	(572,343)	-73.1
Deferred Outflows	317,864	270,190	47,674	17.6	270,190	47,674	17.6
<b>Total Assets and Deferred Outflows</b>	<b>23,557,239</b>	<b>21,559,479</b>	<b>1,997,760</b>	<b>9.3</b>	<b>17,325,479</b>	<b>6,231,760</b>	<b>36.0</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	-	-	-	0.0	-	-	0.0
Interest Payable	-	-	-	0.0	-	-	0.0
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	939,712	912,288	27,423	3.0	850,964	88,747	10.4
Reserves for Claims	1,635,730	1,473,928	161,803	11.0	1,419,329	216,401	15.2
Accounts Payable & Accrued Liabilities	4,567,624	4,236,612	331,012	7.8	4,091,974	475,651	11.6
Other liabilities	1,418,775	1,279,687	139,088	10.9	1,164,189	254,586	21.9
Deferred Inflows	175,105	81,785	93,320	114.1	255,588	(80,483)	-31.5
<b>Total Liabilities and Deferred Inflows</b>	<b>8,736,946</b>	<b>7,984,300</b>	<b>752,646</b>	<b>9.4</b>	<b>7,782,044</b>	<b>954,902</b>	<b>12.3</b>
<b>Equity</b>							
YTD Earnings(Loss)	2,871,912	1,891,412	980,500	51.8	1,735,075	1,136,838	65.5
Prior Years Earnings	11,948,381	11,683,767	264,614	2.3	7,808,360	4,140,021	53.0
Transfers	-	-	-	0.0	-	-	0.0
<b>Total Equity</b>	<b>14,820,293</b>	<b>13,575,179</b>	<b>1,245,114</b>	<b>9.2</b>	<b>9,543,435</b>	<b>5,276,858</b>	<b>55.3</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>23,557,239</b>	<b>21,559,479</b>	<b>1,997,760</b>	<b>9.3</b>	<b>17,325,479</b>	<b>6,231,760</b>	<b>36.0</b>

Income Statement	Iowa Title Guaranty Division (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,595,402	1,547,037	48,366	3.1	1,355,230	240,172	17.7	10,016,366	7,471,395	2,544,971	34.1	6,513,538	3,502,828	53.8
Other Revenue	3,038	8,000	(4,962)	-62.0	37,375	(34,338)	-91.9	40,887	48,000	(7,113)	-14.8	71,119	(30,232)	-42.5
<b>Total Operating Revenue</b>	<b>1,598,440</b>	<b>1,555,037</b>	<b>43,403</b>	<b>2.8</b>	<b>1,392,605</b>	<b>205,834</b>	<b>14.8</b>	<b>10,057,253</b>	<b>7,519,395</b>	<b>2,537,858</b>	<b>33.8</b>	<b>6,584,657</b>	<b>3,472,596</b>	<b>52.7</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	184,371	219,517	(35,147)	-16.0	181,869	2,502	1.4	1,129,241	1,280,116	(150,876)	-11.8	1,102,669	26,572	2.4
Shared Expenses	25,793	21,459	4,334	20.2	14,860	10,934	73.6	168,873	152,896	15,976	10.4	114,794	54,079	47.1
Marketing Expense	270	1,989	(1,719)	-86.4	848	(578)	-68.2	22,018	56,674	(34,656)	-61.2	2,696	19,322	716.7
Professional Services	614,350	588,808	25,542	4.3	531,883	82,467	15.5	3,653,620	2,882,292	771,328	26.8	2,653,447	1,000,172	37.7
Claim and Loss Expenses	(12,883)	10,000	(22,883)	-228.8	42,381	(55,264)	-130.4	37,260	60,000	(22,741)	-37.9	41,013	(3,754)	-9.2
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	43,052	7,600	35,452	466.5	39,311	3,740	9.5	89,753	45,600	44,153	96.8	75,032	14,721	19.6
Overhead Allocation	28,465	16,051	12,414	77.3	12,905	15,561	120.6	84,577	150,404	(65,827)	-43.8	109,930	(25,353)	-23.1
<b>Total Operating Expense</b>	<b>883,417</b>	<b>865,425</b>	<b>17,993</b>	<b>2.1</b>	<b>824,056</b>	<b>59,361</b>	<b>7.2</b>	<b>5,185,341</b>	<b>4,627,983</b>	<b>557,358</b>	<b>12.0</b>	<b>4,099,582</b>	<b>1,085,759</b>	<b>26.5</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>715,023</b>	<b>689,612</b>	<b>25,411</b>	<b>3.7</b>	<b>568,550</b>	<b>146,473</b>	<b>25.8</b>	<b>4,871,912</b>	<b>2,891,412</b>	<b>1,980,500</b>	<b>68.5</b>	<b>2,485,075</b>	<b>2,386,838</b>	<b>96.0</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	1,250,000	500,000	750,000	150.0	500,000	750,000	150.0	2,000,000	1,000,000	1,000,000	100.0	750,000	1,250,000	166.7
<b>Total Net Grant (Income) Expense</b>	<b>1,250,000</b>	<b>500,000</b>	<b>750,000</b>	<b>150.0</b>	<b>500,000</b>	<b>750,000</b>	<b>150.0</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>100.0</b>	<b>750,000</b>	<b>1,250,000</b>	<b>166.7</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(534,977)</b>	<b>189,612</b>	<b>(724,589)</b>	<b>-382.1</b>	<b>68,550</b>	<b>(603,527)</b>	<b>-880.4</b>	<b>2,871,912</b>	<b>1,891,412</b>	<b>980,500</b>	<b>51.8</b>	<b>1,735,075</b>	<b>1,136,838</b>	<b>65.5</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(534,977)</b>	<b>189,612</b>	<b>(724,589)</b>	<b>-382.1</b>	<b>68,550</b>	<b>(603,527)</b>	<b>-880.4</b>	<b>2,871,912</b>	<b>1,891,412</b>	<b>980,500</b>	<b>51.8</b>	<b>1,735,075</b>	<b>1,136,838</b>	<b>65.5</b>
IFA Home Dept Staff Count	20	21	(1)	-4.8	19	1	5.3	20	21	(1)	-4.8	18	2	10.1
FTE Staff Count	21	23	(2)	-7.3	21	0	1.8	21	23	(2)	-6.6	21	1	3.0

Income Statement	800-020 Residential													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	1,530,340	1,500,300	30,040	2.0	1,295,302	235,038	18.1	9,563,323	7,190,975	2,372,348	33.0	6,177,105	3,386,218	54.8
Other Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Operating Revenue</b>	<b>1,530,340</b>	<b>1,500,300</b>	<b>30,040</b>	<b>2.0</b>	<b>1,295,302</b>	<b>235,038</b>	<b>18.1</b>	<b>9,563,323</b>	<b>7,190,975</b>	<b>2,372,348</b>	<b>33.0</b>	<b>6,177,105</b>	<b>3,386,218</b>	<b>54.8</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	149,470	181,462	(31,992)	-17.6	148,781	689	0.5	917,234	1,069,047	(151,813)	-14.2	900,627	16,607	1.8
Shared Expenses	21,220	21,159	61	0.3	14,014	7,207	51.4	163,035	146,981	16,053	10.9	106,894	56,141	52.5
Marketing Expense	270	1,889	(1,619)	-85.7	448	(178)	-39.8	17,518	48,479	(30,961)	-63.9	1,396	16,122	1154.9
Professional Services	614,076	588,458	25,618	4.4	531,731	82,344	15.5	3,651,723	2,880,192	771,531	26.8	2,651,083	1,000,640	37.7
Claim and Loss Expenses	(12,883)	10,000	(22,883)	-228.8	42,381	(55,264)	-130.4	37,260	60,000	(22,741)	-37.9	41,013	(3,754)	-9.2
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	790	350	440	125.7	280	510	182.1	3,330	2,100	1,230	58.6	2,020	1,310	64.9
Overhead Allocation	23,742	13,410	10,332	77.0	10,367	13,375	129.0	70,543	125,655	(55,112)	-43.9	88,313	(17,771)	-20.1
<b>Total Operating Expense</b>	<b>796,684</b>	<b>816,728</b>	<b>(20,043)</b>	<b>-2.5</b>	<b>748,002</b>	<b>48,682</b>	<b>6.5</b>	<b>4,860,642</b>	<b>4,332,454</b>	<b>528,188</b>	<b>12.2</b>	<b>3,791,346</b>	<b>1,069,295</b>	<b>28.2</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>733,656</b>	<b>683,572</b>	<b>50,083</b>	<b>7.3</b>	<b>547,300</b>	<b>186,356</b>	<b>34.0</b>	<b>4,702,681</b>	<b>2,858,521</b>	<b>1,844,160</b>	<b>64.5</b>	<b>2,385,759</b>	<b>2,316,922</b>	<b>97.1</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	1,250,000	500,000	750,000	150.0	500,000	750,000	150.0	2,000,000	1,000,000	1,000,000	100.0	750,000	1,250,000	166.7
<b>Total Net Grant (Income) Expense</b>	<b>1,250,000</b>	<b>500,000</b>	<b>750,000</b>	<b>150.0</b>	<b>500,000</b>	<b>750,000</b>	<b>150.0</b>	<b>2,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>100.0</b>	<b>750,000</b>	<b>1,250,000</b>	<b>166.7</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(516,344)</b>	<b>183,572</b>	<b>(699,917)</b>	<b>-381.3</b>	<b>47,300</b>	<b>(563,644)</b>	<b>-1191.6</b>	<b>2,702,681</b>	<b>1,858,521</b>	<b>844,160</b>	<b>45.4</b>	<b>1,635,759</b>	<b>1,066,922</b>	<b>65.2</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(516,344)</b>	<b>183,572</b>	<b>(699,917)</b>	<b>-381.3</b>	<b>47,300</b>	<b>(563,644)</b>	<b>-1191.6</b>	<b>2,702,681</b>	<b>1,858,521</b>	<b>844,160</b>	<b>45.4</b>	<b>1,635,759</b>	<b>1,066,922</b>	<b>65.2</b>
IFA Home Dept Staff Count	16	17	(1)	-5.9	15	1	6.7	16	17	(1)	-5.9	14	2	12.9
FTE Staff Count	17	19	(2)	-9.4	17	0	2.1	17	19	(2)	-8.4	17	1	3.5



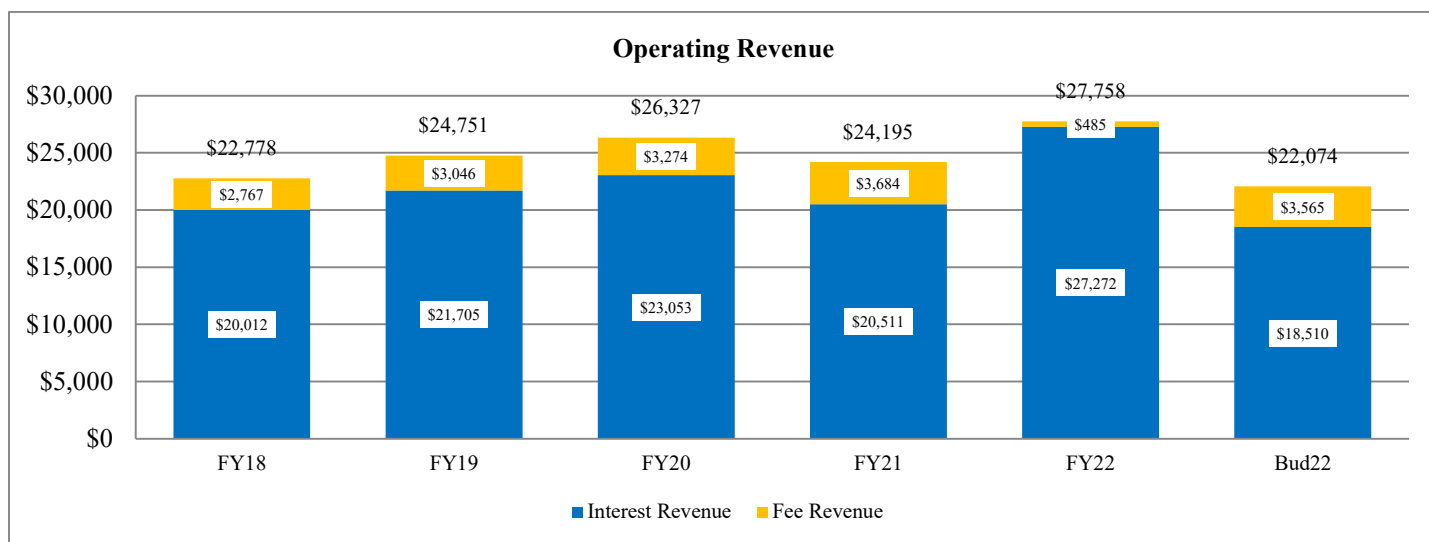
Income Statement	800-030 Commercial													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	65,062	46,737	18,326	39.2	59,928	5,134	8.6	453,044	280,420	172,624	61.6	336,433	116,611	34.7
Other Revenue	3,038	8,000	(4,962)	-62.0	37,375	(34,338)	-91.9	40,887	48,000	(7,113)	-14.8	71,119	(30,232)	-42.5
<b>Total Operating Revenue</b>	<b>68,100</b>	<b>54,737</b>	<b>13,363</b>	<b>24.4</b>	<b>97,303</b>	<b>(29,204)</b>	<b>-30.0</b>	<b>493,931</b>	<b>328,420</b>	<b>165,511</b>	<b>50.4</b>	<b>407,552</b>	<b>86,379</b>	<b>21.2</b>
Operating Expense														
Interest Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	34,900	38,055	(3,155)	-8.3	33,088	1,813	5.5	212,007	211,070	937	0.4	202,042	9,965	4.9
Shared Expenses	4,573	300	4,273	1424.2	846	3,727	440.7	5,838	5,915	(77)	-1.3	7,900	(2,062)	-26.1
Marketing Expense	-	100	(100)	-100.0	400	(400)	-100.0	4,500	8,195	(3,695)	-45.1	1,300	3,200	246.2
Professional Services	274	350	(76)	-21.6	151	123	81.1	1,897	2,100	(203)	-9.7	2,364	(468)	-19.8
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	(0)	0	-100.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	42,262	7,250	35,012	482.9	39,031	3,230	8.3	86,423	43,500	42,923	98.7	73,012	13,411	18.4
Overhead Allocation	4,723	2,641	2,082	78.8	2,538	2,186	86.1	14,035	24,749	(10,715)	-43.3	21,617	(7,582)	-35.1
<b>Total Operating Expense</b>	<b>86,733</b>	<b>48,697</b>	<b>38,036</b>	<b>78.1</b>	<b>76,054</b>	<b>10,679</b>	<b>14.0</b>	<b>324,699</b>	<b>295,529</b>	<b>29,170</b>	<b>9.9</b>	<b>308,235</b>	<b>16,463</b>	<b>5.3</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>(18,633)</b>	<b>6,040</b>	<b>(24,673)</b>	<b>-408.5</b>	<b>21,250</b>	<b>(39,882)</b>	<b>-187.7</b>	<b>169,232</b>	<b>32,891</b>	<b>136,341</b>	<b>414.5</b>	<b>99,316</b>	<b>69,915</b>	<b>70.4</b>
Net Grant (Income) Expense														
Grant Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Grant Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>-</b>	<b>0.0</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>(18,633)</b>	<b>6,040</b>	<b>(24,673)</b>	<b>-408.5</b>	<b>21,250</b>	<b>(39,882)</b>	<b>-187.7</b>	<b>169,232</b>	<b>32,891</b>	<b>136,341</b>	<b>414.5</b>	<b>99,316</b>	<b>69,915</b>	<b>70.4</b>
Other Non-Operating (Income) Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Net Income (Loss)</b>	<b>(18,633)</b>	<b>6,040</b>	<b>(24,673)</b>	<b>-408.5</b>	<b>21,250</b>	<b>(39,882)</b>	<b>-187.7</b>	<b>169,232</b>	<b>32,891</b>	<b>136,341</b>	<b>414.5</b>	<b>99,316</b>	<b>69,915</b>	<b>70.4</b>
IFA Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	4	4	0	3.7	4	0	0.5	4	4	0	2.6	4	0	0.8



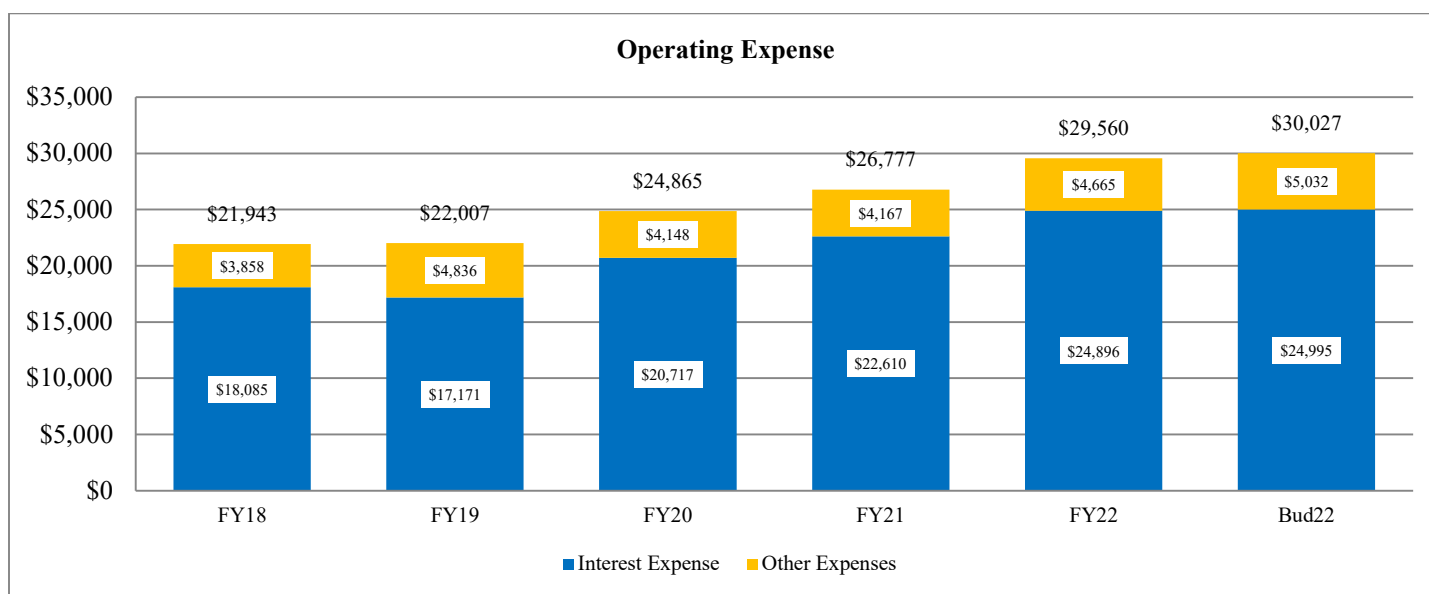
To: IFA Board Members  
 From: Jennifer Pulford  
 Date: January 25, 2022  
 Re: December 2021 YTD Financial Results

### State Revolving Fund Results (\$ in thousands)

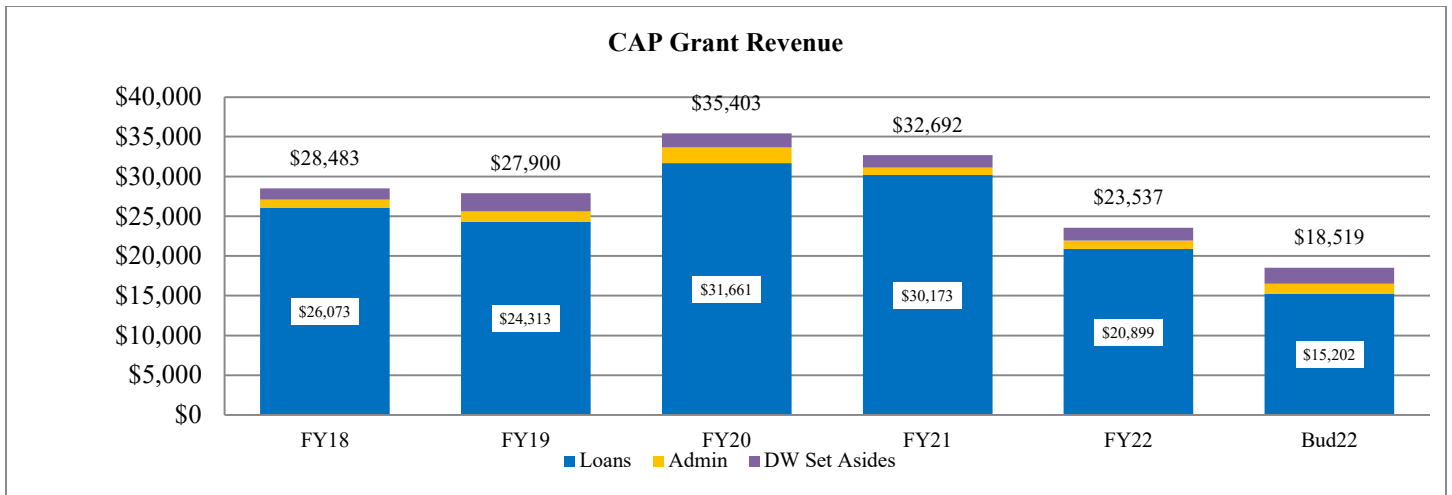
SRF is operating favorable to budget through the first half of the fiscal year.



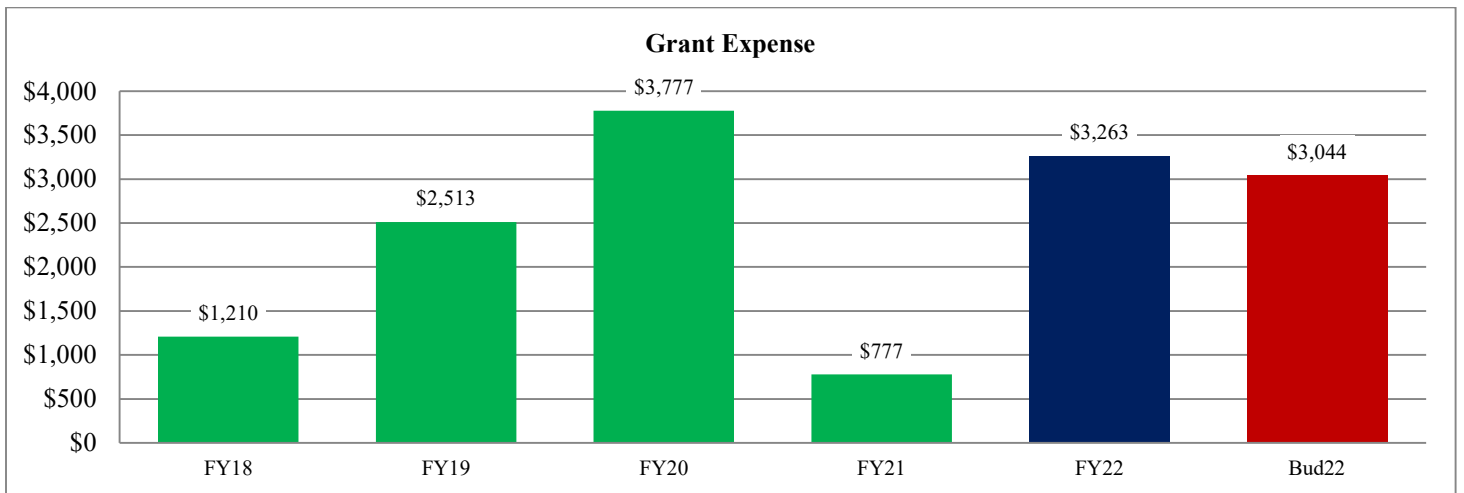
Operating Revenue was \$5,684 or 25.7% above budget and \$3,563 or 14.7% above last year, with the majority of the variance resulting from higher loan interest revenue than budgeted.



