

CERTIFICATE OF SECRETARY

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

I, Marge Della Vecchia, Executive Director hereby certify that I am the Secretary of the New Jersey Housing and Mortgage Finance Agency, and as the Secretary, I certify that the attached copy of the proceedings of the Board Meeting of the New Jersey Housing and Mortgage Finance Agency is a true and correct copy of the minutes of the May 17, 2007 meeting of the Agency.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the New Jersey Housing and Mortgage Finance Agency this 17th day of May 2007.



Marge M. Della Vecchia, Secretary
New Jersey Housing and Mortgage Finance Agency

FINAL

**MINUTES OF THE 300th BOARD MEETING
OF THE
NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY**

MEMBERS:

- * Charles Richman, Deputy Commissioner, DCA
(representing Susan Bass Levin, Commissioner, DCA)
- ** Susan Fischer, Deputy Attorney General, Section Chief Treasury Section
(representing Stuart Rabner, Attorney General)
- *** Steve Petrecca, Assistant Manager, Office of the State Treasurer
(representing Bradley Abelow, State Treasurer)
- **** Thomas Hunt, Assistant Director, Office of Consumer Finance, Department of Bank and Insurance (representing Steven Goldman, Commissioner, Department of Banking and Insurance)
- ***** Patti Holland, Assistant Director, Division of Mental Health Services
(representing Jennifer Velez, Acting Commissioner, Department of Human Services)
- Monsignor William Linder
- Patrick Sheehan
- Dorothy Blakeslee
- Michael Steele

OFFICIALS

PRESENT:

Marge Della Vecchia, Executive Director
Tracee Battis, Chief of Programs
Eileen Hawes, Chief Financial Officer
Michael Floyd, Chief of Program Services
Leslie Lefkowitz, Chief of Regulatory Affairs
Lenore Rosner, Chief of Operations
Claudia Lovas, Director of Program Development
Michael Staton, Director of Multifamily Programs and Credits
Jerry Keelen, Director, Single Family
Bob Huether, Assistant Director, Single Family
Tony Cupano, Director of Property Management
Bob Sasso, Asset Manager
Pam McCrory, Director of Supported Housing and Special Needs
Debra Urban, Director of Tax Credits
Darryl Applegate, Director of Regulatory Affairs
Harry Stevens, General Services Assistant
Carilyn Willis, Executive Secretary

OTHERS Bob Shaughnessy, Deputy Attorney General
PRESENT: Jennifer Linett, Deputy Attorney General
 Robert Purcell, Deputy Attorney General
 Sonia Frontera, Governor's Authorities Unit.

- * Letter of May 16, 2007 designating Charles Richman to represent Susan Bass Levin, Commissioner, DCA
- ** Letter of May 14, 2007 designating Susan Fischer to represent Stuart Rabner, Attorney General
- *** Letter of February 8, 2006 designating Steve Petrecca to represent Bradley Abelow, State Treasurer
- **** Letter of January 3, 2007, designating Thomas Hunt to represent Steven Goldman, Commissioner, Department of Banking and Insurance
- ***** Letter of February 22, 2007 designating Patti Holland, to represent Jennifer Velez, Acting Commissioner, Department of Human Services

May 17, 2007

SUNSHINE ACT

"The New Jersey Housing and Mortgage Finance Agency gave notice of the time, place and date of this meeting by facsimile, regular mail and hand delivery on May 9, 2007 to the Secretary of State of New Jersey, The Star Ledger, The Times, and the Courier Post, and by posting the notice at the office of the Agency in Trenton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Housing and Mortgage Finance Agency in order to hold a session from which the public is excluded."

1. SINGLE FAMILY

RESCUE PROGRAM POOL INSURANCE – APPROVAL TO ISSUE AN RFP – ITEM 1A.