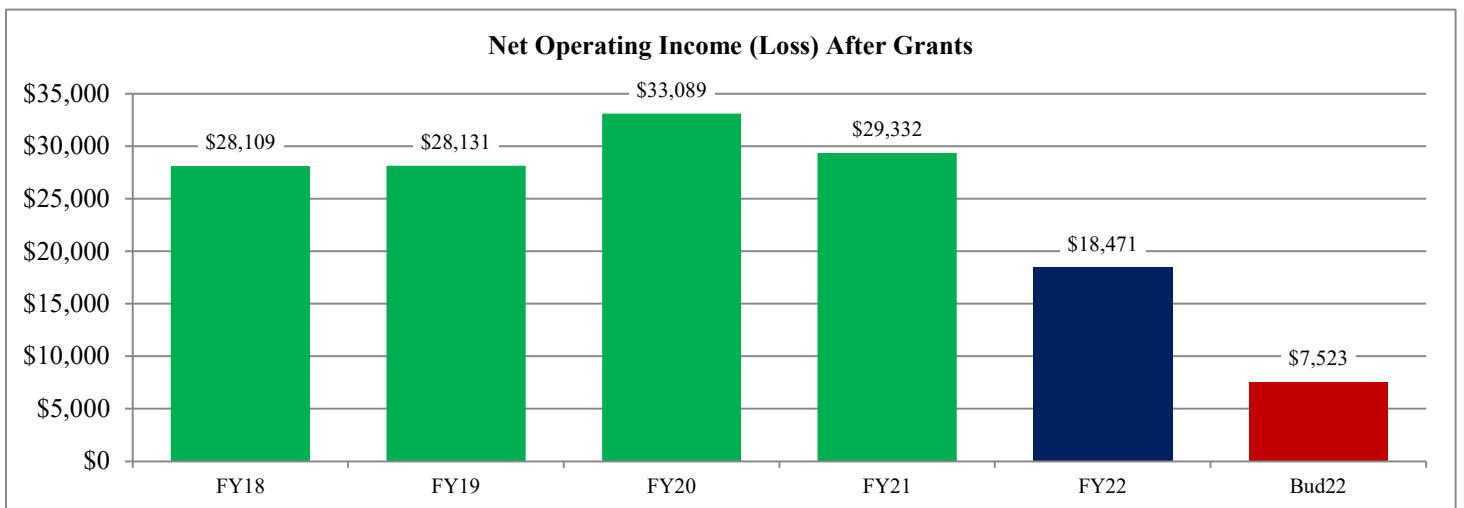
Operating Expense was \$467 or 1.6% below budget but \$2,783 or 10.4% higher than last year. All expense categories were below budget.



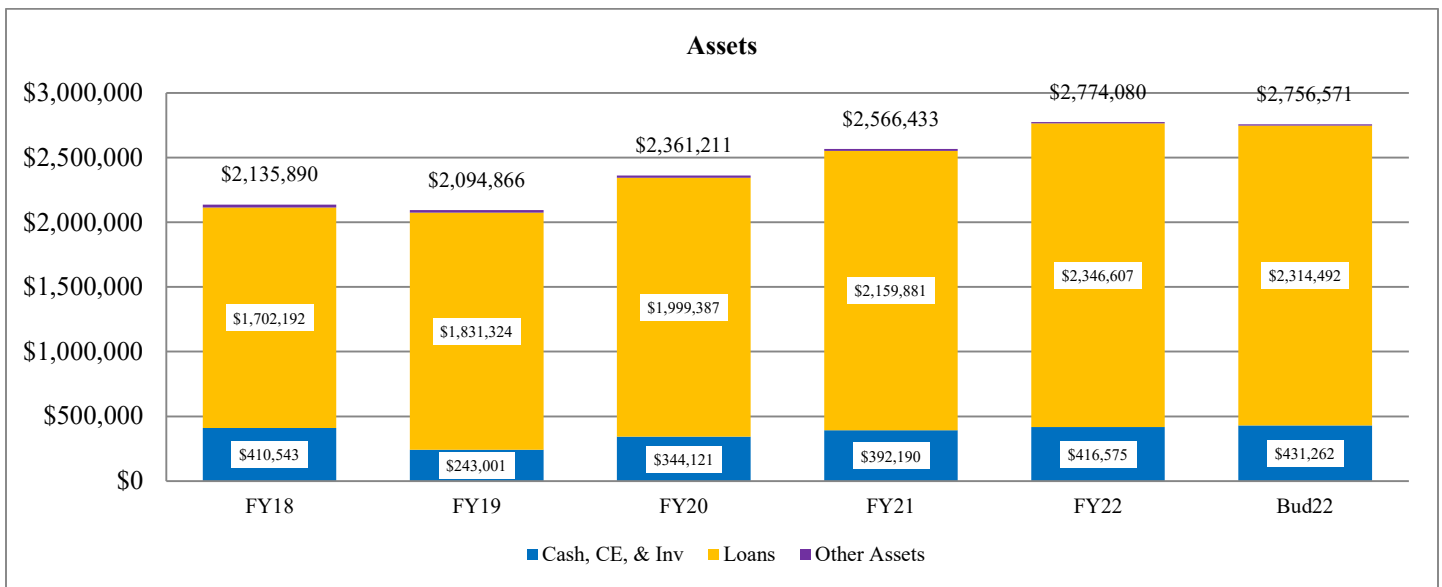
CAP Grant Revenue was \$5,018 or 27.1% higher than budget but \$9,155 or 28.0% below last year. CAP Grant Revenue was budgeted evenly over the fiscal year, however, grant funds became available from the EPA in August.



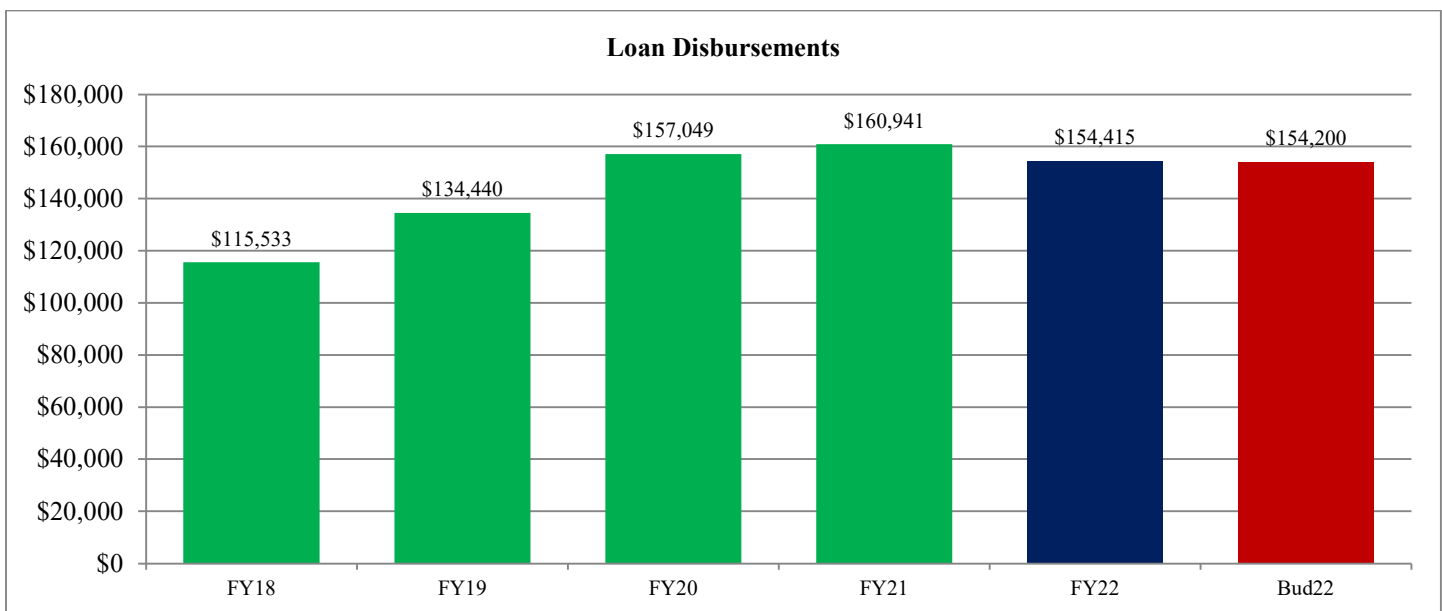
Grant Expense was \$219 or 7.2% above budget and \$2,486 or 319.8% above last year. Grant Expense relates to the forgivable portion of specific SRF loans.



NOIAG was \$10,948 or 145.5% above budget but \$10,861 or 37.0% less than last year. Clean water CAP Grants were received and available for draws from EPA in August, however, drinking water CAP grant funding was not available until December.



Assets were \$17,509 or 0.6% favorable to budget and \$207,647 or 8.1% above last year.



- Loan commitments were \$304,583.

**Equity/Program/Admin Fund Balances**

<u>Program</u>	<u>Uses</u>	<u>Account</u>	<u>Balance at 6/30/2021</u>	<u>Net Cash Inflows (Outflows)</u>	<u>Balance at 12/31/2021</u>
<b>Equity Fund</b>	Construction Loans				
Clean Water		12069250/1	211,011	(77,897)	133,114
State Match		82410104	0	0	0
Leveraged		82644011/82410105	0	15	15
Drinking Water		12069253/4	129,297	(2,196)	127,101
State Match		82644012/82410106	0	2	2
Leveraged		82644014/82410107	0	0	0
			<u>340,308</u>	<u>(80,076)</u>	<u>260,232</u>
<b>Program Fund</b>	P&D, CW GNPS, DW SWP				
Clean Water		22546000	49,519	165	49,684
Drinking Water		22546001	15,168	(432)	14,736
			<u>64,687</u>	<u>(266)</u>	<u>64,422</u>
<b>Administration Fund</b>	Administrative Expenses				
Clean Water		22546002	15,008	(1,483)	13,525
Drinking Water		22546003	18,405	93	18,498
			<u>33,413</u>	<u>(1,391)</u>	<u>32,022</u>

**Federal Capitalization Grants**

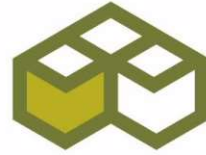
As of 12/31/21

<u>Grant Award Year</u>	<u>Clean Water</u>		<u>Drinking Water</u>		<u>Total SRF</u>	
	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>	<u>EPA Awards</u>	<u>Remaining</u>
Prior Years	594,001	-	326,691	-	920,692	-
2019	21,505	-	17,348	316	38,853	316
2020	21,483	-	17,378	250	38,861	250
2021	21,505	-	17,427	15,384	38,932	15,384
Total	658,494	-	378,844	15,950	1,037,338	15,950
Total federal capitalization grants received to date:					<b>\$</b>	<b>1,021,388</b>
<u>Available for Loan Draws</u>	<u>Clean Water</u>	<u>Drinking Water</u>	<u>Total</u>	<u>Available for Set-asides</u>		
2019	-	-	-	Clean Water	-	-
2020	-	-	-	Drinking Water	-	4,153
2021	-	11,797	-			
	-	<u>11,797</u>	-			<u>4,153</u>

<b>SRF Loan Portfolio</b>	<b>6/30/2019</b>	<b>6/30/2020</b>	<b>6/30/2021</b>	<b>12/31/2021</b>	<b>YTD Increase</b>
Clean Water	1,393,736	1,527,898	1,684,234	1,810,059	7.5%
Drinking Water	481,218	497,130	526,655	543,917	3.3%
Total SRF Loan Portfolio	1,874,954	2,025,028	2,210,889	2,353,977	6.5%

Income Statement	State Revolving Fund (Rollup)													
	Dec-2021							YTD as of Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%	Actuals	Bud22	Difference	%	Last Year	Difference	%
Operating Revenue														
Interest Revenue	10,235,940	3,119,850	7,116,089	228.1	4,752,229	5,483,710	115.4	27,272,272	18,509,712	8,762,559	47.3	20,511,112	6,761,160	33.0
Authority Revenue	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Revenue	(2,373,018)	605,955	(2,978,973)	-491.6	496,454	(2,869,472)	-578.0	485,238	3,564,731	(3,079,494)	-86.4	3,683,901	(3,198,663)	-86.8
Other Revenue	-	-	-	0.0	-	-	0.0	2	-	2	0.0	-	2	0.0
<b>Total Operating Revenue</b>	<b>7,862,922</b>	<b>3,725,806</b>	<b>4,137,116</b>	<b>111.0</b>	<b>5,248,684</b>	<b>2,614,238</b>	<b>49.8</b>	<b>27,757,512</b>	<b>22,074,444</b>	<b>5,683,068</b>	<b>25.7</b>	<b>24,195,013</b>	<b>3,562,498</b>	<b>14.7</b>
Operating Expense														
Interest Expense	4,125,838	4,140,296	(14,458)	-0.3	3,754,394	371,445	9.9	24,895,769	24,995,152	(99,382)	-0.4	22,610,017	2,285,752	10.1
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	62,570	77,993	(15,424)	-19.8	58,411	4,158	7.1	379,138	444,983	(65,845)	-14.8	371,206	7,932	2.1
Shared Expenses	1,031	917	114	12.5	321	710	221.3	4,300	5,500	(1,200)	-21.8	7,420	(3,120)	-42.0
Marketing Expense	923	1,667	(744)	-44.6	1,690	(767)	-45.4	8,915	10,000	(1,085)	-10.8	37,388	(28,473)	-76.2
Professional Services	44,655	51,417	(6,762)	-13.2	43,040	1,615	3.8	287,184	315,993	(28,809)	-9.1	252,642	34,542	13.7
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	424,304	691,210	(266,906)	-38.6	904,089	(479,785)	-53.1	3,914,540	4,147,260	(232,720)	-5.6	3,423,318	491,223	14.3
Overhead Allocation	15,887	15,907	(20)	-0.1	10,628	5,259	49.5	70,444	108,039	(37,594)	-34.8	75,295	(4,850)	-6.4
<b>Total Operating Expense</b>	<b>4,675,208</b>	<b>4,979,407</b>	<b>(304,199)</b>	<b>-6.1</b>	<b>4,772,573</b>	<b>(97,365)</b>	<b>-2.0</b>	<b>29,560,291</b>	<b>30,026,927</b>	<b>(466,635)</b>	<b>-1.6</b>	<b>26,777,285</b>	<b>2,783,006</b>	<b>10.4</b>
<b>Net Operating Income (Loss) Before Grants</b>	<b>3,187,714</b>	<b>(1,253,601)</b>	<b>4,441,316</b>	<b>-354.3</b>	<b>476,111</b>	<b>2,711,603</b>	<b>569.5</b>	<b>(1,802,780)</b>	<b>(7,952,483)</b>	<b>6,149,703</b>	<b>-77.3</b>	<b>(2,582,272)</b>	<b>779,492</b>	<b>-30.2</b>
Net Grant (Income) Expense														
Grant Revenue	(247,725)	(3,493,000)	3,245,275	-92.9	(545,739)	298,014	-54.6	(23,536,570)	(18,518,725)	(5,017,845)	27.1	(32,692,045)	9,155,474	-28.0
Grant Expense	(831,763)	507,282	(1,339,045)	-264.0	123,630	(955,393)	-772.8	3,263,163	3,043,692	219,471	7.2	777,316	2,485,847	319.8
Intra-Agency Transfers	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
<b>Total Net Grant (Income) Expense</b>	<b>(1,079,488)</b>	<b>(2,985,718)</b>	<b>1,906,230</b>	<b>-63.8</b>	<b>(422,110)</b>	<b>(657,379)</b>	<b>155.7</b>	<b>(20,273,407)</b>	<b>(15,475,033)</b>	<b>(4,798,374)</b>	<b>31.0</b>	<b>(31,914,728)</b>	<b>11,641,321</b>	<b>-36.5</b>
<b>Net Operating Income (Loss) After Grants</b>	<b>4,267,203</b>	<b>1,732,117</b>	<b>2,535,086</b>	<b>146.4</b>	<b>898,221</b>	<b>3,368,982</b>	<b>375.1</b>	<b>18,470,627</b>	<b>7,522,550</b>	<b>10,948,077</b>	<b>145.5</b>	<b>29,332,456</b>	<b>(10,861,829)</b>	<b>-37.0</b>
Other Non-Operating (Income) Expense	53,150	-	53,150	0.0	(9,569)	62,719	-655.4	250,723	-	250,723	0.0	156,882	93,841	59.8
<b>Net Income (Loss)</b>	<b>4,214,053</b>	<b>1,732,117</b>	<b>2,481,936</b>	<b>143.3</b>	<b>907,790</b>	<b>3,306,263</b>	<b>364.2</b>	<b>18,219,904</b>	<b>7,522,550</b>	<b>10,697,354</b>	<b>142.2</b>	<b>29,175,574</b>	<b>(10,955,670)</b>	<b>-37.6</b>
IFA Home Dept Staff Count	5	5	-	0.0	4	1	25.0	5	5	(1)	-10.0	4	1	12.5
FTE Staff Count	6	7	(1)	-14.7	5	0	5.3	6	7	(1)	-17.3	5	0	3.3

Balance Sheet	State Revolving Fund (Rollup)						
	Dec-2021						
	Actuals	Bud22	Difference	%	Last Year	Difference	%
<b>Assets and Deferred Outflows</b>							
Cash & Cash Equivalents	357,193,673	400,501,532	(43,307,859)	-10.8	351,091,701	6,101,972	1.7
Investments	59,380,963	30,760,628	28,620,336	93.0	41,098,114	18,282,849	44.5
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Line of Credit	-	-	-	0.0	-	-	0.0
Loans - net of reserve for losses	2,346,606,524	2,314,492,171	32,114,353	1.4	2,159,880,921	186,725,603	8.6
Capital Assets (net of accumulated depreciation)	-	-	-	0.0	-	-	0.0
Other Assets	4,256,609	4,164,957	91,652	2.2	5,532,773	(1,276,164)	-23.1
Deferred Outflows	6,642,303	6,652,028	(9,725)	-0.1	8,829,275	(2,186,972)	-24.8
<b>Total Assets and Deferred Outflows</b>	<b>2,774,080,073</b>	<b>2,756,571,316</b>	<b>17,508,757</b>	<b>0.6</b>	<b>2,566,432,785</b>	<b>207,647,288</b>	<b>8.1</b>
<b>Liabilities, Deferred Inflows, and Equity</b>							
Debt	1,709,194,165	1,701,769,934	7,424,231	0.4	1,514,001,557	195,192,608	12.9
Interest Payable	30,649,382	27,772,044	2,877,337	10.4	25,847,667	4,801,715	18.6
Unearned Revenue	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	530,458	885,309	(354,851)	-40.1	1,132,684	(602,226)	-53.2
Other liabilities	456,560	473,125	(16,565)	-3.5	473,125	(16,565)	-3.5
Deferred Inflows	58,199	111,711	(53,512)	-47.9	111,711	(53,512)	-47.9
<b>Total Liabilities and Deferred Inflows</b>	<b>1,740,888,764</b>	<b>1,731,012,123</b>	<b>9,876,641</b>	<b>0.6</b>	<b>1,541,566,745</b>	<b>199,322,020</b>	<b>12.9</b>
<b>Equity</b>							
YTD Earnings(Loss)	18,219,904	7,522,550	10,697,354	142.2	29,175,574	(10,955,670)	-37.6
Prior Years Earnings	1,019,595,408	1,018,036,643	1,558,765	0.2	995,690,466	23,904,942	2.4
Transfers	(5,610,703)	0	(5,610,703)	-100.0	-	(5,610,703)	0.0
<b>Total Equity</b>	<b>1,032,204,609</b>	<b>1,025,559,193</b>	<b>6,645,416</b>	<b>0.6</b>	<b>1,024,866,040</b>	<b>7,338,569</b>	<b>0.7</b>
<b>Total Liabilities, Deferred Inflows, and Equity</b>	<b>2,773,093,373</b>	<b>2,756,571,316</b>	<b>16,522,057</b>	<b>0.6</b>	<b>2,566,432,785</b>	<b>206,660,588</b>	<b>8.1</b>



IOWA FINANCE  
AUTHORITY

# Investment Report

December 31, 2021

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# Table of Contents

- I. IFA Finance & Investment Summary
  
- II. Investment Composition

# Finance & Investment Summary

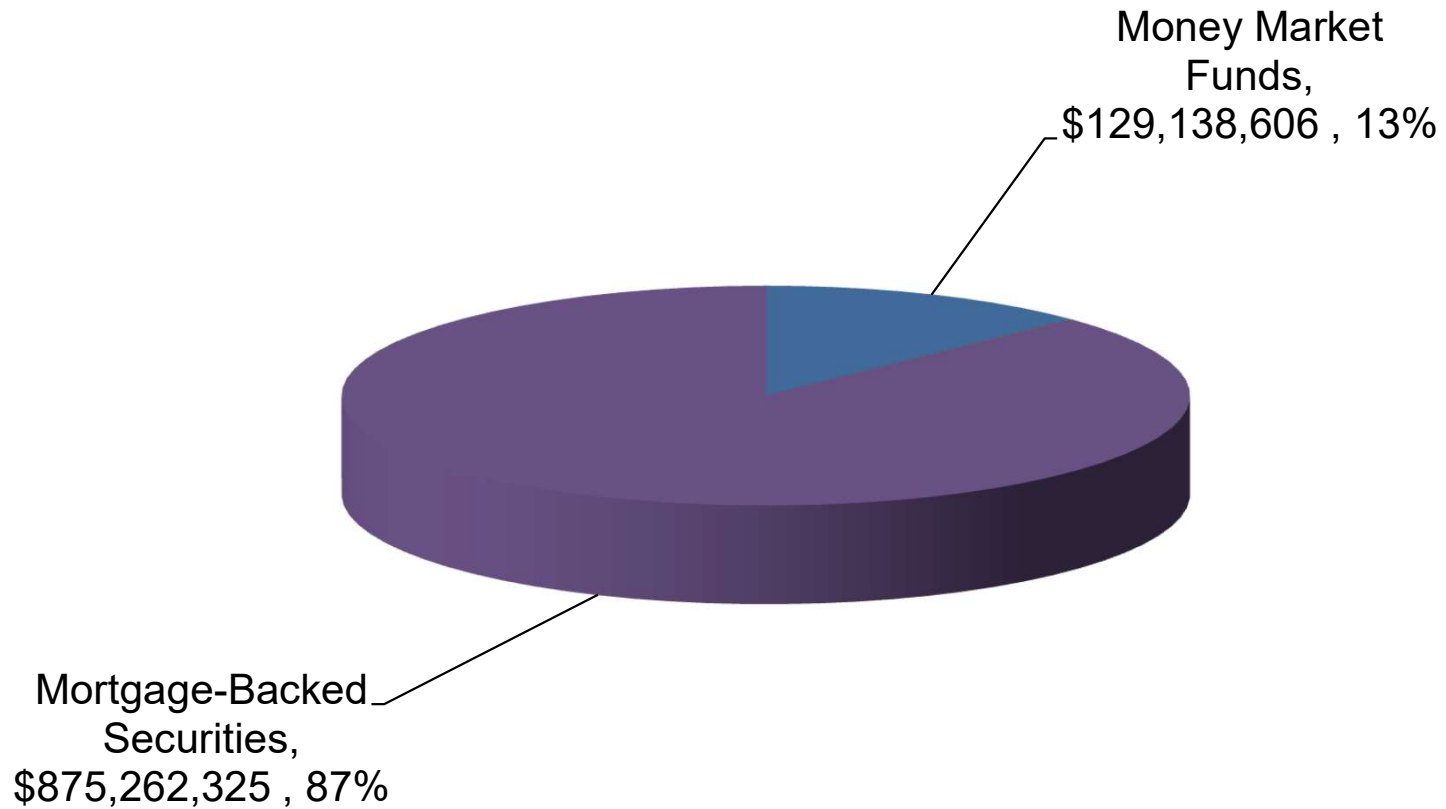
- The Federal Reserve has kept its interest rate in the 0.00% to 0.25% target range since March 2020. As a result, IFA money market accounts are yielding from 0-3 basis points. The Federal Reserve may enact 3-4 interest rate hikes in 2022 as the US economy deals with inflation and tight labor conditions.

<i>Sweep Accounts</i>	<i>Fund Manager</i>	<i>Fund Type</i>	<i>S&amp;P</i>	<i>Moody's</i>	<i>12/31/21 Yield</i>	<i>6/30/21 Yield</i>
<i>General Fund</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	0.0260%	0.0260%
<i>Single Family RHF</i>	Goldman Sachs	Treasury Instr. #506	AAAm-G	Aaa-mf	0.0060%	0.0060%
<i>Single Family 1991</i>	Goldman Sachs	Treasury Instr. #506	AAAm-G	Aaa-mf	0.0060%	0.0060%
<i>Single Family 2009</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	0.0260%	0.0260%
<i>Multifamily</i>	Morgan Stanley	Govt Inst. #8302	AAAm	Aaa-mf	0.0260%	0.0259%
<i>SRF Program/Admin</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	0.0260%	0.0260%
<i>SRF MTA Equity</i>	Blackrock	Federal Sec T-Fund #60	AAAm	Aaa-mf	0.0051%	0.0051%
<i>Misc Restricted Funds</i>	Goldman Sachs	Govt Institutional #465	AAAm	Aaa-mf	0.0260%	0.0260%

- IFA closed one Single Family bond issue during the last semi-annual period – (1) 2021 Series DEF bond issue in the amount of \$99,570,000 closed on September 29, 2021. During the 2nd half of 2021, IFA purchased approximately **\$154.0 million** of mortgage-backed securities with tax-exempt and taxable bond proceeds, contributed funds and other accounts within the 1991 Indenture.
- IFA sold **\$58.5 million** of mortgage-backed securities in the TBA and Specified Pool market during the 2nd half of 2021 for a net gain of **\$2.42 million** or 4.1%. The loans were associated with both FirstHome (MRB-eligible) and Homes for Iowans loan products (non-MRB eligible), and all purchases and sales of the MBS were conducted through the 1991 Indenture Restricted Housing Fund.
- With Board action on November 3, 2021, IFA extended the \$45 million warehouse line of credit with Idaho Housing & Finance Association to March 30, 2023. Idaho uses the Line of Credit to purchase IFA's Single Family loans from participating lenders. This arrangement allows IFA to earn the full mortgage rate of interest on each loan (less 0.15% fee) from the time period when the loan is purchased by Idaho to the settlement of the mortgage-backed security by IFA. IFA began the warehouse advances on 1/29/16 and has realized **\$4.43 million of warehouse loan interest income** through 12/31/21.

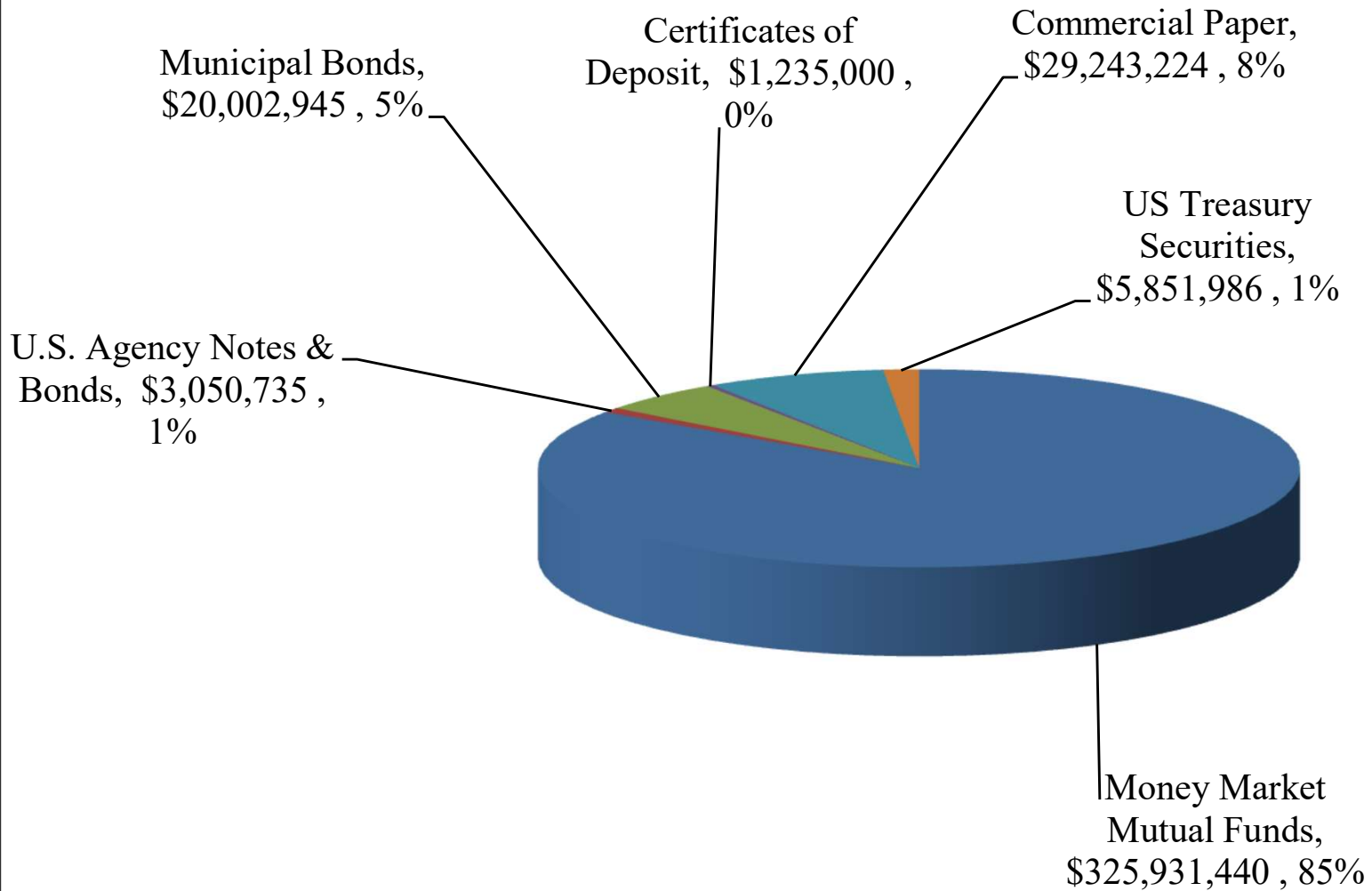
**Total Housing Agency  
Investments =  
\$1,005,227,931**

## **Housing Agency Investment Composition as of 12/31/21**



# State Revolving Fund Investment Composition 12/31/21

**Total SRF  
Investments =  
\$385,315,330**



To: Iowa Finance Authority Board of Directors

From: Tim Morlan & Derek Folden, Underwriters

Date: February 2, 2022

Re: Multifamily Loan Program

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Loans in Process (Board approved):

<u>Project</u>	<u>Loan Program</u>	<u>Target Closing</u>	<u>Amount</u>	<u>Loan Type</u>
Chandler Pointe	Multifamily - SL	2022	\$1,000,000	P
Graceview Courtyard II	Multifamily -SL	2023	\$1,000,000	P
Vive	Multifamily - SL	2023	\$1,000,000	P
Shenandoah Senior Villas	Multifamily – SL	2023	\$1,000,000	P
Grace Creek Senior Apts	Multifamily – SL	2022	\$1,000,000	C/P

**Multifamily Loan Program - Portfolio Information**

<u>Program Type</u>	<u>Loans Outstanding</u>	<u>Funds Available</u>	<u>Average Loan Rate</u>	<u>Amount of Non-Performing Loans (30+ days)</u>
Bonds	\$ 35,593,120	-	5.40%	none
State Housing Trust	\$ 1,916,930	-	1.91%	none
HAF Loans and loans prior to 2002	\$ 285,590	-	.89%	none
TCAP loans	\$ 19,889,500	-	0.00%	none
Workforce Housing	\$ 5,467,804	-	1.33%	none
MF 2002-2022 FY	\$ 17,855,189	-	5.64%	none
MF Construction Loans	\$ 125,000	-	3.25%	none
Senior Living*	\$ 5,089,306	\$ 422,631	3.65%	none
Home and Community Based Services*	\$ 573,109	\$ 422,631	1.00%	none
Transitional Housing*	\$ 785,406	\$ 422,631	1.00%	none
Community Housing and Services*	\$ 749,652	\$ 422,631	0.00%	none
Main Street	\$ 381,418	-	3.86%	none
HOME	\$ 118,322,993	-	.70%	none
<b>Totals</b>	<b>\$207,035,017</b>	<b>\$422,631</b>		<b>0</b>
<b><u>MF Potential Loans</u></b>	<b><u>Board approved</u></b>	<b><u>Application</u></b>		
MF Construction loans	\$1,000,000	\$0		
MF Permanent loans	\$4,000,000	\$0		

\* note- available RL funds have been consolidated (excludes \$5,000,000 Board approved for SL)

To: Iowa Finance Authority Board of Directors

From: Alyson C. Fleming, Section 8 Director

Date: January 24, 2022

Re: Section 8 Summary FY2022 Quarter 2

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IFA holds a performance-based contract with HUD to provide oversight of select Section 8 Housing Assistance Payments (HAP) contracts in Iowa. Our current ACC covers 211 HAP contracts that provide housing assistance to 11,701 individuals and families in 67 counties. This is a change from the previous report as Eagle Grove Group Home opted out of the Section 8 program on November 31, 2021.

This month's board package contains a report covering all work performed by Section 8 Contract Administration for the Quarter ending December 31, 2021. During FY 2022 Q2, there were thirty-nine (39) Management and Occupancy Reviews (MORs) conducted; forty-four (44) requests for contract rent adjustments processed; six hundred thirty-one (631) HAP vouchers reviewed, approved, and paid; six (6) full HAP contract renewals completed; fifteen (15) Tenant, Health, Safety and Maintenance Issues and one (1) Opt-Outs processed.

It is anticipated that staff may perform fifty-nine (59) on-site MOR's, will process forty-one (41) requests for HAP contract renewals, three (3) contract rent adjustments, and review and approvals, and six hundred thirty-three (633) HAP voucher requests during the next quarter ending March 31, 2022.

### **Congressional Inquiries received during FY 2022 Q2**

n/a

### **Properties experiencing unusual behavior during FY 2022 Q2:**

#### **Featherstone Townhomes, IA05-L000-069, Council Bluffs, IA**

On October 4, 2021, a gas smell was reported to Black Hills Energy at Featherstone Townhomes and gas was terminated to Building D after a failed pressure test. The building's eight (8) units were affected, displacing nine (9) people in a local hotel at the cost of the owner/agent. On October 25, 2021, management informed IFA that all repairs had been made and residents returned to their respective units.

### **Park at Nine23, IA05-0005-006, Cedar Falls, IA**

On November 4, 2021, the Cedar Falls Fire Department responded to an automatic alarm at Park at Nine23. The fire started on the third floor in unit and affected the several adjacent units as well as the main hallway, the two (2) exit stairways, and three (3) storage rooms. One (1) person was treated for smoke inhalation and taken to the local hospital; no other injuries were reported. Management determined twelve (12) units are uninhabitable due to fire, water, and smoke damage, displacing twelve (12) households. The Red Cross was called in and provided housing for displaced residents at local hotels. IFA will continue to monitor the status of the uninhabitable units until they are verified ready for occupancy, and subsidy will be terminated until such time.

### **Muscatine Tower Apartments, IA05-0036-015, Muscatine, IA**

On November 21, 2021, the Muscatine Fire Department responded to a fire at Muscatine Tower Apartments. Eighty-six (86) residents were evacuated as crews worked to extinguish the fire. Fifty-two (52) units were determined to be uninhabitable due to fire, water, and smoke damage displacing residents. The residents will be temporarily housed at local hotels or relatives' homes, according to Muscatine officials. The Red Cross, Salvation Army, and the Muscatine Non-Emergency Transport assisted with arranging and transporting residents. IFA will continue to monitor the status of the uninhabitable units until they are verified ready for occupancy, and subsidy will be terminated until such time.

### **Noteworthy Update**

- Back on September 16, 2021, The Department of Housing and Urban Development (HUD) announced a fourth (IV) round of supplemental operating funds to prevent, prepare for and respond to the coronavirus and establishing the application process to owners, COVID-19 Supplemental Payments (CSP). Applications were due to IFA requesting reimbursement for allowable COVID-19 related expenses that were incurred through October 31, 2021. IFA staff received, processed, and submitted a total of twenty-three (23) COVID-19 CSP Round IV applications to HUD for a total requested amount of \$432,582.
- On December 29, 2021, IFA signed a twelfth extension of the Annual Contributions Contract 5<sup>th</sup> Amendment with The Department of Housing and Urban Development (HUD). This is a twelve (12) month extension of our contract beginning February 1, 2022, and ending January 31, 2023, with the option by HUD to further extend it for up to four (4) additional and successive terms of six (6) months each.
- The Annual Contract Review by HUD was completed with no substantial findings.



**Section 8 Project Based HAP Administration**

**Quarter Ending  
December 31, 2021**

	# Events Completed		Basic Fee Earned		Incentive Fees Earned		Disincentives	FYTD	FYTD	FYTD
	Current Qrt.	FYTD	Current Qrt.	FYTD	Current Qrt.	FYTD				
<b>PBT Requirements-(New ACC Effective 10/11/2011)</b>										
01. Management and Occupancy Reviews	39	97	132,520.21	260,800.96	6,626.01	13,040.04	0.00	273,841.00		
02. Adjust Contract Rents	44	94	66,260.12	130,400.51	6,626.01	13,040.04	0.00	143,440.55		
03. Review and Pay Monthly Vouchers	631	1280	132,520.21	260,800.96	6,626.01	13,040.04	0.00	273,841.00		
04. Renew HPA Contracts and Process Terminations	6	13	132,520.21	260,800.96	6,626.01	13,040.04	0.00	273,841.00		
05. Tenant Health, Safety & Maintenance Issues	15	31	66,260.12	130,400.51	6,626.01	13,040.04	0.00	143,440.55		
06. Administration - Monthly and Quarterly Reports	7	14	66,260.12	130,400.51	0.00	0.00	0.00	130,400.51		
07. Administration-ACC Year End Reports & Certifications	0	3	53,008.10	104,320.40	0.00	0.00	0.00	104,320.40		
08. Annual Financial Reports - PHA FYE	1	3	13,252.02	26,080.11	0.00	0.00	0.00	26,080.11		
<b>PBTs #1-8-(New ACC Eff. 10/1/2011)</b>	<b>743</b>	<b>1535</b>	<b>\$662,601.11</b>	<b>\$1,304,004.92</b>	<b>\$33,130.05</b>	<b>\$65,200.20</b>	<b>\$0.00</b>	<b>\$1,369,205.12</b>		
<b>Customer Service - Annual Incentive Fee</b>	N/A	N/A	N/A	N/A	<b>\$32,070.15</b>	<b>\$65,200.20</b>	N/A	<b>\$65,200.20</b>		
<b>TOTAL:</b>	<b>743</b>	<b>1535</b>	<b>\$662,601.11</b>	<b>\$1,304,004.92</b>	<b>\$65,200.20</b>	<b>\$130,400.40</b>	<b>0.00</b>	<b>\$1,434,405.32</b> *	\$1,417,020	\$17,385

# Contracts            211  
 # Units                11,701  
 # Counties            67



TO: Iowa Finance Authority Board of Directors

FROM: Executive Director Debi Durham Upon Consultation with Lindsey Guerrero, Iowa Title Guaranty Director

DATE: January 26, 2022

RE: Iowa Title Guaranty Administrative Rule Waiver Request for Clear Title & Abstract, LLC and Council Bluffs Title & Escrow, LLC

RULE: 265 IAC 9.1(16)

### **RECOMMENDATION**

After consultation with Iowa Title Guaranty Director Lindsey Guerrero, the Executive Director recommends that the Iowa Finance Authority (“IFA”) Board (“Board”) approve the requests by Clear Title & Abstract, LLC f/k/a Abstract Guaranty Company (“CTA”) and Council Bluffs Title & Escrow, LLC f/k/a Great Plains Title, LLC f/k/a Iowa Abstract Services LLC (“CBTE”) (collectively “the Applicants”) for waiver for the period March 1, 2022 - March 1, 2027 of the requirement set out in IFA’s administrative rules that an abstract summarize all matters of record affecting title to a specific parcel of real estate. Applicants have each submitted a petition pursuant to Iowa Code section 17A.9A and 265 IAC 18.6 requesting a waiver of the definition of “abstract” as defined in 265 IAC 9.1 (“Waiver”).<sup>1</sup> The Applicants also seek continued approval of the modified search product known as the Pottawattamie County Report of Title (“Report”). Applicants each request the Report’s permissible use limit be increased to \$750,000 or less and that it be permitted for use on commercial transactions.<sup>2</sup> Attached hereto as **Schedule A** is CTA’s Petition for Waiver. Attached hereto as **Schedule B** is CBTE’s Petition for Waiver.

The Board granted CTA’s original petition for Waiver and approved of the use of the Report on or about June 12, 2007, for a period of five (5) years. The Board granted an extension of the Waiver for two additional five-year terms, once in 2012, and again in 2017. The 2012 and 2017 extensions also granted the Waiver to CBTE. The rationale behind granting the original Waiver and each subsequent request for Waiver continuation remains unchanged. Likewise, the facts supporting granting a Waiver continuation have not substantially changed since granting the original Waiver.

The recommendation for approval of the continuation of the Waiver is subject to the continued approval of the Report. The updated Report is nearly identical to the Report previously approved in both 2012 and 2017. The updated Report has been revised to provide enhanced clarification and incorporate recent changes to Iowa Title Guaranty (“ITG”) guidelines, directives, and rules. The Executive Director recommends continuing to approve the Waiver and approve use of the updated Report on residential or commercial transactions with coverage amounts of \$750,000 or less for the period of March 1, 2022 - March 1, 2027.

### **ABSTRACT DEFINITION**

The Iowa Administrative Rules define an “abstract” or “abstract of title” as a “written or electronic summary of all matters of record affecting title to a specific parcel of real estate prepared in accordance with minimum abstract standards adopted by (ITG)”....<sup>3</sup> In Iowa, the status of title to real estate is determined by abstract

<sup>1</sup> 265 IAC 9.1.

<sup>2</sup> The Report’s use is currently limited to residential properties valued at \$500,000 or less.

<sup>3</sup> Iowa Admin. Code r. 265—9.1 (2021).

examination. Iowa Code section 16.91(6) provides that prior to the issuance of a title certificate, a participating abstractor must update and certify an abstract of title.<sup>4</sup>

### **WAIVER DESCRIPTION AND REQUIREMENTS**

The Waiver waives the “all matters of record” requirement within the abstract definition, allowing the Applicants to prepare a Report disclosing only those matters of record currently affecting the property.

The Report would not include all matters of record but would instead include only those matters now affecting title (i.e.: unreleased mortgages, easements, judgments, etc.). A Report would not show released mortgages or every prior deed in the chain of title. The Report would typically start at Government Entry looking for easements and come forward from the root of title showing all deeds reflecting a current interest in the title. For detailed information on search requirements and showings, see updated Pottawattamie County Report of Title Requirements attached hereto as **Exhibit A**. See updated forms attached hereto as **Exhibits B-1** and **B-2**. **Exhibits A, B-1** and **B-2** have been updated to provide enhanced clarification and incorporate recent changes to ITG guidelines, directives, and rules.

### **JUSTIFICATION OF WAIVER**

The rationale behind granting the original Waiver and each subsequent extension remains unchanged. Likewise, the facts supporting granting an extension of the Waiver have not substantially changed since the original order in 2007.

#### *a. Protecting the integrity of Iowa’s land titles.*

Applicants petition the Board for a Waiver extension because, as a practical matter, the Pottawattamie County real estate market does not use Iowa’s attorney-abstract system. Applicants, being the only two ITG participating title plant abstractors in Pottawattamie County, must compete in a market saturated with title insurance issued out of Omaha, Nebraska. The out-of-state title insurance companies perform rapid “title searches” without title plants. The result is a search product that cannot be relied upon to determine if title is marketable under Iowa law.<sup>5</sup>

For example, title insurance search products typically do not date back to the root of title, and therefore, often fail to show outstanding support judgments, mortgages, easements, and other encumbrances. Further, out-of-state title insurance companies do not require examination of the records by an Iowa-licensed attorney familiar with Iowa’s Marketable Title Act and the Iowa State Bar Association (“ISBA”) Iowa Land Title Standards. Attorney involvement in real estate transactions in Pottawattamie County is rare. Due to this long-standing practice resulting in the abandonment of the attorney-abstract system, the quality of land titles in Pottawattamie County continues to deteriorate.

Granting the Waiver will protect the quality of Iowa’s land titles because it creates an expedient, competitive product that complies with ITG’s Minimum Abstract Standards (subject to two limited exceptions) and is prepared using a 40-year title plant, the most thorough and reliable form of title evidencing. Furthermore, unlike title insurance products, the Waiver ensures an Iowa attorney examines the search product before the issuance of a certificate. The attorney examination is critical to ensure all defects and encumbrances are resolved of record in accordance with Iowa law and the ISBA Iowa Land Title Standards prior to closing and filing.

If the Report becomes unavailable, property owners would likely take title subject to defects and encumbrances that title insurance companies fail to resolve in accordance with Iowa law. Eventually,

<sup>4</sup> Iowa Code § 16.91(6) (2021).

<sup>5</sup> Iowa Code § 16.91(6); Iowa Admin. Code r. 265—9.7(1)–(2); see Iowa Title Guaranty, *Iowa Title Guaranty Program Overview* at 24–30 (2021) (setting forth ITG requirements for abstracts and title opinions).

unresolved title issues will surface, resulting in claims and closing delays, ultimately imposing a financial expense on the Iowa homeowner.

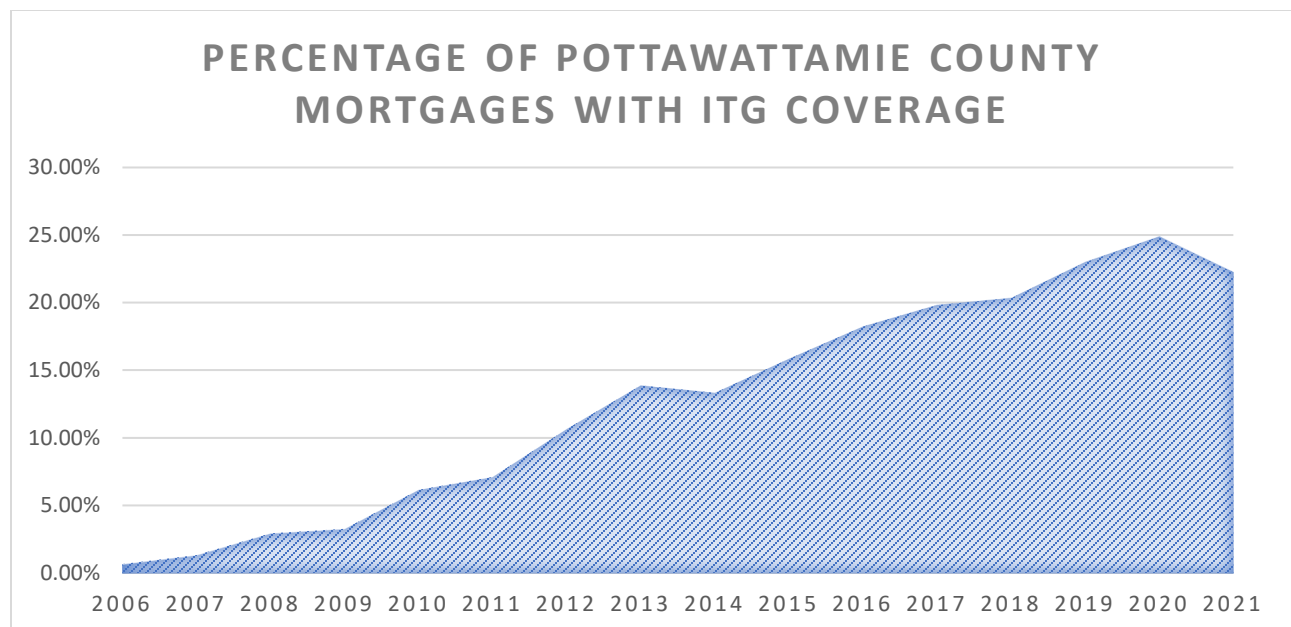
*b. Making ITG certificates competitive with out-of-state title insurance products.*

Despite title insurance search products' inferior nature, real estate agents in Pottawattamie County routinely encourage clients to use title insurance. Many large real estate companies in Pottawattamie County (e.g., NPDodge, CBS Home, Heartland Real Estate, Prudential Ambassador, Better Homes and Gardens Real Estate) have an interest in a title company. Therefore, these companies have a financial incentive to funnel business to their related title companies. Many also include a title insurance requirement in the boilerplate language of their residential purchase agreements to compel the buyers into obtaining title insurance from their related entities.

Due to the prevalence of title insurance in Pottawattamie County, most abstracts have been lost or destroyed. While an abstract update may range from \$200–600 in most markets, the cost to create a new abstract exceeds \$900 and may take several weeks or months to complete. Given the fast-paced nature of the residential real estate market and transaction party demands, this cost and turnaround time is unacceptable.

Prior to granting the Waiver in 2007, certificates were rarely issued in Pottawattamie County. Instead, consumers obtained title insurance because it was quicker and cheaper than paying to create a new root of title abstract. The fact that Iowa's 40-year root of title abstracts are a superior product could not overcome the cost and time savings gained by using title insurance.