Monsignor Linder moved and Patrick Sheehan seconded 1. Authorization to solicit proposals from the Agency's approved mortgage insurers for pool insurance on conventional loans made with the proceeds of the Rescue Program bonds to be issued by the Agency. 2. Authorization for the Executive Director to enter into a pool insurance contract with the selected pool insurance provider.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

HOMELESSNESS PREVENTION PROGRAM – APPROVAL OF AN MOA WITH DCA – ITEM 1B.

Michael Steele moved and Monsignor Linder seconded 1. Approval of a Memorandum of Understanding between the Agency and DCA for the Agency to administer the homeownership part of the DCA Homelessness Prevention Program.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

RESCUE – APPROVAL OF PROGRAM GUIDELINES – ITEM 1C.

Thomas Hunt moved and Patrick Sheehan seconded 1. Approval of the RESCUE Program. 2. Approval to dedicate an amount up to \$2,670,000 in pre-Ullman funds to cover borrower closing costs related to the RESCUE loans, including but not limited to the payment of the loan origination fees. 3. Authorization for the Executive Director to amend the Rescue Program Underwriting Guidelines as may be in the best interest of the program or as may be necessary for the sale of bonds subject to the approval of the Attorney General's office.

Member Thomas Hunt stated that on behalf of Banking and Insurance he would like to thank the Agency for taking the steps necessary to create this program. He added that Banking and Insurance would be willing to help in anyway.

Executive Director Marge Della Vecchia stated that there was a very productive meeting in which lenders and counselors provided important information with regard to the design of the program. She stated that staff would be returning to the Board to report on the progress of the program.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

2. MULTIFAMILY

HMFA #1426 – HERITAGE VILLAGE AT MANALAPAN – APPROVAL OF A FINANCING RECOMMITMENT – ITEM 2A.

Michael Steele moved and Patrick Sheehan seconded 1. Approval of a mortgage recommitment for an estimated \$7,909,000 in permanent financing for a project known as Heritage Village at Manalapan, HMFA #1426, upon the terms and conditions set forth in the Request for Action. 2. Approval of a second mortgage recommitment in the amount of \$1,500,000 from the Strategic Zone Lending Pool ("SZL"), upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

HMFA #1472 – LINDEN LAKE SENIOR HOUSING – APPROVAL OF A FINANCING RECOMMITMENT – ITEM 2B.

Patrick Sheehan moved Steve Petrecca seconded 1. Approval of a mortgage recommitment for an estimated \$1,608,000 in permanent financing for a project known as Linden Lake Senior Housing, HMFA #1472, upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

3. MULTIFAMILY/SPECIAL NEEDS HOUSING TRUST FUND

HMFA #02291/SNHTF #76 – COMPREHENSIVE BEHAVIORAL HEALTH CARE SUPPORTIVE HOUSING – APPROVAL OF A FINANCING COMMITMENT – ITEM 3A.

Monsignor Linder moved and Dorothy Blakeslee seconded 1. Approval of a mortgage commitment for an estimated \$1,100,000 in construction and permanent financing from the Special Needs Housing Trust Fund for a project known Comprehensive Behavioral Health Care Supportive Housing, (CBHCareSH) HMFA #02291, SNHTF#76 upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

HMFA #02287/SNHTF #73 – MEDFORD SUPPORTIVE HOUSING – APPROVAL OF A FINANCING COMMITMENT – ITEM 3B.

Patrick Sheehan moved and Dorothy Blakeslee seconded 1. Approval of a grant commitment for an estimated \$236,000 in construction and permanent from the Special Needs Housing Trust Fund for a project known as Medford Supportive Housing, HMFA #02287, SNHTF#73 upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

HMFA #02142/SNHTF #36 – TOTOWA COMMUNITY RESIDENCE – APPROVAL OF A FINANCING COMMITMENT – ITEM 3C.

Dorothy Blakeslee moved and Monsignor Linder seconded 1. Approval of a mortgage commitment for an estimated \$539,000 in construction and permanent financing from the Special Needs Housing Trust Fund, or other funds available to the Agency, for a project known as Totowa Community Residence, HMFA #02142 / SNHTF #36, upon the terms and conditions set forth in the Request for Action.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

4. PORTFOLIO DISPOSITION

HMFA #1296/ASL #27 – CARTERET SENIOR LIVING – APPROVAL OF ADDITIONAL FUNDING – ITEM 4A.

Monsignor Linder moved and Patrick Sheehan seconded 1. Authorization for the HMFA's Executive Director, the Chief Financial Officer, the Chief of Programs, the Chief of Regulatory Affairs or the Chief of Program Services, in consultation with the Attorney General's Office, to expend additional Agency funds in an amount not to exceed \$550,000 to cover any costs associated with the operation of the Carteret Senior Living Building, HMFA #1296. 2. This project made application and was approved for participation in the HUD Risk Share Insurance Program. The Agency has submitted a claim under the risk share insurance. As a result, funds expended by the Agency in the process of operating, advertising, and disposing of the property should be included in the final accounting and settlement, as carrying costs, between HUD and HMFA. Thus HUD will bear 75% of the loss, if any, on the final disposition of the project while the Agency will bear 25%.

Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None

5. PROPERTY MANAGEMENT

HMFA #29 – ROWAN TOWERS – APPROVAL TO CONVERT THE 2ND MORTGAGE TO A "CASH FLOW" MORTGAGE – ITEM 5A.

Michael Steele moved and Thomas Hunt seconded 1. Approval to convert the second mortgage of Rowan Towers, HMFA #29, to a "cash flow" mortgage in order to make more funds available to pay expenses.

Chairman Richman asked what the plan was for the project. Mr. Cupano answered that a condition of today's approval was that the project sponsor would pursue a refinancing of the mortgage loan. And that as a result of the refinancing needed improvements would be made to the project. Chairman Richman asked about the timing of the refinancing. Mr. Cupano answered that the timing has not been reestablished.

Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder, Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None

6. FINANCE

SPECIAL NEEDS HOUSING TRUST FUND – AUTHORIZATION FOR AUTHORIZED OFFICERS TO EXECUTE AND DELIVER ANY AND ALL NECESSARY DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE NJEDA MOTOR VEHICLE SURCHARGES REVENUE BONDS – ITEM 6A.

Monsignor Linder moved and Steve Petrecca seconded 1. Authorization for an Authorized Officer to execute and deliver any and all documents required in connection with the issuance and delivery of the New Jersey Economic Development Authority's Motor Vehicle Surcharges Revenue Bonds (Special Needs Housing Program), 2007 Series (the "Bonds"). 2. Approval of the Acknowledgment Regarding a Memorandum of Understanding ("MOU") between the New Jersey Housing and Mortgage Finance Agency ("HMFA") and the New Jersey Economic Development Authority ("EDA"), as attached to the Request for Action with such revisions as an authorized officer of the Agency, in consultation with the Attorney General's Office, may approve.

Member Dorothy Blakeslee asked why taxable bonds were used rather than tax-exempt. Ms. Hawes answered that the projects to be funded from the Trust Fund were not identified prior to the first issuance of bonds being sold. Therefore it was not possible to TEFRA, which is a requirement of tax-exempt bonds. However, because there is now an established pipeline of projects to be funded from the Trust Fund it is possible to TEFRA and a mix of taxable and tax-exempt will be included in the second issuance.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

7. TAX CREDIT

APPROVAL OF AN AMENDMENT TO THE QUALIFIED ALLOCATION PLAN (QAP) – ITEM 7A.

Michael Steele moved and Steve Petrecca seconded 1. Approval of the publication of an amendment to the 2007 Low Income Housing Tax Credit Qualified Allocation Plan ("QAP") at N.J.A.C. 5:80-33.1 et seq., substantially in the form attached hereto, for public hearing and public comment prior to adoption. 2. The Agency requests that the Board delegate to the Executive Director authority to approve amendments to correct errors in or clarify the QAP prior to its publication as a proposal in the New Jersey Register, so long as such amendments do not result in a change in policy or implementation of the plan as currently presented. Any amendments that would change the underlying policy or implementation of the QAP from the form in which it is now presented, or to be made after the proposal's publication in the New Jersey Register shall remain subject to Board approval.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

8. APPROVAL OF MINUTES

APPROVAL OF THE MINUTES OF THE AGENCY'S BOARD MEETING HELD MAY 17, 2007 IN SUBSTANTIALLY FINAL FORM - ITEM 8A.