Pottawattamie County certificate issuance has increased steadily since 2007. ITG's market share has increased from approximately 0.67% in 2006 to consistently topping 20% since 2019. The graph below and the chart attached as **Exhibit C** reflect ITG's continuously increasing growth in the Pottawattamie County market. The 2021 market share will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.



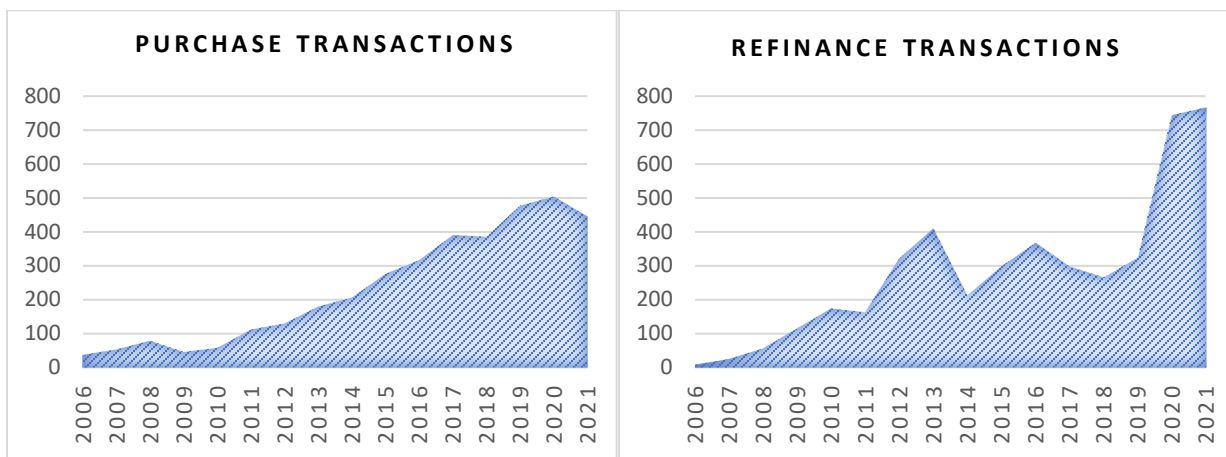
This increase is directly attributable to the Waiver, which makes ITG certificates competitive with out-of-state title insurance products. The Waiver affords property owners the benefits of both systems: affordability, speed, and increased accuracy and completeness. If the Waiver lapsed, and Applicants were no longer approved to use the Report, Pottawattamie County would turn to title insurance. ITG would almost certainly experience a rapid decline in the number of certificates issued because real estate agents

will funnel their clients to title insurance, which would be a quicker, cheaper option, despite its decreased reliability. ITG’s market share would be reduced and, more importantly, as set out below, consumers would be negatively impacted.

*c. Protecting consumers.*

ITG data indicates that since granting the original Waiver in 2007, approximately 98.4% of all ITG lender certificates issued for purchase transactions were based on Applicants’ Reports. This evidences that lenders and consumers in Pottawattamie County are relying almost exclusively on Applicants in purchase transactions and are not engaging the abstracting services of waived or grandfathered attorneys located in other areas across the state. In the event the Waiver was not extended, Pottawattamie County consumers would likely turn to title insurance for an expedient purchase transaction. The graphs below illustrate how the Report has become a critical tool for Pottawattamie County lenders, consumers, and real estate professionals on both purchase and refinance transactions.<sup>6</sup>

**TOTAL LENDER CERTIFICATES ISSUED – POTTAWATTAMIE COUNTY**



Granting the Waiver extension protects consumers by providing practical access to title plant abstracting and attorney title examination, resulting in clean title and reduced costs. Granting the Waiver extension will provide Pottawattamie County consumers access to IFA homeownership programs, including FirstHome, FirstHome Plus, Transitional Housing Revolving Loan Program, Senior Living Revolving Loan Program, Community Housing and Services for Persons with Disabilities Revolving Loan Program, and the Military Service Member Home Ownership Assistance Program, that would otherwise not be available due to the unavailability of abstracts in the county. The Waiver will provide ITG a mechanism to ensure the availability of certificates and access to ITG title protection in all ninety-nine counties.

**JUSTIFICATION FOR EXPANDING THE USE OF THE REPORT**

Applicants each request the Board expand the use of the Report in two ways. First, Applicants request that the Board increase the coverage amount threshold to \$750,000 or less. Second, Applicants request the Board permit use of the Report for commercial transactions. Justification for allowing such expanded use follows.

*a. Increasing the coverage amount to \$750,000 or less.*

The Waiver was first granted in 2007. While Pottawattamie County real estate values have since increased due to inflation and cost of living increases, the Report’s \$500,000 threshold has not changed. In June 2020, ITG implemented the 750 Bright Line Policy (“750 Policy”) which aligned various ITG policies based on

<sup>6</sup> See attached **Exhibit D** for yearly data concerning lender certificates issued on purchase and refinance transactions.

data and industry trends.<sup>7</sup> In preparing the 750 Policy, ITG performed extensive research in 2020 which revealed that the number of transactions across the state with coverage amounts exceeding \$500,000 per year had increased by 700% since 2010.<sup>8</sup> Current data reveals that in 2021, 1,461 transactions had coverage amounts over \$500,000, amounting to an 1,848% increase since 2010. Many Pottawattamie County properties that qualified for use of the Report in 2007 are no longer eligible due to appreciation. Increasing the Report's eligibility threshold to accommodate inflation and rising property values will align with ITG's 750 Policy and ensure that Pottawattamie County property owners maintain the same access to ITG coverage they had in 2007.

Furthermore, increasing the eligibility threshold will also ensure that all Fannie Mae and Freddie Mac conforming loans becoming eligible for the use of the Report.<sup>9</sup> For 2022, the Federal Housing Finance Agency (FHFA) raised the maximum conforming loan limit for a single-family property to be acquired by Fannie Mae and Freddie Mac from \$548,250 to \$647,200.<sup>10</sup>

Finally, increasing the Report's eligibility threshold to a \$750,000 coverage amount cap will increase the availability of ITG certificates for Pottawattamie County property owners. It will also likely increase ITG's market share by enabling ITG to acquire business that is currently being referred to title insurance due to ITG's existing \$500,000 threshold requiring full abstracting.

*b. Allowing use of the Report on commercial transactions.*

The use of the Report has always been limited to residential transactions. The Board has not previously considered expansion to commercial transactions because Applicants have not previously requested this expansion. When the initial Waiver was granted in 2007 ITG did not yet have a separate commercial department. Demand exists for use of the Report for commercial properties. Market participants have consistently communicated this sentiment to ITG Commercial.

Currently, a lender or owner seeking ITG coverage on commercial property in Pottawattamie County must have an abstract. As previously discussed, abstracts in Pottawattamie County are scarce. Therefore, most commercial property owners are required to either bear the time and expense to create an abstract to obtain ITG coverage or turn to title insurance as an expedient alternative.

By allowing the Report's use on commercial transactions, Pottawattamie County commercial property owners gain access to ITG coverage without having to incur the time and expense related to creating an abstract. Commercial property buyers and developers also gain greater access to the various IFA programs mentioned above.

Commercial property owners will benefit because the Report will result in cleaner land titles for Pottawattamie County commercial properties due to the increased reliability and accuracy of the Report compared to a title insurance search. Ultimately, the utilization of the Report for commercial properties will not expose ITG to unnecessary liability due to the requirement that the Report reflect all matters currently impacting title including items such as easements, development agreements, leases, options or other matters that frequently affect commercial properties.

<sup>7</sup> Include a list of new policies for reference?

<sup>8</sup> In 2010, only 75 transactions had coverage amounts over \$500,000. In 2019, 529 transactions had coverage amounts over \$500,000.

<sup>9</sup> While this excludes "high-cost area limits" as defined by FHFA, no Iowa property constitutes a high-cost area. See Fannie Mae, *Loan Limits*, fanniemae.com, <http://singlefamily.fanniemae.com/originating-underwriting/loan-limits> (Nov. 30, 2021).

<sup>10</sup> Fannie Mae, *Loan Limits*, fanniemae.com, <http://singlefamily.fanniemae.com/originating-underwriting/loan-limits> (Nov. 30, 2021).

## **WAIVER CRITERIA**

Pursuant to Iowa Code section 17A.9A and Iowa Administrative Code rule 265—18.4, the Authority may in its sole discretion issue an order waiving in whole or in part the requirements of a rule if the Authority finds, based on clear and convincing evidence, all of the following:

1. The application of the rule would impose an undue hardship on the person for whom the waiver is requested;
2. The waiver from the requirements of the rule in the specific case would not prejudice the substantial legal rights of any person;
3. The provisions of the rule subject to the petition for a waiver are not specifically mandated by statute or another provision of law; and
4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular rule for which the waiver is requested.

In determining whether a waiver should be granted, the Authority shall consider the public interest, policies and legislative intent of the statute on which the rule is based.<sup>11</sup>

### **I. THE APPLICATION OF THE RULE WOULD IMPOSE AN UNDUE HARDSHIP ON THE APPLICANTS.**

To grant the Waiver, Iowa Administrative Code rule 265—18.4 requires the Board to find that the rule would impose an undue hardship. Requiring a traditional abstract to obtain ITG coverage in Pottawattamie County imposes an undue hardship on Applicants. The traditional abstract requirement prevents Applicants from competing with the out-of-state title insurance companies operating in the Pottawattamie County market because it forces them to offer only one search product which costs more and takes longer to produce. When required to obtain an abstract, consumers elect to obtain title insurance to avoid the time and expense associated with the creating a root of title abstract. The requirement results in Applicants consistently losing business to title insurance companies that issue coverage based on cheaper, yet inferior, searches. Applicants have established that application of the rule would impose an undue hardship because absent a Waiver, Applicants are required to offer a search product that the geographic market rejects.

### **II. THE WAIVER WOULD NOT PREJUDICE THE SUBSTANTIAL LEGAL RIGHTS OF ANY PERSON.**

Granting the Waiver, expanding its use to transactions with coverage amounts of \$750,000 or less, and allowing its use on commercial transactions, will not prejudice the substantial legal rights of any person. Although the use of ITG certificates is increasing, ITG is not the preferred coverage product in Pottawattamie County. Even if the Waiver is granted there are other title search options available to consumers. The Waiver's renewal will not force any other search provider or abstractor in the Pottawattamie County market to change their current practices, nor will it cause them any harm or injury. Indeed, for over a decade the Applicants and their competitors have operated in a market where this Waiver was in effect. Granting the Waiver's renewal simply maintains the status quo. Lenders and property owners remain free to use other search providers or traditional abstractors.

### **III. THE PROVISIONS OF THE RULE SUBJECT TO THE PETITION FOR A WAIVER ARE NOT SPECIFICALLY MANDATED BY STATUTE OR ANOTHER PROVISION OF LAW.**

The Iowa Code does not specifically prescribe a definition for "abstract". For ITG purposes, the term "abstract" is defined in IFA's administrative rules at Iowa Administrative Code rule 265—9.1, the rule from

<sup>11</sup> Iowa Admin. Code r. 265—18.4.

which Applicants seek a Waiver. The definition of an abstract is not specifically mandated by statute or another provision of the law.

IV. SUBSTANTIALLY EQUAL PROTECTION OF PUBLIC HEALTH, SAFETY, AND WELFARE WILL BE AFFORDED BY MEANS OTHER THAN THAT PRESCRIBED IN THE PARTICULAR RULE FOR WHICH THE WAIVER IS REQUESTED.

The Waiver will afford the Pottawattamie County public equal protection. Such equal protection will not be altered by expanding the use of the Report to residential and commercial transactions with coverage amounts of \$750,000 or less. The Waiver will allow Pottawattamie County the same access to ITG products the rest of the state enjoys. The Waiver will afford the public in Pottawattamie County the commensurate protections from the abstract, attorney title opinion, and ITG system, which is a public purpose<sup>12</sup>, and will provide substantially equal protection of public health, safety, and welfare as the Iowa Administrative Code's definition of "abstract" affords all other Iowa counties.

<sup>12</sup> Iowa Code § 16.4C (2021).



## **SCHEDULE A**

**CLEAR TITLE & ABSTRACT, LLC PETITION FOR WAIVER**

*See attached hereto and incorporated herein.*



RECEIVED  
OCT 11 2021  
IEDA Directors Office

October 6, 2021

Ms. Debi Durham  
Executive Director,  
Iowa Finance Authority  
1963 Bell Avenue, Suite 200  
Des Moines, IA 50315

RE: Petition for Renewal of Waiver of Abstract Requirement for Iowa Title Guaranty Transactions in Pottawattamie County, Iowa

Dear Executive Director Durham:

Clear Title & Abstract, LLC, applied for and received a Waiver of the Abstract Requirements for Iowa Title Guaranty Transactions conducted in Pottawattamie County, Iowa. The Waiver was for a five (5) year period. That Waiver expires early in 2022. Clear Title is very much interested in not only obtaining a renewal of that Waiver, but also extending that Waiver to all transactions for less than \$750,000.00, as more fully set out in the attached Petition.

Would you please file this Petition with the Iowa Finance Authority and provide me with notice of the hearing on the matter?

Thank you for your assistance!

Sincerely,

A handwritten signature in blue ink, appearing to read "M.P. Reynolds".

Mark P. Reynolds,  
President

**BEFORE THE IOWA FINANCE AUTHORITY**

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<b>PETITION BY:</b>	)	
	)	
	)	
<b>CLEAR TITLE &amp; ABSTRACT,</b>	)	<b>PETITION FOR</b>
LLC, An Entity Authorized to	)	<b>WAIVER</b>
Transact Business in the State of	)	
Iowa, Petitioner	)	
	)	
<b>FOR THE WAIVER OF:</b>	)	
	)	
<b>CERTAIN PROVISIONS OF</b>	)	
<b>265 IAC 9 RELATING TO THE</b>	)	
<b>REQUIREMENT FOR</b>	)	
<b>ABSTRACTS FOR CERTAIN</b>	)	
<b>AGRICULTURAL, COMMERCIAL</b>	)	
<b>AND RESIDENTIAL</b>	)	
<b>COMMITMENTS AND</b>	)	
<b>CERTIFICATES.</b>	)	

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**SUMMARY OF REQUIRED INFORMATION**

1. **Petitioner:**

Clear Title & Abstract, LLC, is an entity authorized to transact business in the State of Iowa, with a principal Iowa Address of 535 West Broadway, Suite 203, Council Bluffs, IA 51503, with a telephone number of (712) 328-1017.
2. **Rule(s) from which a Waiver is Requested:**

265 Iowa Administrative Code 9.1(16), together with certain Participation Agreements involving Abstractors, Attorneys, and Closers
3. **Specific Waiver Requested:**
  - a. A five (5) year renewal of the Waiver found at TG17-01, a true and correct copy of which is attached hereto and incorporated herein by this reference as Exhibit

“A,” together with an **Expansion of Said Waiver** as follows:

- b. Petitioner requests that Petitioner’s Abstractors, Petitioner’s Closers, and any Participating Attorney provided with a Pottawattamie County Report of Title and/or a Pottawattamie County Report of Title - Post Closing (together “Report”) as authorized by any renewal of the 2017 Waiver, be also authorized by IFA to rely on said Report for the preparation and issuance of an Attorney Opinion regarding ownership, liens and encumbrances of the subject property, and for the preparation and issuance of a Commitment, Closing Protection Letter and/or Certificate(s)
  - c. Petitioner further requests that Petitioner be explicitly authorized to issue a Pottawattamie County Report of Title and a Pottawattamie County Report of Title - Post Closing, in lieu of an Abstract, **for any property, whether Agricultural, Commercial or Residential, where the Purchase Price or Loan Amount is less than \$750,000.00.**
  - d. Petitioner also requests that the Petitioner’s Abstract Waiver, if granted, be limited to Petitioner’s activities within Pottawattamie County, Iowa.
4. **Statement of Important Facts which Justify the Requested Waiver**
- a. Waiving the Rule does not result in an undue hardship on the Petitioner
  - b. Applying the Rule results in an undue hardship on those participating in Real Estate Transactions for real property situated in Pottawattamie County, Iowa.
    - i. The participants include Buyers, Sellers, and Lenders.

- ii. The types of properties involved are Agricultural, Commercial (including Industrial and Multi-Family) and Residential (typically defined as one-to-four family unit dwellings).
- iii. The types of transactions involved are purchases, sales, purchase money mortgages, construction loan transactions, refinance transactions, and loan modification agreements.
- iv. The Rules currently requires that these Parties obtain and/or continue an Abstract prior to obtaining an Iowa Title Guaranty Commitment prior to closing, and to thereafter update or continue that Abstract after closing but prior to the issuance of an Iowa Title Guaranty Certificate
- v. The process of creating and/or updating/continuing Abstracts carries significant costs and are time and labor intensive.
- vi. Loan Commitments and/or Rate Locks are time sensitive, and usually expire or terminate within a thirty (30) to forty-five (45) day period
- vii. It can be difficult to meet these time frames prior to closing when an Abstract is required.
- viii. Once a real estate transaction is closed, many Lenders “sell the paper” on the “secondary market” and use the proceeds to finance other real estate loan transactions. The process of “selling the paper” is also highly time sensitive.
- ix. In order to address these hardships, Petitioner requested and received a Waiver from the Abstract Requirement under the Rule in 2017

x. Petitioner has its own Title Plant with off-site backup of all data, including copies kept and maintained in a secure, underground storage facility, which facilitates implementation of the process authorized by the current Waiver

xi. Since that date of the approval of Petitioner’s original Waiver, the number of Real Estate Transactions and Real Estate Loan Transactions have increased significantly

xii	Petitioner’s Data ITG Residential Files Closed	Pottawattamie County Data (From ITG) - Lender’s Certificates Issued - Residential
2016	369	680
2017	433	686
2018	429	636
2019	510	796
2020	673	1171

xiii. This data demonstrates that Petitioner closed a significant number of Iowa Title Guaranty transactions. These 2017 and later transactions, saved Borrowers a significant amount of money since the transactions were closed under the existing Waiver.

xiv. The Waiver process has been well-received in Pottawattamie County.

xv. Petitioner is requesting not only a renewal of the Waiver, but an expansion to include Agricultural and Commercial Real Estate and Real Estate Loan Transactions, each up the new limits set by the Iowa Finance Authority

(\$750,000 00)

- xvi. Iowa Title Guaranty estimates that the number of Commercial Certificates (including commercial, industrial, and agricultural transactions) issued in Pottawattamie County for the applicable time period is as follows:

	Total Certificates	Certificates for Loans Over \$750k
2016	7	1
2017	5	5
2018	15	3
2019	6	3
2020	8	2

(Petitioner thanks Iowa Title Guaranty, and in particular Lindsey Guerrero, Director; Doug Mizer, Legal Counsel; and Rachel Pettit, Operations Manager, for their assistance during the Petition process and their willingness to share the data shown above)

- xvii. Petitioner's expanded request for a Waiver to include all transactions under \$750,000, would have represented 27 additional Pottawattamie County transactions during the course of the past five (5) years. But the effects of the expanded waiver, if extrapolated statewide, would reduce the ITG Staff workload, minimize confusion on the part of Lenders and Borrowers as to which transactions do and do not require Abstracts, and would save small business owners and farmers a significant amount of money.

- c Granting the Waiver will not prejudice the substantial legal rights of any person, but it will facilitate IFA's mission of providing Certificates at a lower cost to property purchasers within Pottawattamie County.
- d The provisions of the Rule from which Petitioner seeks a waiver are not specifically mandated by statute or other provision of law, but are instead left to the sole discretionary Rule Making authority of IFA
- e. Substantial improvement to equal protection of the public health, safety and welfare is implicated by granting the requested Waiver, as the proceeds are used to fund a number of housing initiatives of IFA.
- f. Provide a history of prior contacts between the authority and Petitioner relating to the regulated activity which would be affected by the Waiver
  - i. License to be affected - Petitioner's Participant License - #8146
  - ii. **Resolution TG 17-01**
  - iii. Audit/Review by Rachel Pettit, 9/2019 - **See attached**
  - iv. Statement of Unauthorized Charges - **See attached**
- g Provide information known to the Petitioner regarding the treatment by the authority of similar cases - **CLEAR TITLE & ABSTRACT, IN 2017, AND GREAT PLAINS TITLE, ALSO IN 2017.**
- h Provide the Name, Address and Telephone Number of any Public Agency or Political Subdivision which also regulates the activity in question or which might be affected by the granting of the Waiver - **None Known by Petitioner**



1. Provide the Name, Address and Telephone Number of any person that would be adversely affected or disadvantaged by the granting of the Waiver - **None Known by Petitioner.**
  
- j. Provide the Name, Address, and Telephone Number of any person with knowledge of the relevant or important facts relating to the Requested Waiver:
  1. **Petitioner** - 535 West Broadway, Suite 203, Council Bluffs, IA 51503  
Phone (712) 328-1017
  - 11 **Iowa Title Guaranty Staff:**
    - (1) Lindsey Gueriero, Director,
    - (2) Doug Mizet, Legal Counsel;
    - (3) Rachel Pettit, Operations Manager
  
- k. Provide signed release of information authorizing persons with knowledge regarding the request to furnish the authority with information relevant to the Waiver - **Petitioner.**
  - 1 By signing this Petition, Petitioner expressly authorizes the Iowa Title Guaranty Staff to provide relevant information to IFA regarding this Petition.

### **BACKGROUND INFORMATION**

The Iowa Finance Authority (“the Authority” or “IFA”), as authorized by Iowa State Law has promulgated certain Rules and Regulations. Those Rules and Regulations have been codified in the Iowa Administrative Code (“the Code” or “IAC”). These Code provisions

authorize IFA to designate “Field Issuers,” and “Participants,” including but not limited to Participating Attorneys, Participating Abstractors, and Participating “Closers” as that term is defined in 265 IAC 9 1(16), *et seq.*, to conduct the business of IFA. The Code sets forth the duties and responsibilities of Field Issuers, Participating Attorneys, Participating Abstractors, and/or Participating Closers, in 265 IAC 9 1, *et seq.*

Petitioner is now and has been an Field Issuer for IFA, with a Participant Number of 8146. As such, Petitioner has been authorized to issue Commitments and Certificates for IFA since 2007, and has held the required “Participation Agreement” as that term is defined in 265 IAC 9 5(16) for more than fourteen (14) years. Petitioner has similarly been authorized to issue Closing Protection Letters under the IFA Program since 2007, and Petitioner, as successor in interest to **ABSTRACT GUARANTY**, has been authorized to issue Abstracts under the IFA Program since 1987.

The Code defines the term “Abstract” and IFA requires an Abstract and a continuation of an Abstract prior to the production of Commitments and/or Certificates. Petitioner currently employs several individuals as “Abstractors,” and said Abstractors are experienced and trained in producing both Abstracts and other types of Search Reports. New Abstracts and Continuations of Abstracts can be expensive. In Petitioner’s direct experience in producing Abstracts for properties located within Pottawattamie County, these Abstracts typically cost more than One Thousand Dollars. Updates or continuations typically cost more than Three Hundred Dollars. Petitioner’s Closers also have experience in paying costs for Abstracts from other Counties out of closing proceeds, and those Abstracts cost at least as much as, if not more, than Petitioner’s Abstracts.

Petitioner, in 2016 applied for a Waiver of the provisions the Code as to the production of Abstracts in relation to Commitments and Certificates for Residential Transactions only and then only for purchases or loans of a value up to Five Hundred Thousand Dollars (\$500,000.00). All Agricultural, Commercial and all Residential Transactions in excess of that amount are handled by the ITG Staff.

The Application, if granted, would represent a significant cost reduction to home buyers, particularly new and first time home buyers, small business owners (both sellers and buyers) and others, within the County. IFA granted Petitioner's Application for a Waiver in early 2017. See, Resolution, TG 17-01, dated March 1, 2017, a true and correct copy of which is attached hereto and incorporated herein as Exhibit "A."

The 2017 authorized Petitioner's Abstractors to issue Pottawattamie County Reports of Title and Pottawattamie County Reports of Title - Post Closing for one-to four residential unit transactions where the purchase price or loan amount was less than \$500,000.00. The specific language of the Waiver stated "The IFA Board hereby grants to [Petitioner] a waiver of the Rule contained in Iowa Administrative Code 265 - 9.1(16) "Abstract of Title" or "Abstract" that states that an abstract for Iowa Title Guaranty Purposes, is a summary of "all matters of record" Note, however, that while said Waiver amended the definition of Waiver for Petitioner, the Waiver did not authorize Participants with real property transactions situated in Pottawattamie County, Iowa, to either use or rely on this Waiver for Attorney Opinions or real estate closings or the issuance of Commitments, Closing Protection Letters and/or Certificates. Furthermore, the Waiver was for a five-year term ending March 1, 2022. During the period of the Waiver, IFA promulgated a new pricing structure. Prior to the new pricing structure, all Commitments and Certificates for

residential transactions with a purchase price or a loan in the amount of \$500,000.00 or more were issued by the Iowa Title Guaranty Program of IFA (“ITG”). Similarly, all commercial transactions regardless of purchase price or loan amount were issued by ITG; and all agricultural transactions regardless of purchase price or loan amount were also issued by ITG.

Subsequent to the new pricing structure, all commitments and certificates for residential transactions with a purchase price or a loan in the amount of \$750,000.00 or more are issued by the Iowa Title Guaranty Program of IFA (“ITG”), and all commercial transactions regardless of purchase price or loan amount are issued by ITG; and all agricultural transactions regardless of purchase price or loan amount are issued by ITG. For the past year, Petitioner, under the terms and conditions of the 2017 Waiver, has been authorized to issue Reports in lieu of Abstracts for one-to-four Residential transactions with a purchase price or loan amount of less than \$500,000.00. But Petitioner has been required to prepare (or obtain) Abstracts for all transactions with a purchase price of between \$500,000.00 and \$749,999.00, which has been a source of confusion and frustration to some Buyers and Lenders.

Petitioner therefore began considering the advantages and disadvantages of requesting a renewal of the TG17-01 Waiver in late 2020, and by early 2021, had determined to apply for renewal of the Waiver as a community service.

CLEAR TITLE & ABSTRACT LLC,  
Petitioner



By: Mark P. Reynolds, President

6 October 2021  
Date

**RESOLUTION**  
**TG 17-01**  
**Clear Title & Abstract, LLC and Great Plains Title, LLC**  
**Waiver of Definition of Abstract**

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, through the Iowa Title Guaranty Division, is empowered to make and issue title guaranties on Iowa real property in a form acceptable to the secondary market, to fix and collect the charges for the guaranties and to procure reinsurance against any loss in connection with the guaranties;

WHEREAS, the Authority, in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, has the power to make, alter and repeal rules consistent with the provisions of this chapter, and subject to chapter 17A;

WHEREAS, the IFA Board has received a Request for Waiver of Iowa Title Guaranty Rule contained in 265 IAC 9.1 (16) pertaining to the definition of an "Abstract of Title" or "Abstract" by Clear Title & Abstract, LLC and Great Plains Title, LLC for Pottawattamie County;

WHEREAS, the IFA Board finds that the Authority has jurisdiction over the rule and the requested waiver is consistent with applicable statutes, constitutional provisions, or other provisions of law; and

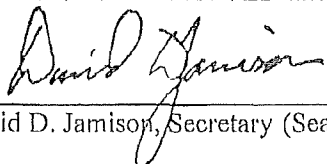
WHEREAS, the Authority desires to grant this waiver, subject to certain conditions and limitations.

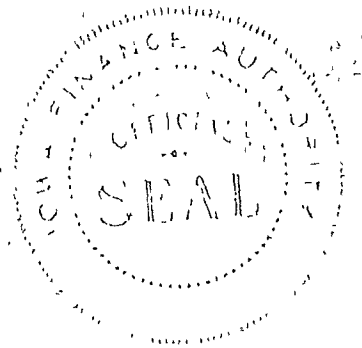
NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The IFA Board hereby grants to Clear Title & Abstract, LLC and Great Plains Title, LLC a waiver of the Rule contained in Iowa Administrative Code 265 – 9.1(16) "Abstract of Title" or "Abstract" that states that an abstract for Iowa Title Guaranty purposes, is a summary of "all matters of record"; and

SECTION 2. Pursuant to Iowa Administrative Code 265 – 18.10(17A,16), the IFA Board adopts the Order Approving the Request for Waiver of Iowa Administrative Code 265 – 9.1(16) attached hereto as Exhibit A.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2017.

  
\_\_\_\_\_  
David D. Jamison, Secretary (Seal)



## EXHIBIT A

mortgage filings.

Year	Total Recorded Mortgages	ITG Lender Certificates
2006	6746	40
2007	5874	65
2008	4615	126
2009	4914	143
2010	3773	230
2011	3872	238
2012	4232	390
2013	4250	681
2014	3143	379
2015	3629	462
2016	3928	715

Although we have seen growth it is still difficult to penetrate a market where the largest real estate companies — NPDodge, CBS Home and Heartland Real Estate all have an interest in a title company.

Realtors in Pottawattamie County routinely elect title insurance or encourage their clients to use title insurance in lieu of the abstract/attorney title opinion system because abstracts are costly and time-consuming. The lack of attorney involvement in residential real estate transactions greatly concerns Iowa Title Guaranty. Attorneys rarely examine abstracts and are generally not involved in closings even though the abstractor/attorney system contributes to the quality of real estate titles in Iowa. If a buyer elects the abstract/title opinion system, a new abstract must be ordered. The cost to create a new abstract exceeds \$900 and takes several weeks or even months to complete. Given the fast-paced nature of the residential real estate market, this is not acceptable.

### Reasons to grant the waiver

- Section 16.91 of the Iowa Code provides that Iowa Title Guaranty shall offer guaranties of real property title in the state of Iowa. Iowa Title Guaranty has a statutory mandate to issue coverage on a statewide basis. Our mission is to facilitate the sale of loans on the secondary market and add to the integrity of Iowa's land title system. We have an obligation to ensure that Iowa Title Guaranty coverage is available in all 99 counties. Without this Waiver, as a practical matter, Iowa Title Guaranty is not available in Pottawattamie County.
- The quality of real estate titles is suffering in Pottawattamie County. Abstracts are not being updated or maintained. Instead, out of state title insurance companies are closing transactions based on searches which rarely extend beyond the last deed. This practice leads to title problems which eventually come to light and end up costing homeowners significant time and expense. By granting the waiver, Iowa Title

## EXHIBIT A

Iowa Title Guaranty, they consistently lose the business to title insurance companies that issue coverage based on ill-defined searches. Requiring a traditional abstract for Iowa Title Guaranty purposes on residential purchase transactions imposes an undue hardship on CTA and GPT.

### 2. Prejudice

Allowing the use of a "Pottawattamie County Report of Title" will not prejudice the substantial legal rights of any person. Lenders, homebuyers, etc. will be free to use another search provider or traditional abstractor and order whichever product they so choose. Although the use of our certificates is increasing, Iowa Title Guaranty is not the product of choice in Pottawattamie County. As illustrated in the chart above our market share in Pottawattamie County is less than 2%. Even if the request is granted there are other options for consumers.

### 3. Specific mandate by statute or law

The Iowa Code does not specifically define an abstract. For purposes of Iowa Title Guaranty, the term "abstract" is defined in IFA's administrative rules. What constitutes an abstract is not specifically mandated by statute or another provision of the law.

### 4. Equal Protection

Equal Protection will be afforded the public in Pottawattamie County with a temporary waiver or variance of the rule defining an abstract. The Report, if approved, will allow the public in Pottawattamie County to participate in the Iowa Title Guaranty program and have the commensurate protections from the abstract, title opinion, and Iowa Title Guaranty system, which is a public purpose.

## EXHIBIT A

### I. Pottawattamie County Report of Title

When an abstract is unavailable because the abstract is lost, has been destroyed, or cannot be located, a Pottawattamie County participating abstractor who has obtained a waiver from the Iowa Finance Authority's Board of Directors may prepare a Pottawattamie County Report of Title for Pottawattamie County residential transactions Five Hundred Thousand Dollars (\$500,000) or less. The search procedures and search checklist for a waived Pottawattamie County participating abstractor follows herein. All other Title Guaranty programs (rapid certificate, closing protection letter, etc.) remain available even if the preliminary abstracting is in the form of a Pottawattamie County Report of Title, hereinafter referred to as "Pottawattamie Report".

### II. Procedure for Using the Pottawattamie Report

When the Pottawattamie Report is used it must be examined by a participating attorney who will prepare a preliminary title opinion and/or commitment for closing. The form of search must be disclosed in the participating attorney's title opinion. After closing, if requested, the participating abstractor may update the search using Title Guaranty's Report of Title-Post Closing Search form. The Post Closing Search may be delivered to a participating attorney who will prepare a final title opinion and/or certificate. The participating abstractor will retain a copy of the completed Pottawattamie Report for a period of ten years after the effective date of the commitment or certificate. These copies are for the Division's review and they shall be available to the Division upon request.

### III. Instructions for Preparation of Pottawattamie Reports

Pottawattamie Reports must contain the following information:

- A. A complete legal description, correct address (street name and city or town) for said legal description, and county. Abbreviated descriptions are not acceptable.
- B. The property search must commence with the root of title. All matters of record prior to the recording date of the root of title are omitted, except (1) plats and surveys, (2) easements, (3) party wall and other boundary line agreements, and (4) unexpired recorded leases.
- C. The instrument vesting title in the current titleholder must be shown. The most recent full value deed and all conveyances thereafter must be disclosed, but prior questionable or explanatory conveyances should also be disclosed. When listing the deeds, the search should list the names exactly as they are listed in the deed and the recording information.
- D. If title proceedings are pending, the action, parties and minutes should be described or copies thereof included with the search that shall be in compliance with the Abstracting Standards of the Iowa Land Title Association, as amended from time to time.



EXHIBIT A



IOWA TITLE GUARANTY

**Pottawattamie County Report of Title**

TO: \_\_\_\_\_ (NAME AND ADDRESS)

We furnish the following information of record in Pottawattamie County, Iowa.

LEGAL DESCRIPTION.

PROPERTY ADDRESS:

LAST GRANTEE, DEVISEE, OR HEIR OF RECORD:

UNRELEASED MORTGAGES AND ASSIGNMENTS:

COURT PROCEEDINGS, JUDGMENTS, LIENS, ETC.:

EASEMENTS.

ALL OTHER MATTERS OF RECORD AFFECTING TITLE.

SEARCHES HAVE BEEN CONDUCTED AGAINST THE FOLLOWING NAMED INDIVIDUALS ONLY:

TAXES AND SPECIAL ASSESSMENTS:

GENERAL TAXES for the year \_\_\_\_\_ and prior years, paid.

GENERAL TAXES for the year \_\_\_\_\_, \$ \_\_\_\_\_

First one-half, \$ \_\_\_\_\_;

Second one-half, \$ \_\_\_\_\_.

PARCEL NO \_\_\_\_\_

ASSESSED VALUE \$ \_\_\_\_\_

RESIDENTIAL TAXES: YES \_\_\_ NO \_\_\_

EXHIBIT A



IOWA TITLE GUARANTY

**Pottawattamie County Report of Title – Post Closing Search**

TO: \_\_\_\_\_ (NAME AND ADDRESS)

We furnish the following information of record in Pottawattamie County, Iowa

ABSTRACT NO. OR REFERENCE NO : \_\_\_\_\_, LOAN NO \_\_\_\_\_

PREVIOUS REPORT OF TITLE DATE AND TIME: \_\_\_\_\_

LEGAL DESCRIPTION

PROPERTY ADDRESS.

LAST RECORDED DEED CONVEYS THE ABOVE DESCRIBED REAL ESTATE

TO.

WE ALSO FURNISH THE FOLLOWING NEW INFORMATION OF RECORD SINCE OUR PREVIOUS REPORT:

TAXES, AFFIDAVITS, JUDGMENTS, SATISFACTIONS, RELEASES, MORTGAGES, ASSIGNMENTS, DEEDS, ETC.:

## EXHIBIT A

### IV. Search Checklist for the Pottawattamie Report Approved for specified Pottawattamie Participating Abstractors by the Iowa Finance Authority Board of Directors

#### A. Search Period

A Pottawattamie participating abstractor, herein referred to as “the Searcher”, will follow the same search period requirements for abstracts as required in the Iowa Code, as amended from time to time.

#### B. Method of Search

1. Plant: The Searcher, with an abstract title plant including tract indices for real estate located in Pottawattamie County as required in Iowa Code Chapter 16, will utilize the plant to search the required period.
2. Pottawattamie County Records: The Searcher exempt or waived from the plant requirement shall utilize the Pottawattamie County Recorder’s Office, herein referred to as “the Recorder” to search the required period.
  - a. All records prior to July 1989 shall be searched through the grantor/grantee indexes in the following books: 120 Day Affidavit; Affidavit of Possession; Claimant for years up to 1979 (for affidavits to preserve claims, marketable title affidavits, etc.); Lands (Subdivided) and/or Lands (Un-subdivided); Miscellaneous (various affidavits, for documents that do not contain legal descriptions); Mortgage (includes postings of assignments, amendments and releases); and Plats.
  - b. Records from July 1989 must be searched in the Recorder computer records at [pottcounty.com](http://pottcounty.com) and the Iowa Land Title at [iowalandrecords.org](http://iowalandrecords.org).

#### C. Interests to be Included in the Report

1. All matters of record prior to the search period may be omitted except for:
  - a. Plats and surveys;
  - b. Grants of easement;
  - c. Leases;
  - d. Boundary line agreements.

## EXHIBIT A

description searched;

1. Absence of, or inconsistencies or irregularities in the signatures and acknowledgements of the document.
2. If a document is a non-standard form or contains substantial information, the Searcher may provide a copy of the recorded document with the Report. All relevant portions of the document must be provided, such as the first page disclosing the recording/filing information, pages including discrepancies in legal descriptions, easements, restrictions, certifications and signatures.

### E. Judgment and Lien Report

A judgment and lien search shall be performed by the Searcher in all Pottawattamie County court records. Name searches will comply with the Abstracting Standards of the Iowa Land Title Association, as amended from time to time. Lis Pendens Notices and mechanic lien searches will be made against the legal description. Most Pottawattamie County District Court records beginning February 1, 1992 will be searched using the ICIS System at [www.judicial.state.ia.us](http://www.judicial.state.ia.us) except for the Lis Pendens Notices.

### F. Real Estate Taxes

The Searcher shall investigate the Pottawattamie County Treasurer's real estate tax records for the past five years. The status of taxes will indicate whether the taxes have been unpaid, paid, sold, forfeited, redeemed, for the most recent year's taxes.

### G. Special Assessments

The Searcher shall show assessments reported to the county. If the individual township or city for assessment information is not reported to the county, the Searcher should contact and obtain the assessment information from such entity. Show the date the special assessment was confirmed, the amount due, the total number of installments, if any, and the status of payment.

### H. The Report

#### 1. Chain of title documents

The Searcher should keep a checklist of all instruments found in searching the chain of title. A review of each instrument must be made to determine whether it affects the property in question and whether the instrument is sufficient to pass title. If any defects or questions regarding the title are found, the instrument must be abstracted or a copy of the instrument attached to the Report. The last grantee, devise, or heir of record must be provided in the Report. If the participating attorney is not satisfied with the last

## EXHIBIT A

The Searcher should keep a checklist of any filed judgments, liens or encumbrances herein referred to as "hit" or "hits" found when searching the clerk of court records after a review of the documents to determine whether it affects the property in question or a name similar to the parties in title or proposing to take title. Releases and satisfactions of hits must then be searched for in the clerk of court records. The release and satisfaction may be indexed with the entry of the hit or a search of the grantor and grantee names may need to be run, depending on whether the clerk of court records or the ICIS computer is being utilized. The releases and satisfactions must be pulled and examined to determine the sufficiency of each. If sufficient, the judgment, lien or encumbrance does not need to be disclosed on the Pottawattamie Report; but if any question of sufficiency is noted, the hit along with the satisfaction and/or release must be abstracted and/or copies thereof attached to the Pottawattamie Report. All pending proceedings should be abstracted or appropriate copies attached to the Pottawattamie Report.

### 5. Name Searches

The search shall provide information on similar names and commonly known nick names. No representation should be made as to whether the information provided is actually that of the parties to the particular transaction. This is the responsibility of the Participant issuing Title Guaranty Commitments and Certificates.

### 6. General Real Estate Taxes Procedure

#### a. Identification of taxes

Identify the type of property and the permanent index number (PIN) assigned to the property in the Pottawattamie Report. All PINs that affect the property must be verified by the Searcher. If a PIN affects property in addition to that being searched, that fact must be disclosed in the Pottawattamie Report. If more than one PIN affects the property being searched, those additional PINs must be searched and included in the Pottawattamie Report.

#### b. Payee notes

Note the names of the party paying the real estate taxes (or the party to whom the taxes are billed). If the tax records disclose payment was made by or billed to someone other than the seller of the property, this fact may indicate the existence of a contract sale or lease of the property that may not appear of record and the Searcher should include this information in the Pottawattamie Report. This procedure also applies to special assessments paid by someone other than the

# Iowa Title Guaranty Participant Compliance Review Report



IOWA TITLE GUARANTY  
MEMBER OF CREDIT UNION NATIONAL ASSOCIATION

## Clear Title & Abstract LLC

Mark Reynolds

535 W Broadway, Suite 203, Council Bluffs, IA 51503

Participant Type - Abstractor

Participant Services - Commitments & Certificates, CPLs, Abstracting

Services Audited - Commitments & Certificates, CPLs

Participant's Review is **Satisfactory**  
Compliance Review is **Complete**

ITG Audit Specialist Rachel Pettit

Compliance Review Date Tuesday September 17, 2019 at 8:30 a.m.

<b>Field Issuance</b>		<b>Satisfactory</b>
<b>Field issued commitments, certificates, and endorsements file review</b>		
<p><b>Review Summary</b></p> <p>Commitments and certificates are prepared mostly in compliance with ITG directives. Products are prepared by (staff) in a consistent manner. Files are well organized, and all most Schedule B documents retained. Minor exceptions are as follows:</p> <ul style="list-style-type: none"> <li>• Exceptions that may impair the priority of the Guaranteed Mortgage are shown on certificate Schedule B Part I</li> <li>• Exceptions include limiting language such as judgement amounts, taxes amounts, etc. Please see attached Review Worksheet and marked up products for specifics</li> </ul>	<p><b>Compliance Recommendations</b></p> <ul style="list-style-type: none"> <li>• When listing plats, declarations of covenants, HOA associations, please use underwriter approved language by utilizing the Exception drop-down in CAP</li> <li>• Schedule B Part I cannot include exceptions that may impair the priority of the Guaranteed Mortgage. They must be (i) resolved at closing and removed from Schedule B, or (ii) moved to Schedule B Part II if title attorney determines it is inferior to the Guaranteed Mortgage</li> <li>• Use attached ITG Drafting Special Exceptions bulletin for reference when drafting exceptions for Schedule B Part II</li> <li>• ITG encourages certificates and endorsements be delivered within thirty days of the later of (i) the date of settlement, or (ii) the date that the terms and conditions of the title commitment are satisfied</li> </ul>	

<b>ITG Participant Reports Review</b>		<b>Satisfactory</b>
<p><b>Pending Commitments and Certificates Report (Report 2.3)</b></p> <ul style="list-style-type: none"> <li>• Current to 2019, audit scope was only concerned with outstanding items from 2018 and prior years</li> </ul>	<p><b>CPL's with No Issued Certificates (Report 2.10)</b></p> <ul style="list-style-type: none"> <li>• Current</li> </ul>	
<p><b>Rapid Certificates – Showing of Release Not Completed (Report 2.6)</b></p> <ul style="list-style-type: none"> <li>• Current</li> </ul>	<p><b>Open Invoices/Open Cash Report (Report 2.13)</b></p> <ul style="list-style-type: none"> <li>• Current to 2019, audit scope was only concerned with outstanding items from 2018 and prior years</li> </ul>	

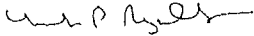
<b>CPL Covered Closing Services</b>		<b>Satisfactory</b>
<b>CPL covered risk file review</b>		
<p><b>Review Summary</b></p> <p>Services covered by CPLs are conducted mostly in compliance with ITG requirements. Files are well organized and complete. Minor exceptions are as follows:</p> <ul style="list-style-type: none"> <li>• Files do not evidence MNLN was searched at time of closing and required documents obtained</li> </ul>	<p><b>Compliance Recommendations</b></p> <ul style="list-style-type: none"> <li>• Schedule B Part I requires MNLN to be searched at time of closing and a lien waiver, proof of payment, or satisfaction be obtained for any Commencements of Work, Preliminary Notice or Mechanic's Lien. Please include documentation of search and required documents in file</li> </ul>	
<b>Escrow trust account reconciliation review</b>		
<p><b>Review Summary</b></p> <p>Trust accounts are maintained in compliance. Discussed some further risk mitigation procedures such as implementing Positive Pay, which he then enrolled in. Great care is taken by management to ensure proper protections of trust accounts. Continue to keep up the great work!</p>	<p><b>Compliance Recommendations</b></p> <ul style="list-style-type: none"> <li>• ITG recommends three-way reconciliations for all trust accounts into which lender funds for a CPL closing are deposited</li> <li>• ITG recommends a procedure be in place to verify mortgage payoff funds clear in a timely manner to mitigate risk of prior mortgage impairing priority of Guaranteed Mortgage</li> </ul>	

### Compliance Report and Review Summary

- Using FY19 data (7/18 to 6/19), you prepared 733 Certificates which 0.994% total of field issued product for that period, issued 433 CPLs which is 1.646% of the total issued. Only 25 Participants issued more certificates than your office and only 15 issued more CPLs. This puts you in our "Tier One", please see attached for reference. Using this metric, ITG anticipates conducting compliance reviews on an annual basis for this Tier. I would like to tentatively schedule your next review for September 2020.
- During pre-audit, worked with Mark to ensure the ITG Board Pottawattamie Report was completed for each transaction. Mark immediately implemented and put into practice. ITG appreciates your swift action to bring that into compliance.
- Over time, ITG requirements and preferred language adapt to mitigate and minimize the risk of claim. Currently, commitments and certificates are prepared using older guidelines. Please see specific recommendations above and marked up commitments and certificates attached. Drafting Special Exceptions ITG Bulletin for use in preparing future products is also attached.
  - The recommended changes are minimal and can be handled with oral comments and require no further ITG follow up.
- NOTE: When we met, I instructed your staff that the 3 "Legal" exceptions were not necessary when the property was platted by survey. I was incorrect. Please advise them to continue adding those when the property is in rural areas. I apologize for the confusion on this one. Please let me know if further clarification is needed.
- ITG Reports – Participant reports are current. Thank you! Please continue to monitor your participant reports to help assist with workflow management.
- Thank you for your assistance during this review. I have really enjoyed working with you through your audit. I appreciate your flexibility and patience with me and ITG as we work to implement some of our newer audit procedures. I appreciate your continued partnership with ITG and please feel free to contact me with any questions at any time. Thank you!

The Compliance Review Report was discussed with Mark Reynolds, Manager Member, and staff at the conclusion of the review.

Clear Title & Abstract LLC,



Mark Reynolds, Manager Member

Date

Rachel Pettit, ITG Audit Specialist

Date

### Field issued commitments, certificates, and endorsements file review

**Commitment**

**Property Tab**

- Legal Description matches abstract caption and purchase contract
- Acres disclaimer added, if needed

**General Tab**

- All fields entered correctly and completely
- Titleholder names match PTO, recorded deed exactly
- Correct Tenancy is selected, marital status not listed

**Schedule B, Part I**

- Exceptions are completed pursuant to ITG directives
- All Plats shown when property is part of platted land
- No amounts are shown in tax or judgment exceptions
- All exceptions from PTO are entered on Schedule B as applicable
- Exceptions identified by public record filing information, not references to abstract entries
- Special requests from lender are shown in Notes section & not Part II

**Schedule B, Part II**

- Requirements are completed pursuant to ITG directives
- Requirement language is not amended or altered
- Necessary requirements are included for all exceptions noted in Part II
- Specific attorney requirements from PTO are included

**Certificate(s)**

**Property Tab**

- Legal Description matches filed conveyance documents

**General Tab**

- All fields entered correctly and completely
- Titleholder and Borrower boxes match the recorded deed and mortgage
- Correct Tenancy is selected
- Marital status is not listed in any field

**Coverage and Endorsements**

- Coverage amount matches recorded mortgage or sales price exactly

- Mortgagee or if MERS is Nominee, originating lender is listed correctly, MERS is listed as guaranteed lender, Nominee box is selected
- Borrowers name and marital status are listed exactly as shown on recorded mortgage in mortgagee phrase or as shown on recorded deed
- Dates and recording information are entered correctly
- If mortgage is re-recorded, original filing information is listed with second sentence in phrase referencing re-filing information
- No assignees are listed as guaranteed lender or in mortgage phrase
- Endorsements are completed as required

**Schedule B**

- Exceptions are completed pursuant to ITG directives
- Plat is shown when property is in a Plat
- No amounts are shown in tax or judgment exceptions
- All exceptions from PTO and FTO are entered on Schedule B
- Exceptions identified by public record information, not references to abstract entries
- No exceptions that impair title are included in Part I except for items that are covered by the Endorsement of Loss Lien and Endorsement has been added to the certificate
- Inferior liens are included in Part II (Lender) or Guaranteed Mortgage is listed as last exception, only to be followed with inferior liens (Owner)

**Document retention**

- CMA(s) & Notice of Availability
- Documents are completed in full, executed by appropriate party, duly acknowledged, buyer/borrower elected or declined coverage on NOA
- Required Schedule B documents
- Proof MLNR searched, lien waivers, proof payment, satisfaction from posted Commencement of Work, Preliminary Notice, or Lien
- Endorsement specific requirements Documentation is Endorsement specific, refer to Underwriting manual for requirements
- Copies of recorded documents
- Post-closing search or title work

### CPL covered risk review

**Transaction Ledger**

- Ledger provides relevant information for each entry
- Disbursements match CD and invoices, statements
- Ledger balance zero, or balances noted with action

**First lien validity, enforceability, or priority, status of title**

- File evidences MLNR was searched at the time of closing and any lien waivers, proof of payment, or satisfaction from all contractors or material suppliers that have posted a Commencement of Work, Preliminary Notice, or Mechanic's Lien were obtained
- CD matches invoices, lender instructions, and contracts
- Schedule B documents match CD, contracts, commitment, etc regarding legal description, parties, and terms, and are properly executed and acknowledged
- Marital status is shown on conveyances, all spouses joined

File evidences documents filed within 10 days of Pre-closing certification

- File evidences payoff sent with tracking tools
- Authorized services were performed by participant

**Document Retention**

- Lender closing instructions
- Executed contracts & instructions from all parties
- Written mortgage and/or lien payoff statements
- Signed Closing Disclosure(s)
- Completed CMAs & Notice of Availability
- Required Schedule B Part I documents, including all non-record requirements per commitment and/or endorsement specific document requirements if endorsement required by lender, but not included on commitment
- Pre-Closing Search

Timothy J Paulson and Michelle D Paulson 28617 Pioneer Trail - SILVER CITY	Mortgage Filing date 12/14/2018 ITG Transaction No 180049631 20182514
<p><b>* Please see further details as noted on the attached commitments and certificates for the following comments</b></p> <p><b>Commitment</b></p> <ul style="list-style-type: none"> <li>* When legal description references total acres, must add Acreage Disclaimer in Property Tab</li> <li>* When one person or entity is in title, choose "Other" in General Tab for tenancy with no additional language</li> <li>* When property is located outside of a city and may be subject to utilities, fences, ditches, drainage tiles, feeders or laterals, or roads used for highways, or riparian rights, please add the 3 "Legal" exceptions to Schedule B Part II using exception drop-downs Legal – Easements, Legal – Roads, &amp; Legal – Water NOTE When you add an acreage disclaimer in the Property Tab, these three exceptions will auto populate on Schedule B Part II</li> <li>* Regarding limiting language contained in No 10 Schedule B Part II, please see attached "Drafting Special Exceptions" which advises what language should be excluded from the exception</li> <li>* Exceptions should not contain limiting language, please do not add amounts in judgment exceptions Can be added in Notes if needed</li> </ul> <p><b>Certificate</b></p> <ul style="list-style-type: none"> <li>* When a buyer judgment is determined to be inferior to the Guaranteed Mortgage by the title opinion attorney, it needs to be shown on the Lender Certificate on Schedule B Part II as an inferior lien and needs to shown on the Owner Certificate after the Guaranteed Mortgage on Schedule B special exceptions, not before</li> </ul>	



Travis W Mitchell & Amy Mitchell 27 Lilac Circle, Council Bluffs	Mortgage Filing date 1/29/2019 ITG Transaction No 190000777 20180161
---	--

**\* Please see further details as noted on the attached commitments and certificates for the following comments**

Commitment

- \* When one person or entity is in title, choose "Other" in General Tab for tenancy with no additional language
- \* Show the plat as an exception on Schedule B Part II with underwriter approved language using the exception drop-down Plat – Specific
- \* Show the covenants as an exception on Schedule B Part II with underwriter approved language using the exception drop-down CCR – Specific
- \* Show the association as an exception on Schedule B Part II with underwriter approved language using the exception drop-down CCR – HO Association
- \* When a property is subject to association dues, you must add a Non-Record requirement regarding dues payment in Schedule B Part I using the non-record drop-down CCR – HO Letter
- \* Regarding limiting language contained in No 10 Schedule B Part II, please see attached "Drafting Special Exceptions" which advises what language should be excluded from the exception

Brandon Lee Jones and Kristina Lynn Jones 113 Sleepy Hollow, Council Bluffs	Mortgage Filing date 3/13/2019 ITG Transaction No 190005280 20190023
--	--

**\* Please see further details as noted on the attached commitments and certificates for the following comments**

Commitment

- \* Show the plat as an exception on Schedule B Part II with underwriter approved language using the exception drop-down Plat – Specific
- \* Show the covenants as an exception on Schedule B Part II with underwriter approved language using the exception drop-down CCR – Specific
- \* Show the association as an exception on Schedule B Part II with underwriter approved language using the exception drop-down CCR – HO Association
- \* When a property is subject to association dues, you must add a Non-Record requirement regarding dues payment in Schedule B Part I using the non-record drop-down CCR – HO Letter
- \* Regarding limiting language contained in No 9 & 10 Schedule B Part II, please see attached "Drafting Special Exceptions" which advises what language should be excluded from the exception ITG recommends specific amounts not be shown in Schedule B Part II exceptions as that has caused claims for ITG Please specific accrued support versus on-going support as the remedies are different for the two types of liens
- \* Regarding the dissolution of marriage of the titleholders, add in a requirement to Schedule B Part I addressing the division of proceeds as ordered by the court

Jason Bart Jones and Kristina Marie Jones 781 Avenue P, Council Bluffs	Mortgage Filing date 6/4/2019 ITG Transaction No 190017320 20190823
---	---

**\* Please see further details as noted on the attached commitments and certificates for the following comments.**

Commitment

- \* Show the plat as an exception on Schedule B Part II with underwriter approved language using the exception drop-down Plat – Specific
- \* Show the covenants as an exception on Schedule B Part II with underwriter approved language using the exception drop-down CCR – Specific

Certificates

- \* When a buyer judgment is determined to be inferior to the Guaranteed Mortgage by the title opinion attorney, it needs to be shown on the Lender Certificate on Schedule B Part II as an inferior lien and needs to be shown on the Owner Certificate after the Guaranteed Mortgage on Schedule B special exceptions, not before

MET Properties 207 Pleasant Street, Carson	Mortgage Filing date 2/20/2019 ITG Transaction No 190002894 20190034
---	--

**\* Please see further details as noted on the attached commitments and certificates for the following comments**

Commitment

- \* Schedule B Part I NO 4(e) shows a requirement for an Affidavit Explanatory of Title, but there is no exception shown in Schedule B Part II that provides the exception to title that exists if an Affidavit was not complete Please the exception to title in Schedule B Part II with enough information so that the reader can easily remedy the exception through the affidavit as required

Certificates

- \* When one person or entity is in title, choose "Other" in General Tab for tenancy with no additional language
- \* Assignment of Rents needs to be shown in Schedule B Part II as inferior to the Guaranteed Mortgage on the Lender Certificate

Garrett Prichard 341 Elliott Street, Council Bluffs	Mortgage Filing date 12/11/2018 ITG Transaction No 180052675 20182725
<p>* Please see further details as noted on the attached commitments and certificates for the following comments</p> <p>Commitment</p> <p>* When property is subject to a real estate contract, two deed requirements are needed Great job included both, but ITG will recommend that the boilerplate language "conveying the above described property Notes The marital status of the grantor(s) of the deed must be shown on the deed" is included in each deed requirement</p> <p>* Regarding the child support requirement in Schedule B Part I No 4(f), ITG requires documentation be filed of record that support is current through filing date of the mortgage</p> <p>* When property is subject to a real estate contract, please use the underwriter approved language for the contract exception in Schedule B Part II using the exception drop-down Mortgage – Contract for deed and complete</p> <p>* ITG recommends specific amounts not be shown in Schedule B Part II judgment exceptions as that has caused claims for ITG</p>	

### ***Escrow trust accounts***

**Reconciliation practices and procedures**

- Escrow trust accounts are maintained and identified in the manner required
- Escrow funds and operating accounts are separately maintained
- Escrow trust accounts are prepared with trial balances on a monthly basis
- Outstanding file balances are documented
- Transactions are conducted by authorized employees only
- On at least a monthly basis, a three-way reconciliation is performed reconciling the bank statement, the book balance, and trial balances
- Results of the reconciliation are reviewed by management

**Risk mitigation best practices**

- Written procedures and controls for escrow trust accounts
- Segregation of duties are in place to ensure the reliability of the reconciliation and reconciliations are conducted by someone other than those with signing authority
- Utilize Positive Pay or other policies and procedures in place which prohibit the use of ACH transaction and internal wire transfer
- Background checks are completed, and ongoing training is conducted for employees in the management of escrow funds and escrow accounting

- |   |
|---|
| <p>* Trust accounts are maintained and reconciled in accordance with ITG guidelines and ALTA Best Practices IDOB audits satisfactory</p> <p>* Mark implemented extra controls on trust accounts such as Positive Pay at ITG's recommendations</p> |
|---|

## DRAFTING SPECIAL EXCEPTIONS

When drafting a special exception to exclude a recorded matter from coverage, it is important to clearly communicate the information necessary for the guaranteed to locate the relevant document(s) in the public record. Too much detail in a special exception may limit the scope of the exception unnecessarily, and insufficient detail in the exception may not adequately communicate to a guaranteed the nature of the exception.

As it pertains to documents of record, in most instances a special exception should contain only the following:

- The exact title of the document,
- The county where the document is filed,
- The date of filing, and
- The book and page where the document is filed or the document/instrument number.

For example: *Right-of-Way Easement filed June 13, 2007, in the Polk County, Iowa, Recorder's Office in Book XXX, Page YYY*

Iowa Title Guaranty has recently seen a trend where clarifying, limiting or interpretive language is added to the exception, such as:

- Identifying specific easements or building set-backs shown on plats,
- Referencing specific terms within agreements or covenants,
- Directing a guaranteed's attention to matters which may affect the use of the property,
- Directing a guaranteed to make inquiry with local governmental agencies or utility companies, and
- Referencing abstract entries.

Please find a few examples below of improper special exception language:

*Plat of XXXXX Subdivision filed in the Polk County, Iowa, Recorder's Office on July 12, 2017, in Book XXX, Page YYY, including easements, building setbacks, restrictions, reservations, and notations. In reviewing the subdivision plat, it appears that there are potential utility easements which affect the easterly and westerly borders of the abstracted premises. If you have further questions in regard to the exact status or location of these easements, or any other easements that may affect the property, I would suggest you direct those questions to the various utility companies that service the area.*

*Plat filed August 20, 2017 in Book XXX, Page YYY. The Plat includes a Plat Map which may show Easements or Building Setbacks affecting the property of which we cannot make a specific determination. It is suggested you make an independent review if the location of the easements and/or setbacks is of concern to you, including obtaining a copy of the plat map or contacting the local zoning board for particulars.*

*The examined property is subject to an Agreement regarding the extension of a Water Main along filed June 18, 2017 in Book XXX, Page YYY of the Polk County records. This Agreement requires payment for the construction of a water main by the property owner which runs with the land. You should examine this document to determine your rights and obligations thereunder. You should determine if all construction has been completed and paid for.*

While the above-referenced information may be beneficial for purposes of a title opinion, it should not be carried over to a commitment. Doing so **may limit the scope of the exception unnecessarily**.

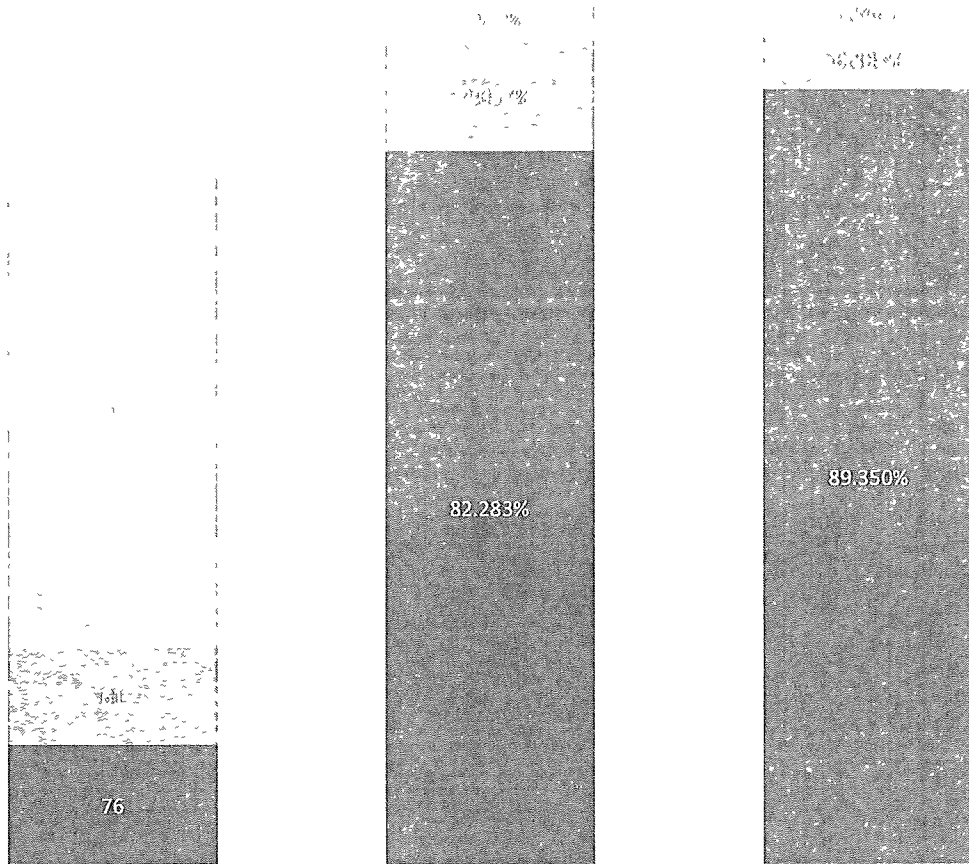
Iowa Title Guaranty recognizes that in certain instances it may be desirable to include additional information about a particular document, especially when a provision would normally not be associated with this type of document. Examples include a right of reversion, right of first refusal, options, reserved easements, or use restrictions contained in a warranty deed. In these instances, please feel free to contact an Iowa Title Guaranty underwriter if you are not sure how to draft the special exception.

An Iowa Title Guaranty Underwriter is available to answer any questions you may have and can be reached at (515) 725-4357.

# ITG FY19 July 2018 to June 2019

## ITG PARTICIPANT ISSUED CERTIFICATES & CPLS

Tier One - 500+ Certificates or 100+ CPLs
  Tier Two - 100+ Certificates or 25+ CPLs
  Tier Three - Less than 100 Certificates or 25 CPLs
  Participant Issued No Certificates or CPLs



NUMBER OF PARTICIPANTS PER TIER, TOTAL 547

PERCENTAGE OF CERTIFICATES ISSUED BY TIER

PERCENTAGE OF CPLS ISSUED BY TIER



IOWA TITLE GUARANTY

May 1, 2020

SENT VIA E-MAIL

Mr Mark P. Reynolds  
Clear Title & Abstract LLC  
535 W. Broadway, Ste 203  
Council Bluffs, IA 51503  
[mreynolds@cleartitlellc.com](mailto:mreynolds@cleartitlellc.com)

**RE: NOTICE OF UNAUTHORIZED ITG CHARGES**

Dear Mr Reynolds

It has been brought to Iowa Title Guaranty's ("ITG") attention that Clear Title & Abstract LLC ("Participant") is charging clients numerous fees which are misrepresented as ITG fees. Please find enclosed an invoice dated April 30, 2020 for your reference ("Invoice"). The Invoice reflects the following fees purporting to be ITG fees

"Title Guaranty Buyer's Lien Search" – Line 1102	\$25 00
"Title Guaranty Attorney Fees – Title Opinion" – Line 1107	\$300 00
"Title Guaranty Attorney Fees – Deed prep" – Line 1107	\$40.00
"Title Guaranty Attorney Fees – Trustee's afdt" – Line 1107	\$40.00
"Title Guaranty Attorney Fees – Purchaser afdt" – Line 1107	\$40 00
"Title Guaranty Processing Fee" – Line 1111	\$150 00

**TOTAL UNAUTHORIZED FEES: \$595.00**

Please be advised that the misrepresentation of these fees constitutes a violation of your ITG Participation Agreement dated December 12, 2019 ("Agreement") Paragraph 3(c) of the Agreement entitled "Premiums & Compensation" provides

*"Participant shall only charge premiums for Iowa Title Guaranty certificates, endorsements and closing protection letters in accordance with the rates promulgated by Iowa Title Guaranty, unless otherwise instructed by Iowa Title Guaranty. Participant may not charge any other fee for preparing, issuing, or cancelling an Iowa Title Guaranty commitment, certificate, endorsement or closing protection letter. Participant may charge an additional fee for any other lawful product or service which does not impose an obligation on Iowa Title Guaranty, such as preparing and issuing abstracts and title opinions, and conducting closings." (Emphasis added)*

Please find ITG's residential rate sheet enclosed for your reference. All other fees charged as ITG fees are unauthorized and strictly prohibited. ITG hereby demands that Participant immediately cease charging any fees attributable to ITG other than those listed on the rate sheet enclosed.

Thank you for your prompt attention to this matter. Should you have any questions, please do not hesitate to contact me at 515-452-0487 or at [lindsey.guerrero@iowafinance.com](mailto:lindsey.guerrero@iowafinance.com)

Sincerely,

Lindsey A. Guerrero  
Director  
Iowa Title Guaranty

Enclosures

**Clear Title & Abstract, LLC**

535 W Broadway Ste 203  
 Council Bluffs, IA 51503  
 Phone 712-328-1017

*Invoice*

<b>Customer:</b>	<b>Reference</b>	<b>Date</b>
Schaben Real Estate 701 Hwy 30 West Dunlap, IA 51529		04/30/2020
	<b>File Number</b>	<b>Branch</b>
	20200795	Clear Title - Title Guaranty
<b>Deliver-To:</b>	<b>Sales Price</b>	<b>Buyer</b>
Schaben Real Estate 701 Hwy 30 West Dunlap, IA 51529	\$90,000 00	Lauren Amanda Jones
	<b>Seller</b>	
	Cecilia C Kleffman Rev Trust	
<b>Property Address</b>	<b>Loan Amount</b>	<b>Lender</b>
1620 Erie Dr., Harlan, Iowa	\$72,000 00	Peoples Bank
<b>Property Type</b>	<b>Property County</b>	<b>Sales Rep</b>
	Shelby	<b>Terms</b>

*Please remit a copy of the invoice with payment. Thank you!*

Description	HUD Ref	Buyer Amount	Seller Amount	Line Amount
<b>1100 - Title Charges</b>				
Title Guaranty Buyer's Lien Search	1102	\$25.00	\$0.00	\$25.00
Title Guaranty Attorney Fees - Title Opinion	1107	\$300.00	\$0.00	\$300.00
Title Guaranty Attorney Fees - Deed prep	1107	\$0.00	\$40.00	\$40.00
Title Guaranty Attorney Fees - Trustee's afdt. prep	1107	\$0.00	\$40.00	\$40.00
Title Guaranty Attorney Fees - purchaser afdt prep	1107	\$0.00	\$40.00	\$40.00
Title Guaranty Fee - Owners	1111	\$140.00	\$0.00	\$140.00
Ouren Title Abstract Fee	1111	\$0.00	\$420 00	\$420.00
Ouren Title Abstract Fee - Final	1111	\$150.00	\$0.00	\$150.00
Title Guaranty Processing Fee	1111	\$0.00	\$150.00	\$150.00
	<b>Total 1100 - Title Charges</b>	<b>\$615.00</b>	<b>\$690.00</b>	<b>\$1,305.00</b>
<b>Totals:</b>		<b>\$615.00</b>	<b>\$690.00</b>	<b>\$1,305.00</b>

Brief Legal: Property Address  
 1620 Erie Dr Harlan, Iowa 51537



# RESIDENTIAL PREMIUM RATES

EFFECTIVE JULY 1, 2019

PRODUCT	COVERAGE AMOUNT	PLANNED UNIT DEVELOPMENT (PUD)	STANDARD
<b>Lender-Only Coverage</b> Available for in-house, conventional, FHA, VA, one-time close construction, subordinate financing, and installment contract refinancing	\$0 - \$500,000	\$140	\$140
	over \$500,000	\$140 + \$1 per \$1,000 over \$500,000	\$140 + \$1 per \$1,000 over \$500,000
<b>Owner-Only Coverage</b> Available for cash, contract and financed purchases with no lender coverage	\$0 - \$500,000	\$140	N/A
	over \$500,000	\$140 + \$1 per \$1,000 over \$500,000	N/A
<b>Simultaneous Coverage</b> Lender and Owner Coverage	\$0 - \$500,000	\$140	N/A
	over \$500,000 One or more certificates	\$140 + \$1 per \$1,000 over \$500,000 Based upon the certificate with the higher coverage amount	N/A
<b>Additional Concurrent Coverage</b> Available for junior and home equity lines of credit (HELOC) when issued in conjunction with a lender certificate	N/A	\$35	\$35
<b>Closing Protection Letter</b>	N/A	NO ADDITIONAL PREMIUM	NO ADDITIONAL PREMIUM

Residential coverage is available for any single-family dwelling or multi-family dwelling consisting of four (4) units or less. This includes primary residences and non-primary residences, including but not limited to, second homes, vacation homes, investment or rental properties.

Assignment (ALTA 10-06)

Balloon Mortgage

Comprehensive 1

Comprehensive 2 (ALTA 9-06)

Condominium - Lender (ALTA 4-06)

Condominium - Owner (ALTA 4 1-06)

Encroachment - Adverse

Encroachment

Endorsement Against Loss-Lien

Environmental Protection Lien (ALTA 8 1-06)

Future Advance - Priority (ALTA 14-06)

Future Advance - Reverse Mortgage (ALTA 14 3-06)

Gap Coverage

Leasehold - Lenders (ALTA 13 1-06)

Leasehold - Owners (ALTA 13-06)

Location - Condominium

Location - Residential (ALTA 22-06)

Manufactured Housing Unit (ALTA 7-06)

Manufactured Housing Unit-Conversion Loan (ALTA 7 1-06)

Multiple Tax Parcels (ALTA 18 1-06)

Planned Unit Development (PUD) - Lender (ALTA 5-06)

Planned Unit Development (PUD) - Owner (ALTA 5 1 06)

Single Tax Parcel (ALTA 18-06)

Single Tax Parcel and ID (ALTA 18 3-06)

Standard Exception Waiver - Residential

Street Assessments (ALTA 1-06)

Variable Rate Mortgage (ALTA 6-06)

Variable Rate - Negative Amortization (ALTA 6 2-06)

Zoning - Unimproved Land (ALTA 3-06)

Assignment (ALTA 10-06)

Mortgage Modification (ALTA 11-06)

## **SCHEDULE B**

### **COUNCIL BLUFFS TITLE & ESCROW, LLC PETITION FOR WAIVER**

*See attached hereto and incorporated herein.*



BEFORE THE IOWA FINANCE AUTHORITY

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Petition by Council Bluffs Title &	)	PETITION FOR
Escrow, LLC for the waiver of	)	WAIVER
RULE 9.1(16)	)	

---

COMES NOW, the Petitioner and requests that the Board waive the definition requirements of Iowa Code § 16.91(6), that an abstract of title be brought up-to-date and certified before a title certification issue, as applied to Council Bluffs Title & Escrow, LLC until such time as up-to-date Abstracts of Title can be created economically in Pottawattamie County. The requirements of an abstract of title as outlined in Iowa Administrative Code 265 9.1(16) are onerous on an abstractor acting in Pottawattamie County and are within the ability of the Iowa Finance Authority to amend pursuant to Iowa Administrative Code 265 18.

Petitioner requests that the Board expand the waiver granted in the past to include residential property transactions up to \$750,000.00, in line with the current standards of practice. Petitioner also requests that the Board expand the waiver granted in the past to include commercial properties, in addition to residential properties.

Petitioner presents argument as follows:

1. On March 1, 2017, Clear Title & Abstract, LLC and Great Plains Title, LLC, (now Council Bluffs Title & Escrow, LLC), operating out of Pottawattamie County, were granted a waiver from Iowa Code Section 16.91(6). Under their waiver, each company was allowed to issue a title report instead of an abstract of title. These title reports would contain all of the information required in an abstract of title and would record information for the last forty (40) years pursuant to Iowa Land Title Standard 11.7.
2. If you review the reasons for granting this waiver to the Abstract Guaranty Company, little has changed in Pottawattamie County that would allow for the Title Guaranty System to thrive. Pottawattamie County primarily uses out of state title insurance on the majority of the real estate purchases. Title insurance is, in some instances, cheaper and quicker than the abstracting system used in Iowa.
3. One reason that the title insurance is less expensive is because of the requirements to update abstracts. Due to title insurance being used so heavily in Pottawattamie County in the past, very few real estate owners have an abstract for the property

resulting in nearly all update requests requiring that a new abstract be created. This is considerably expensive and time consuming.

4. Recognizing the problem that title insurance created for Pottawattamie County the Pottawattamie County Bar Association passed a resolution on January 19, 2007 asking the Iowa Title Guaranty Division to grant waivers such as the one requested in this petition.
5. Competition from title insurance is still a threat to the Iowa title system in Pottawattamie County.
6. The Title Guaranty Division has strove to prove the efficiency and accuracy of Iowa's title system since its creation. Allowing title insurance to operate more cheaply in Pottawattamie County undermines the goals of the Iowa title system.
7. One way to combat the use of title insurance is through the use of inexpensive but accurate title reports. Title reports as described above are already relied upon by attorneys and real estate professionals in Pottawattamie County. Title insurance companies also rely on the title reports described above when issuing insurance commitments. They have become a standard product in Pottawattamie County.
8. Prior waivers have allowed a report of title to be used for residential transactions up to \$500,000.00. As of January 1, 2020, Iowa Title Guaranty has increased the threshold for transactions to \$750,000.00.
9. The waivers given in prior years also did not include commercial properties. Many of the issues which are included in this petition, and have been included in prior petitions for waivers apply to not only residential properties, but also commercial properties.
10. The waivers given in 2017 allowed lenders to rely on title certificates. Given enough time, the title report system could allow title certifications to become popular in Pottawattamie County. This would allow the integrity of the Iowa title system to be maintained.
11. The requirement of making full up-to-date abstract is an undue burden on our business because of the prohibitive cost of making full abstracts.
12. The substantial legal rights of no person will be affected by allowing the waiver because all the proper and relevant information will be given to a property purchaser in the title reports.
13. Nowhere in Iowa Code § 16.9 is an Abstract of Title defined. The definition of an acceptable Abstract has been left to the Iowa Finance Authority.

WHEREFORE, Petitioner respectfully requests the Iowa Finance Authority Board of Directors grant this waiver of Iowa Code Section 16.91(6) concerning the exclusive use of abstracts, allowing Council Bluffs Title & Escrow, LLC the ability to use a report of title, and that this waiver be extended yearly without further petition. In addition to granting the waiver, please consider extending the waiver to transactions up to \$750,000.00 and include both residential and commercial properties in the waiver going forward. It is Petitioner's goal to show the consumer that title certifications can be as efficient and inexpensive as title insurance. Please allow Petitioner this chance.

I affirm the above information is true and correct.



Council Bluffs Title & Escrow  
By John Edwards, Owner  
501 S. Main Street  
Council Bluffs, Iowa 51503

10/11/21  
October 11, 2021

# EXHIBIT A

## POTTAWATTAMIE COUNTY REPORT OF TITLE REQUIREMENTS

CTA and CBTE must prepare Pottawattamie County Reports of Title (“Report”) pursuant to ITG’s most current Minimum Abstract Standards, as may be amended from time to time, subject to the following exceptions:

1. **Conveyances in the Root of Title Search.** The Report must show the most recent full value deed and all conveyances thereafter. Additionally, the Report must show all prior questionable or explanatory conveyances. This is a departure from Section 4 of the Minimum Abstract Standards which requires a showing of the record chain of title back at least 40 years.
  - a. NOTE: This does **NOT** exempt the Report from showing all other matters discovered in the 40-year root of title search. The Report must show all other matters discovered in a search dating back at least 40 years pursuant to the Marketable Record Title Act (“MRTA”) Iowa Code 614.26 and Iowa Land Title Standard 11.7 as required by Section 4 of the Minimum Abstract Standards. There can be no gaps of time in the chain of title. All matters of record prior to the 40-year search period may be omitted except for the following:
    - i. Any right, title or interest of the United States.
    - ii. Plats and surveys.
    - iii. Grants of easement.
    - iv. Mineral or timber rights, interests or reservations.
    - v. Unexpired leases.
    - vi. Boundary line agreements.
2. **Abstracting of Entry Information.** The entries shown in the Report do not need to be abstracted if copies of the documents are attached to the Report. This is a departure from Section 7 of the Minimum Abstract Standards which requires abstracting of all entries.
  - a. NOTE: This does **NOT** exempt the Report from showing all entries in accordance with the Minimum Abstract Standards. All entries must be prepared in accordance with Sections 7.1 and 7.2 of the Minimum Abstract Standards.

The ITG Participation Agreement requires participating abstractors to include the assigned ITG participant number on all abstracting products which will be used to obtain ITG coverage, including the Pottawattamie County Report of Title. The inclusion of the ITG participant number serves as the preparer’s acknowledgment that the Report of Title is prepared in accordance with all ITG rules, guidelines, and directives.

CTA, CBTE, and the participating attorney who examines the Report and prepares the title opinion must retain a copy of the Report in the transaction file for a period of ten (10) years after the effective date of the ITG certificate or ten (10) years after the effective date of the commitment if a certificate is not issued.<sup>13</sup>

<sup>13</sup> ITG Participation Agreement, Paragraph 1(a)(vi).

# EXHIBIT B-1

## POTTAWATTAMIE COUNTY REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST FULL VALUE DEED AND ALL SUBSEQUENT CONVEYANCES:**

**UNRELEASED MORTGAGES AND ASSIGNMENTS:**

**COURT PROCEEDINGS, JUDGMENTS, LIENS, ETC.:**

**MNLR POSTINGS AND MECHANIC'S LIENS:**

**EASEMENTS:**

**ALL OTHER MATTERS OF RECORD AFFECTING TITLE:**

**SEARCHES HAVE BEEN CONDUCTED AGAINST THE FOLLOWING NAMED INDIVIDUALS:**

**TAXES & SPECIAL ASSESSMENTS:**

General Taxes for the year \_\_\_\_\_ and prior years, paid.

General Taxes for the year \_\_\_\_\_, \$ \_\_\_\_\_

First one-half, \$ \_\_\_\_\_; Second one-half, \$ \_\_\_\_\_

Parcel No. \_\_\_\_\_

Assessed Value: \$ \_\_\_\_\_; Assessed residential: \_\_\_\_\_ YES \_\_\_\_\_ NO

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL INSTRUMENTS IN THE CHAIN OF TITLE FOR ATTORNEY EXAMINATION]*

## EXHIBIT B-2

### POTTAWATTAMIE COUNTY POST-CLOSING REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Previous Report or Title Date and Time: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST RECORDED DEED CONVEYS THE ABOVE-DESCRIBED REAL ESTATE TO:**

**WE ALSO FURNISH THE FOLLOWING NEW INFORMATION OF RECORD SINCE OUR PREVIOUS REPORT:**

*[INSERT TAXES, AFFIDAVITS, JUDGMENTS, LIENS, SATISFACTIONS, RELEASES, MORTGAGES, ASSIGNMENTS, DEEDS, MNLR POSTINGS, MECHANIC'S LIENS, OTHER NEW RECORDINGS]  
[INCLUDE THE FILING DATE AND TIME OF THE GUARANTEED MORTGAGE]*

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL AFFIDAVITS, RELEASES, SATISFACTIONS, OR OTHER CLEARANCE DOCUMENTS FILED OR RECORDED AFTER CERTIFICATION DATE]*

## EXHIBIT C

CALENDAR YEAR	TOTAL MORTGAGES FILED	NUMBER OF MORTGAGES WITH ITG COVERAGE	% OF MORTGAGES WITH ITG COVERAGE	NUMBER OF MORTGAGES WITH ITG COVERAGE BASED ON APPLICANTS' REPORTS	% OF MORTGAGES WITH ITG COVERAGE BASED ON APPLICANTS' REPORTS
2006	6746	45	.67%	44	0.65%
2007	5874	78	1.33%	65	1.11%
2008	4615	135	2.93%	89	1.93%
2009	4914	161	3.28%	58	1.18%
2010	3773	232	6.15%	71	1.88%
2011	3872	275	7.00%	150	3.87%
2012	4232	451	10.59%	198	4.68%
2013	4250	590	13.72%	286	6.73%
2014	3143	419	13.20%	257	8.18%
2015	3629	575	15.76%	365	10.06%
2016	3756	685	18.10%	428	11.40%
2017	3472	688	19.76%	467	13.45%
2018	3205	652	19.84%	461	14.38%
2019	3484	801	22.85%	581	16.68%
2020	5018	1248	23.34%	746	14.87%
2021*	5454	1212	22.22%	640	11.73%

*\* Except for total mortgages filed, the 2021 market share will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.*

## EXHIBIT D

<b>TOTAL ITG LENDER CERTIFICATES</b>		
<b>CALENDAR YEAR</b>	<b>PURCHASE TRANSACTIONS</b>	<b>REFINANCE TRANSACTIONS</b>
2006	37	8
2007	53	25
2008	79	56
2009	46	115
2010	58	174
2011	112	163
2012	130	321
2013	180	410
2014	206	213
2015	276	299
2016	317	368
2017	390	298
2018	386	266
2019	477	324
2020	504	744
2021*	445	767

*\* The total number of 2021 certificates issued on purchase transactions will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.*



BEFORE THE IOWA FINANCE AUTHORITY

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IN RE:	)	ORDER GRANTING REQUEST FOR
	)	WAIVER OF IOWA ADMINISTRATIVE
CLEAR TITLE & ABSTRACT, LLC	)	CODE RULE 265—9.1(16) AND
COUNCIL BLUFFS TITLE & ESCROW, LLC	)	APPROVAL OF THE
	)	POTTAWATTAMIE REPORT OF TITLE
	)	

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**SUMMARY OF THE RELEVANT FACTS**

Clear Title & Abstract, LLC f/k/a Abstract Guaranty Company (“CTA”) and Council Bluffs Title & Escrow f/k/a Great Plains Title, LLC f/k/a Iowa Abstract Services (“CBTE”) (collectively “Applicants”) have each submitted a petition pursuant to Iowa Code section 17A.9A and Iowa Administrative Code rule 265—18.6 requesting a waiver of the definition of “abstract” as defined in rule 265—9.1 (“Waiver”).

The Iowa Finance Authority (“IFA” or “Authority”) Board (“Board”) granted CTA’s original petition for Waiver and approved of the use of a modified search product known as the Pottawattamie Report of Title (“Report”) on or about June 12, 2007, for a period of five (5) years. The Board granted an extension of the Waiver for two additional five-year terms, once in 2012, and again in 2017. The 2012 and 2017 extensions also granted the Waiver to CBTE. The Waiver expires in March 2022 and therefore, Applicants request a third Waiver extension, allowing the Report’s continued use in Pottawattamie County. Applicants each request the Report’s permissible use limit be increased to \$750,000 or less; and that it be permitted for use on commercial transactions.<sup>1</sup>

**ABSTRACT DEFINITION**

The Iowa Administrative Rules define an “abstract” or “abstract of title” as a “written or electronic summary of *all matters of record* affecting title to a specific parcel of real estate prepared in accordance with minimum abstract standards adopted by (ITG)”.<sup>2</sup> In Iowa, the status of title to real estate is determined by abstract examination. Iowa Code section 16.91(6) provides that prior to the issuance of a title certificate, a participating abstractor must update and certify an abstract of title.<sup>3</sup>

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<sup>1</sup> The Report’s use is currently limited to residential properties valued at \$500,000 or less.

<sup>2</sup> Iowa Admin. Code r. 265—9.1 (2021).

<sup>3</sup> Iowa Code § 16.91(6) (2021).

## WAIVER DESCRIPTION AND REQUIREMENTS

The Waiver waives the “all matters of record” requirement within the abstract definition, allowing the Applicants to prepare a Report disclosing only those matters of record *currently* affecting the property. For detailed information on search requirements and showings, see updated Pottawattamie County Report of Title Requirements attached hereto as **Exhibit A**. See updated forms attached hereto as **Exhibits B-1** and **B-2**. Exhibits A, B-1 and B-2 have been updated to provide enhanced clarification and incorporate recent changes to ITG guidelines, directives, and rules.

### JUSTIFICATION OF WAIVER

The rationale behind granting the original Waiver and each subsequent extension remains unchanged. Likewise, the facts supporting granting an extension of the Waiver have not substantially changed since the original order in 2007.

*a. Protecting the integrity of Iowa’s land titles.*

Applicants petition the Board for a Waiver extension because, as a practical matter, the Pottawattamie County real estate market does not use Iowa’s attorney-abstract system. Applicants, being the only two ITG participating title plant abstractors in Pottawattamie County, must compete in a market saturated with title insurance issued out of Omaha, Nebraska. The out-of-state title insurance companies perform rapid “title searches” without title plants. The result is a search product that cannot be relied upon to determine if title is marketable under Iowa law.<sup>4</sup>

For example, title insurance search products typically do not date back to the root of title, and therefore, often fail to show outstanding support judgments, mortgages, easements, and other encumbrances. Further, out-of-state title insurance companies do not require examination of the records by an Iowa-licensed attorney familiar with Iowa’s Marketable Title Act and the Iowa State Bar Association (“ISBA”) Iowa Land Title Standards. Attorney involvement in real estate transactions in Pottawattamie County is rare. Due to this long-standing practice resulting in the abandonment of the attorney-abstract system, the quality of land titles in Pottawattamie County continues to deteriorate.

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<sup>4</sup> Iowa Code § 16.91(6); Iowa Admin. Code r. 265—9.7(1)–(2); *see* Iowa Title Guaranty, *Iowa Title Guaranty Program Overview* at 24–30 (2021) (setting forth ITG requirements for abstracts and title opinions).

Granting the Waiver will protect the quality of Iowa's land titles because it creates an expedient, competitive product that complies with ITG's Minimum Abstract Standards (subject to two limited exceptions) and is prepared using a 40-year title plant, the most thorough and reliable form of title evidencing. Furthermore, unlike title insurance products, the Waiver ensures an Iowa attorney examines the search product before the issuance of a certificate. The attorney examination is critical to ensure all defects and encumbrances are resolved of record in accordance with Iowa law and the ISBA Iowa Land Title Standards prior to closing and filing.

If the Report becomes unavailable, property owners would likely take title subject to defects and encumbrances that title insurance companies fail to resolve in accordance with Iowa law. Eventually, unresolved title issues will surface, resulting in claims and closing delays, ultimately imposing a financial expense on the Iowa homeowner.

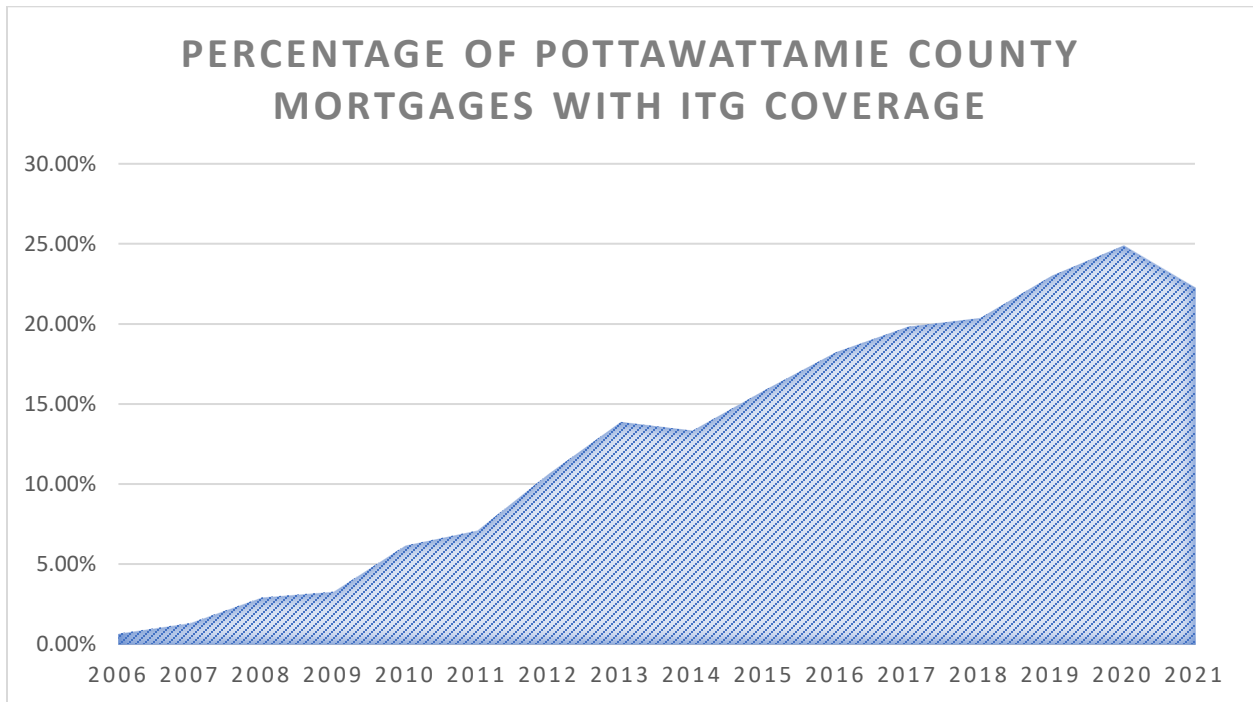
*b. Making ITG certificates competitive with out-of-state title insurance products.*

Despite title insurance search products' inferior nature, real estate agents in Pottawattamie County routinely encourage clients to use title insurance. Many large real estate companies in Pottawattamie County (e.g., NPDodge, CBS Home, Heartland Real Estate, Prudential Ambassador, Better Homes and Gardens Real Estate) have an interest in a title company. Therefore, these companies have a financial incentive to funnel business to their related title companies. Many also include a title insurance requirement in the boilerplate language of their residential purchase agreements to compel the buyers into obtaining title insurance from their related entities.

Due to the prevalence of title insurance in Pottawattamie County, most abstracts have been lost or destroyed. While an abstract update may range from \$200–600 in most markets, the cost to create a new abstract exceeds \$900 and may take several weeks or months to complete. Given the fast-paced nature of the residential real estate market and transaction party demands, this cost and turnaround time is unacceptable.

Prior to granting the Waiver in 2007, certificates were rarely issued in Pottawattamie County. Instead, consumers obtained title insurance because it was quicker and cheaper than paying to create a new root of title abstract. The fact that Iowa's 40-year root of title abstracts are a superior product could not overcome the cost and time savings gained by using title insurance.

Pottawattamie County certificate issuance has increased steadily since 2007. ITG’s market share has increased from approximately 0.67% in 2006 to consistently topping 20% since 2019. The graph below and the chart attached as **Exhibit C** reflect ITG’s continuously increasing growth in the Pottawattamie County market. The 2021 market share will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.

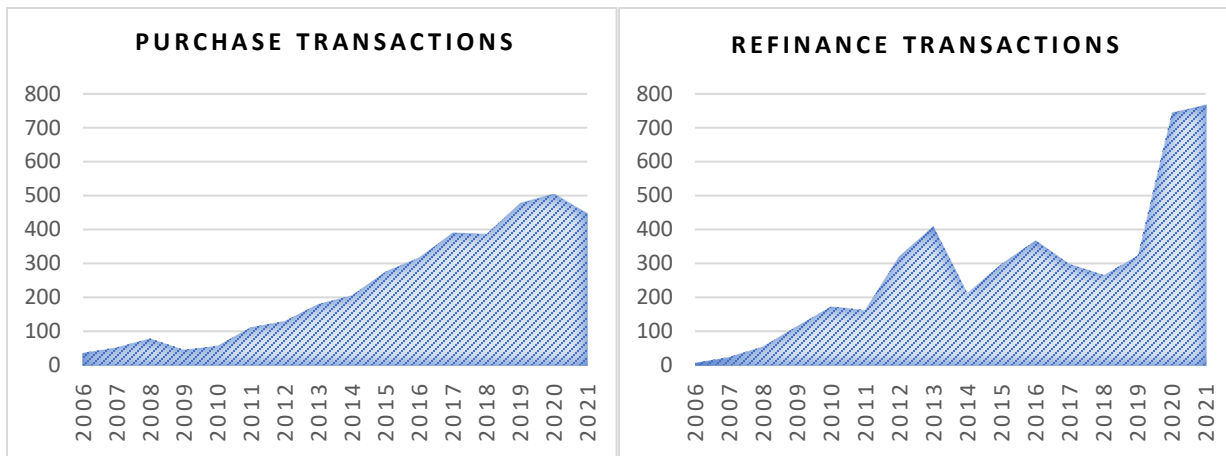


This increase is directly attributable to the Waiver, which makes ITG certificates competitive with out-of-state title insurance products. The Waiver affords property owners the benefits of both systems: affordability, speed, and increased accuracy and completeness. If the Waiver lapsed, and Applicants were no longer approved to use the Report, Pottawattamie County would turn to title insurance. ITG would almost certainly experience a rapid decline in the number of certificates issued because real estate agents will funnel their clients to title insurance, which would be a quicker, cheaper option, despite its decreased reliability. ITG’s market share would be reduced and, more importantly, as set out below, consumer would be negatively impacted.

*c. Protecting consumers.*

ITG data indicates that since granting the original Waiver in 2007, approximately 98.4% of all ITG lender certificates issued for purchase transactions were based on Applicants’ Reports. This evidences that lenders and consumers in Pottawattamie County are relying almost exclusively on Applicants in purchase transactions and are not engaging the abstracting services of waived or grandfathered attorneys located in other areas across the state. In the event the Waiver was not extended, Pottawattamie County consumers would likely turn to title insurance for an expedient purchase transaction. The graphs below illustrate how the Report has become a critical tool for Pottawattamie County lenders, consumers, and real estate professionals on both purchase and refinance transactions.<sup>5</sup>

**TOTAL LENDER CERTIFICATES ISSUED – POTTAWATTAMIE COUNTY**



Granting the Waiver extension protects consumers by providing practical access to title plant abstracting and attorney title examination, resulting in clean title and reduced costs. Granting the Waiver extension will provide Pottawattamie County consumers access to IFA homeownership programs, including FirstHome, FirstHome Plus, Transitional Housing Revolving Loan Program, Senior Living Revolving Loan Program, Community Housing and Services for Persons with Disabilities Revolving Loan Program, and the Military Service Member Home Ownership Assistance Program, that would otherwise not be available due to the unavailability of abstracts in the county. The Waiver will provide ITG a mechanism to ensure the availability of certificates and access to ITG title protection in all ninety-nine counties.

**JUSTIFICATION FOR EXPANDING THE USE OF THE REPORT**

<sup>5</sup> See attached **Exhibit D** for yearly data concerning lender certificates issued on purchase and refinance transactions.

Applicants each request the Board expand the use of the Report in two ways. First, Applicants request that the Board increase the coverage amount threshold to \$750,000 or less. Second, Applicants request the Board permit use of the Report for commercial transactions. Justification for allowing such expanded use follows.

a. *Increasing the coverage amount to \$750,000 or less.*

The Waiver was first granted in 2007. While Pottawattamie County real estate values have since increased due to inflation and cost of living increases, the Report's \$500,000 threshold has not changed. In June 2020, ITG implemented the 750 Bright Line Policy ("750 Policy") which aligned various ITG policies based on data and industry trends. In preparing the 750 Policy, ITG performed extensive research in 2020 which revealed that the number of transactions across the state with coverage amounts exceeding \$500,000 per year had increased by 700% since 2010.<sup>6</sup> Current data reveals that in 2021, 1,461 transactions had coverage amounts over \$500,000, amounting to an 1,848% increase since 2010. Many Pottawattamie County properties that qualified for use of the Report in 2007 are no longer eligible due to appreciation. Increasing the Report's eligibility threshold to accommodate inflation and rising property values will align with ITG's 750 Policy and ensure that Pottawattamie County property owners maintain the same access to ITG coverage they had in 2007.

Furthermore, increasing the eligibility threshold will also ensure that all Fannie Mae and Freddie Mac conforming loans becoming eligible for the use of the Report.<sup>7</sup> For 2022, the Federal Housing Finance Agency (FHFA) raised the maximum conforming loan limit for a single-family property to be acquired by Fannie Mae and Freddie Mac from \$548,250 to \$647,200.<sup>8</sup>

Finally, increasing the Report's eligibility threshold to a \$750,000 coverage amount cap will increase the availability of ITG certificates for Pottawattamie County property owners. It will also likely increase ITG's market share by enabling ITG to acquire business that is currently being referred to title insurance due to ITG's existing \$500,000 threshold requiring full abstracting.

b. *Allowing use of the Report on commercial transactions.*

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<sup>6</sup> In 2010, only 75 transactions had coverage amounts over \$500,000. In 2019, 529 transactions had coverage amounts over \$500,000.

<sup>7</sup> While this excludes "high-cost area limits" as defined by FHFA, no Iowa property constitutes a high-cost area. See Fannie Mae, *Loan Limits*, fanniemae.com, <http://singlefamily.fanniemae.com/originating-underwriting/loan-limits> (Nov. 30, 2021).

<sup>8</sup> Fannie Mae, *Loan Limits*, fanniemae.com, <http://singlefamily.fanniemae.com/originating-underwriting/loan-limits> (Nov. 30, 2021).

The use of the Report has always been limited to residential transactions. The Board has not previously considered expansion to commercial transactions because Applicants have not previously requested this expansion. When the initial Waiver was granted in 2007 ITG did not yet have a separate commercial department. Demand exists for use of the Report for commercial properties. Market participants have consistently communicated this sentiment to ITG Commercial.

Currently, a lender or owner seeking ITG coverage on commercial property in Pottawattamie County must have an abstract. As previously discussed, abstracts in Pottawattamie County are scarce. Therefore, most commercial property owners are required to either bear the time and expense to create an abstract to obtain ITG coverage or turn to title insurance as an expedient alternative.

By allowing the Report's use on commercial transactions, Pottawattamie County commercial property owners gain access to ITG coverage without having to incur the time and expense related to creating an abstract. Commercial property buyers and developers also gain greater access to the various IFA programs mentioned above.

Commercial property owners will benefit because the Report will result in cleaner land titles for Pottawattamie County commercial properties due to the increased reliability and accuracy of the Report compared to a title insurance search. Ultimately, the utilization of the Report for commercial properties will not expose ITG to unnecessary liability due to the requirement that the Report reflect all matters currently impacting title including items such as easements, development agreements, leases, options or other matters that frequently affect commercial properties.

### **WAIVER CRITERIA**

Pursuant to Iowa Code section 17A.9A and Iowa Administrative Code rule 265—18.4, the Authority may in its sole discretion issue an order waiving in whole or in part the requirements of a rule if the Authority finds, based on clear and convincing evidence, all of the following:

1. The application of the rule would impose an undue hardship on the person for whom the waiver is requested;
2. The waiver from the requirements of the rule in the specific case would not prejudice the substantial legal rights of any person;

3. The provisions of the rule subject to the petition for a waiver are not specifically mandated by statute or another provision of law; and
4. Substantially equal protection of public health, safety, and welfare will be afforded by a means other than that prescribed in the particular rule for which the waiver is requested.

In determining whether a waiver should be granted, the Authority shall consider the public interest, policies and legislative intent of the statute on which the rule is based.<sup>9</sup>

I. THE APPLICATION OF THE RULE WOULD IMPOSE AN UNDUE HARDSHIP ON THE APPLICANTS.

To grant the Waiver, Iowa Administrative Code rule 265—18.4 requires the Board to find that the rule would impose an undue hardship. Requiring a traditional abstract to obtain ITG coverage in Pottawattamie County imposes an undue hardship on Applicants. The traditional abstract requirement prevents Applicants from competing with the out-of-state title insurance companies operating in the Pottawattamie County market because it forces them to offer only one search product which costs more and takes longer to produce. When required to obtain an abstract, consumers elect to obtain title insurance to avoid the time and expense associated with the creating a root of title abstract. The requirement results in Applicants consistently losing business to title insurance companies that issue coverage based on cheaper, yet inferior, searches. The Board finds Applicants have established that application of the rule would impose an undue hardship because absent a Waiver, Applicants are forced to provide and offer a search product that the geographic market rejects.

II. THE WAIVER WOULD NOT PREJUDICE THE SUBSTANTIAL LEGAL RIGHTS OF ANY PERSON.

Granting the Waiver, expanding its use to transactions with coverage amounts of \$750,000 or less, and allowing its use on commercial transactions, will not prejudice the substantial legal rights of any person. Although the use of ITG certificates is increasing, ITG is not the preferred coverage product in Pottawattamie County. Even if the Waiver is granted there are other title search options available to consumers. The Waiver's renewal will not force any other search provider or abstractor in the Pottawattamie County market to change their current practices, nor will it cause them any harm or injury. Indeed, for over a decade the Applicants and their

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<sup>9</sup> Iowa Admin. Code r. 265—18.4.



competitors have operated in a market where this Waiver was in effect. Granting the Waiver's renewal simply maintains the status quo. Lenders and property owners remain free to use other search providers or traditional abstractors.

III. THE PROVISIONS OF THE RULE SUBJECT TO THE PETITION FOR A WAIVER ARE NOT SPECIFICALLY MANDATED BY STATUTE OR ANOTHER PROVISION OF LAW.

The Iowa Code does not specifically prescribe a definition for “abstract”. For ITG purposes, the term “abstract” is defined in IFA’s administrative rules at Iowa Administrative Code rule 265—9.1, the rule from which Applicants seek a Waiver. The definition of an abstract is not specifically mandated by statute or another provision of the law.

IV. SUBSTANTIALLY EQUAL PROTECTION OF PUBLIC HEALTH, SAFETY, AND WELFARE WILL BE AFFORDED BY MEANS OTHER THAN THAT PRESCRIBED IN THE PARTICULAR RULE FOR WHICH THE WAIVER IS REQUESTED.

The Waiver will afford the Pottawattamie County public equal protection. Such equal protection will not be altered by expanding the use of the Report to residential and commercial transactions with coverage amounts of \$750,000 or less. The Waiver will allow Pottawattamie County the same access to ITG products the rest of the state enjoys. The Waiver will afford the public in Pottawattamie County the commensurate protections from the abstract, attorney title opinion, and ITG system, which is a public purpose<sup>10</sup>, and will provide substantially equal protection of public health, safety, and welfare as the Iowa Administrative Code’s definition of “abstract” affords all other Iowa counties.

## RULING

**SECTION 1. SATISFACTION OF CRITERIA.** Upon review of the Applicants’ respective petitions, the relevant facts, and application of the relevant rules, the IFA Board has determined

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<sup>10</sup> Iowa Code § 16.4C (2021).

that the criteria for waiver have been met by clear and convincing evidence as required by Iowa Administrative Code rule 265—18.4; and

**SECTION 2. WAIVER.** The IFA Board grants to Applicants a Waiver of the Rule contained in Iowa Administrative Code rule 265—9.1(16) providing that an “abstract of title” or “abstract” for Iowa Title Guaranty purposes is a summary of “all matters of record” subject to the terms and conditions described in Section 3 below; and

**SECTION 3. TERMS AND CONDITIONS.** The IFA Board grants this Waiver, subject to the following terms and conditions:

1. The property must be in Pottawattamie County.
2. The coverage amount must be \$750,000 or less.
3. Applicants may utilize the Waiver only after all appropriate transaction parties, including but not limited to, the titleholder(s), abstractor, real estate agent, attorney(s) and settlement agent, have completed thorough, good faith due diligence which concludes that the abstract is unavailable because it has been lost or destroyed.
4. Applicants must perform the root of title search in accordance with Iowa Code sections 614.29 through 614.38.
5. Applicants must perform judgment and lien searches against all parties within the chain of title pursuant to ITG’s most current Minimum Abstract Standards and other guidelines, directives, and rules, as amended from time to time.
6. Applicants must prepare the Pottawattamie County Report of Title in accordance with ITG’s Pottawattamie County Report of Title Requirements and ITG’s most current Minimum Abstract Standards, as amended from time to time.
7. Applicants must prepare the Pottawattamie County Report of Title on a form approved by the ITG Board, as amended from time to time.
8. When rendering a title opinion based on a Report of Title, the examining attorney must include the following disclaimer in the title opinion: “A Pottawattamie County Report of Title was the basis for this title opinion.”
9. If ITG determines the Applicants are preparing or using the Pottawattamie County Report of Title in a manner inconsistent with the Terms and Conditions contained herein, Applicants shall be subject to disciplinary action to be determined by ITG’s Director, which may include but shall not be limited to, immediate termination of this Waiver or

immediate revocation of their active status as ITG participating abstractors. Provided, however, this Waiver shall not be terminated without Executive Director approval.

**SECTION 4. TERM.** The IFA Board grants this Waiver for a term of five (5) years from March 1, 2022 to March 1, 2027.

SO RULED this 2<sup>nd</sup> day of February, 2022.

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Michael Nelson, Iowa Finance Authority Board Chair

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Deborah Durham, Iowa Finance Authority Board Secretary

(seal)

# EXHIBIT A

## POTTAWATTAMIE COUNTY REPORT OF TITLE REQUIREMENTS

CTA and CBTE must prepare Pottawattamie County Reports of Title (“Report”) pursuant to ITG’s most current Minimum Abstract Standards, as may be amended from time to time, subject to the following exceptions:

1. **Conveyances in the Root of Title Search.** The Report must show the most recent full value deed and all conveyances thereafter. Additionally, the Report must show all prior questionable or explanatory conveyances. This is a departure from Section 4 of the Minimum Abstract Standards which requires a showing of the record chain of title back at least 40 years.
  - a. NOTE: This does **NOT** exempt the Report from showing all other matters discovered in the 40-year root of title search. The Report must show all other matters discovered in a search dating back at least 40 years pursuant to the Marketable Record Title Act (“MRTA”) Iowa Code 614.26 and Iowa Land Title Standard 11.7 as required by Section 4 of the Minimum Abstract Standards. There can be no gaps of time in the chain of title. All matters of record prior to the 40-year search period may be omitted except for the following:
    - i. Any right, title or interest of the United States.
    - ii. Plats and surveys.
    - iii. Grants of easement.
    - iv. Mineral or timber rights, interests or reservations.
    - v. Unexpired leases.
    - vi. Boundary line agreements.
2. **Abstracting of Entry Information.** The entries shown in the Report do not need to be abstracted if copies of the documents are attached to the Report. This is a departure from Section 7 of the Minimum Abstract Standards which requires abstracting of all entries.
  - a. NOTE: This does **NOT** exempt the Report from showing all entries in accordance with the Minimum Abstract Standards. All entries must be prepared in accordance with Sections 7.1 and 7.2 of the Minimum Abstract Standards.

The ITG Participation Agreement requires participating abstractors to include the assigned ITG participant number on all abstracting products which will be used to obtain ITG coverage, including the Pottawattamie County Report of Title. The inclusion of the ITG participant number serves as the preparer’s acknowledgment that the Report of Title is prepared in accordance with all ITG rules, guidelines, and directives.

CTA, CBTE, and the participating attorney who examines the Report and prepares the title opinion must retain a copy of the Report in the transaction file for a period of ten (10) years after the effective date of the ITG certificate or ten (10) years after the effective date of the commitment if a certificate is not issued.<sup>11</sup>

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<sup>11</sup> ITG Participation Agreement, Paragraph 1(a)(vi).

# EXHIBIT B-1

## POTTAWATTAMIE COUNTY REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST FULL VALUE DEED AND ALL SUBSEQUENT CONVEYANCES:**

**UNRELEASED MORTGAGES AND ASSIGNMENTS:**

**COURT PROCEEDINGS, JUDGMENTS, LIENS, ETC.:**

**MNLR POSTINGS AND MECHANIC'S LIENS:**

**EASEMENTS:**

**ALL OTHER MATTERS OF RECORD AFFECTING TITLE:**

**SEARCHES HAVE BEEN CONDUCTED AGAINST THE FOLLOWING NAMED INDIVIDUALS:**

**TAXES & SPECIAL ASSESSMENTS:**

General Taxes for the year \_\_\_\_\_ and prior years, paid.

General Taxes for the year \_\_\_\_\_, \$ \_\_\_\_\_

First one-half, \$ \_\_\_\_\_; Second one-half, \$ \_\_\_\_\_

Parcel No. \_\_\_\_\_

Assessed Value: \$ \_\_\_\_\_; Assessed residential: \_\_\_\_\_ YES \_\_\_\_\_ NO

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL INSTRUMENTS IN THE CHAIN OF TITLE FOR ATTORNEY EXAMINATION]*

## EXHIBIT B-2

### POTTAWATTAMIE COUNTY POST-CLOSING REPORT OF TITLE

TO: \_\_\_\_\_ [name and address]

We furnish the following information of record in Pottawattamie County, Iowa:

Abstract No. or Reference No.: \_\_\_\_\_; Loan No.: \_\_\_\_\_

Previous Report or Title Date and Time: \_\_\_\_\_

Legal description: \_\_\_\_\_

Local address: \_\_\_\_\_

**LAST RECORDED DEED CONVEYS THE ABOVE-DESCRIBED REAL ESTATE TO:**

**WE ALSO FURNISH THE FOLLOWING NEW INFORMATION OF RECORD SINCE OUR PREVIOUS REPORT:**

*[INSERT TAXES, AFFIDAVITS, JUDGMENTS, LIENS, SATISFACTIONS, RELEASES, MORTGAGES, ASSIGNMENTS, DEEDS, MNLR POSTINGS, MECHANIC'S LIENS, OTHER NEW RECORDINGS]  
[INCLUDE THE FILING DATE AND TIME OF THE GUARANTEED MORTGAGE]*

**THE UNDERSIGNED HEREBY CERTIFIES THAT IT HAS PERFORMED THOROUGH, GOOD FAITH DUE DILIGENCE TO LOCATE THE ABSTRACT TO THE ABOVE-DESCRIBED PROPERTY AND HAS DETERMINED THE ABSTRACT HAS BEEN LOST OR DESTROYED. THE UNDERSIGNED HEREBY FURTHER CERTIFIES THAT THIS REPORT CONTAINS ALL MATTERS OF RECORD CURRENTLY AFFECTING TITLE TO THE REAL ESTATE DESCRIBED HEREIN. THIS REPORT IS MADE PURSUANT TO IOWA CODE SECTIONS 614.29 THROUGH 614.38. JUDGMENT AND LIEN SEARCHES HAVE BEEN MADE AGAINST ALL PARTIES WITHIN THE CHAIN OF TITLE PURSUANT TO IOWA TITLE GUARANTY MINIMUM ABSTRACT STANDARDS AND OTHER GUIDELINES, DIRECTIVES, AND RULES, AS AMENDED FROM TIME TO TIME. THIS REPORT IS GIVEN SOLELY FOR THE PURPOSE OF ISSUANCE OF A CERTIFICATE BY IOWA TITLE GUARANTY, A DIVISION OF THE IOWA FINANCE AUTHORITY. NO LIABILITY FOR ERRORS OR OMISSIONS WILL ACCRUE TO THE BENEFIT OF ANY OTHER PERSON, FIRM, OR CORPORATION. THIS REPORT IS NOT A GUARANTY OF TITLE, OR A STATEMENT AS TO THE LEGAL EFFECT OF ANY INSTRUMENT OR PROCEEDING INSPECTED.**

Search ending on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ AM/PM, Pottawattamie County, Iowa.

By: \_\_\_\_\_ (authorized signature)

Authorized Signor Name: \_\_\_\_\_

ITG Participant Name: \_\_\_\_\_; ITG# \_\_\_\_\_

Participant Address: \_\_\_\_\_

**Addendum:** *[ATTACH ALL AFFIDAVITS, RELEASES, SATISFACTIONS, OR OTHER CLEARANCE DOCUMENTS FILED OR RECORDED AFTER CERTIFICATION DATE]*

## EXHIBIT C

CALENDAR YEAR	TOTAL MORTGAGES FILED	NUMBER OF MORTGAGES WITH ITG COVERAGE	% OF MORTGAGES WITH ITG COVERAGE	NUMBER OF MORTGAGES WITH ITG COVERAGE BASED ON APPLICANTS' REPORTS	% OF MORTGAGES WITH ITG COVERAGE BASED ON APPLICANTS' REPORTS
2006	6746	45	.67%	44	0.65%
2007	5874	78	1.33%	65	1.11%
2008	4615	135	2.93%	89	1.93%
2009	4914	161	3.28%	58	1.18%
2010	3773	232	6.15%	71	1.88%
2011	3872	275	7.00%	150	3.87%
2012	4232	451	10.59%	198	4.68%
2013	4250	590	13.72%	286	6.73%
2014	3143	419	13.20%	257	8.18%
2015	3629	575	15.76%	365	10.06%
2016	3756	685	18.10%	428	11.40%
2017	3472	688	19.76%	467	13.45%
2018	3205	652	19.84%	461	14.38%
2019	3484	801	22.85%	581	16.68%
2020	5018	1248	23.34%	746	14.87%
2021*	5454	1212	22.22%	640	11.73%

*\* Except for total mortgages filed, the 2021 market share will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.*

## EXHIBIT D

TOTAL ITG LENDER CERTIFICATES		
CALENDAR YEAR	PURCHASE TRANSACTIONS	REFINANCE TRANSACTIONS
2006	37	8
2007	53	25
2008	79	56
2009	46	115
2010	58	174
2011	112	163
2012	130	321
2013	180	410
2014	206	213
2015	276	299
2016	317	368
2017	390	298
2018	386	266
2019	477	324
2020	504	744
2021*	445	767

*\* The total number of 2021 certificates issued on purchase transactions will continue to develop as certificates relative to mortgages filed in 2021 are issued in 2022.*



**RESOLUTION**  
**ITG 22-01**  
**Clear Title & Abstract, LLC and Council Bluffs Title & Escrow, LLC**  
**Waiver of Definition of Abstract**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, through the Iowa Title Guaranty Division, is empowered to make and issue title guaranties on Iowa real property in a form acceptable to the secondary market, to fix and collect the charges for the guaranties and to procure reinsurance against any loss in connection with the guaranties;

WHEREAS, the Authority, in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, has the power to make, alter and repeal rules consistent with the provisions of this chapter, and subject to chapter 17A;

WHEREAS, the IFA Board has received a Request for Waiver of Iowa Title Guaranty Rule contained in 265 IAC 9.1(16) pertaining to the definition of an “Abstract of Title” or “Abstract” by Clear Title & Abstract, LLC and Council Bluffs Title & Escrow, LLC for Pottawattamie County;

WHEREAS, the IFA Board finds that the Authority has jurisdiction over the rule and the requested waiver is consistent with applicable statutes, constitutional provisions, or other provisions of law; and

WHEREAS, the Authority desires to grant this waiver, subject to certain conditions and limitations.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The IFA Board hereby grants to Clear Title & Abstract, LLC and Council Bluffs Title & Escrow a waiver of the Rule contained in Iowa Administrative Code 265 – 9.1(16) “Abstract of Title” or “Abstract” that states that an abstract for Iowa Title Guaranty purposes, is a summary of “all matters of record”; and

SECTION 2. Pursuant to Iowa Administrative Code 265 – 18.10(17A, 16), the IFA Board adopts the Order Approving the Request for Waiver of Iowa Administrative Code 265 – 9.1(16) attached hereto.

PASSED AND APPROVED this 2<sup>nd</sup> day of February, 2022.

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Michel Nelson, Board Chairperson

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Deborah Durham, Secretary

To: IFA Board of Directors  
From: Aaron Smith, Chief Bond Programs Director  
Date: January 26, 2022  
Re: Private Activity Bonds for February 2022 IFA Board Meeting

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## **PRIVATE ACTIVITY BOND PROGRAM**

### **ED 16-17 – Westdale Apartments Project**

This is a resolution amending Resolutions ED 16-17B, which was adopted on April 4<sup>th</sup>, 2018. Bonds were originally issued in two series in June 2018. The project was damaged by the derecho in Summer 2020, and amendments were made in early 2021 to defer payments. The Borrower and the Lender would like to defer one payment for another six months.

- **Action: Resolution PAB 16-17B-3**

## AMENDING RESOLUTION PAB 16-17B-3

Resolution Amending Resolutions No. ED 16-17B and PAB 16-17B-2 Regarding Certain Amendments to the Not to Exceed \$17,500,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Westdale Apartments Project) and to Approve and Acknowledge Certain Documents Related to the Notes.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa, duly organized and existing under and by virtue of the Constitution and the laws of the State of Iowa, (the “Authority”) is authorized and empowered by Chapter 16 of the Code of Iowa (the “Act”) to issue revenue bonds to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act, including any project for which tax exempt financing is authorized by the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, at the request of Westdale Apartments, L.P. (the “Borrower”) the Authority has previously issued its \$14,675,000 Multifamily Housing Revenue Bonds (Westdale Apartments Project), Series 2018A (the “Series 2018A Bond”) and its \$1,800,000 Multifamily Housing Revenue Bond (Westdale Apartments Project), Series 2018B (the “Series 2018B Bond”) and, together with the Series 2018A Bond, the “Bonds”) pursuant to an Indenture of Trust dated as of June 1, 2018 (the “Indenture”) between Regions Bank, as trustee (the “Trustee”) and the Authority, and loaned the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement dated as of June 1, 2018 (the “Loan Agreement”) between the Authority and the Borrower for the purposes of financing the costs of acquiring, constructing, equipping and furnishing an approximately 152-unit multifamily housing development and other related improvements located at 5200 16<sup>th</sup> Avenue SW, Cedar Rapids, Iowa and paying for certain costs of issuance of the Bonds (the “Project”); and

WHEREAS, the Borrower arranged for the sale of the Bonds to Cedar Rapids Bank and Trust Company (the “Purchaser”); and

WHEREAS, the Borrower previously requested that the Authority approve a deferral of certain payments on the Bonds and certain other amendments to the Indenture and the Loan Agreement, all as set forth in the Agreement Regarding Stabilization dated as of January 27, 2021 (the “Original Stabilization Agreement”) among the Authority, the Trustee, the Purchaser, the Borrower and RF Servicers LLC (the “Servicer”), as controlling person under the Indenture and the Loan Agreement; and

WHEREAS, the Borrower and the Lender have requested that the Authority approve a further deferral of certain payments on the Bonds and certain other amendments to the Indenture and the Loan Agreement, all as set forth in the Second Agreement Regarding Stabilization (the “Second Stabilization Agreement”) among the Authority, the Trustee, the Borrower, the Purchaser and the Servicer;

NOW THEREFORE, Be It Resolved by the Board of the Authority, as follows:

1. The execution and delivery of the Second Stabilization Agreement is hereby authorized and approved, with such variations therein as may be made at the time of execution thereof as approved by the Executive Director, the Chief Financial Officer, the Chief Operating Officer or the Chief Bond Programs Director (each, an “Authorized Officer”) and counsel to the Authority, and any Authorized Officer is authorized to execute and deliver the Second Stabilization Agreement. The Chairperson and Secretary are hereby authorized to execute and deliver any amended Bond that may be necessary in connection with the amendments contemplated by the Second Stabilization Agreement.

2. Any Authorized Officer is hereby authorized to execute and deliver any and all other agreements, instruments and documents related to the amendments contemplated by the Second Stabilization Agreement as deemed required by bond counsel and acceptable to counsel to the Authority and to take such further actions as may be necessary to effectuate the intent and purpose of this Resolution.

3. The Bonds shall remain special, limited obligations of the Authority, payable solely from the proceeds of the Bonds, and the revenues pledged to the payment thereof pursuant to the Loan Agreement and secured pursuant to and in accordance with the provisions of the Loan Agreement and the Indenture. The Bonds, the interest thereon and any other payments or costs incident thereto do not constitute an indebtedness or a loan of the credit of the Authority, the State of Iowa or any political subdivision thereof within the meaning of any constitutional or statutory provisions. The Authority does not pledge its faith or credit nor the faith or credit of the State of Iowa nor any political subdivision of the State of Iowa to the payment of the principal of, the interest on or any other payments or costs incident to the Bonds. The issuance of the Bonds and the execution of any documents in relation thereto do not directly, indirectly or contingently obligate the State of Iowa or any political subdivision of the State of Iowa to apply money from or levy or pledge any form of taxation whatever to the payment of the principal of or interest on the Bonds or any other payments or costs incident thereto. The Authority has no taxing power.

4. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of February, 2022.

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Michel Nelson, Chairperson

ATTEST:

(SEAL)

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Deborah Durham, Secretary