Dorothy Blakeslee moved and Monsignor Linder seconded approval of the minutes of the Agency's Board Meeting held May 17, 2007 in substantially final form.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*

MOTION TO ADJOURN

Patrick Sheehan moved and Monsignor Linder seconded a motion to adjourn at 10:25 a.m.

*Aye-Charles Richman, Susan Fischer, Steve Petrecca, Patti Holland, Thomas Hunt, Monsignor Linder,
Michael Steele, Dorothy Blakeslee, Patrick Sheehan
Nay-None*



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 800
TRENTON, NJ 08625-0800

RECEIVED

MAY 16 2007

EXECUTIVE DIRECTOR

JON S. CORZINE
Governor

SUSAN BASS LEVIN
Commissioner

May 16, 2007

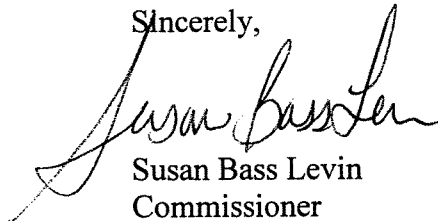
Marge Della Vecchia
Executive Director
NJ Housing and Mortgage Finance Agency
PO Box 18550
Trenton, New Jersey 08625

Dear Executive Director Della Vecchia:

Please accept this letter as formal notification that Deputy Commissioner Charles Richman will represent me at the NJHMFA Board Meeting on May 17, 2007.

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

Sincerely,



Susan Bass Levin
Commissioner





State of New Jersey
OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LAW AND PUBLIC SAFETY
PO Box 080
TRENTON NJ 08625-0080

JON S. CORZINE
Governor

STUART RABNER
Attorney General

May 14, 2007

Honorable Susan Bass Levin, Commissioner
Department of Community Affairs
New Jersey Housing and Mortgage Finance Agency
P.O. Box 800
Trenton, NJ 08625-0800

Dear Commissioner Levin:

I hereby designate Susan Fischer, Deputy Attorney General, to represent me in my absence at the meeting of the New Jersey Housing and Mortgage Finance Agency, scheduled for Thursday, May 17, 2007. DAG Fischer is authorized to vote in my stead and to otherwise act on my behalf.

Very truly yours,

Stuart Rabner
Attorney General

sav

c: Nina Wells, Secretary of State
Susan Fischer, Assistant Attorney General
Robert Romano, Assistant Attorney General





State of New Jersey
OFFICE OF THE STATE TREASURER
PO Box 002
TRENTON, NJ 08625-0002

IM S. CORZINE
Governor

BRADLEY I. ABELOW
Acting State Treasurer

February 8, 2006

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

Dear Ms. DellaVecchia:

I hereby designate Steve Petrecca, to act as my permanent designee at all meetings of the New Jersey Housing and Mortgage Finance Agency.

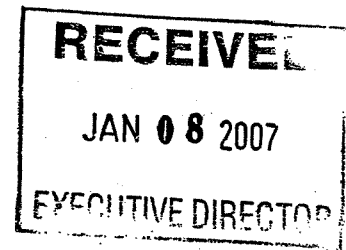
Sincerely,

A handwritten signature in cursive script that reads "Bradley I. Abelow" with a small "nj" written below it.

Bradely I. Abelow
Acting State Treasurer



State of New Jersey
DEPARTMENT OF BANKING AND INSURANCE
OFFICE OF THE COMMISSIONER
PO BOX 325
TRENTON, NJ 08625-0325



JON S. CORZINE
Governor

TEL (609) 292-5360

STEVEN M. GOLDMAN
Commissioner

January 3, 2007

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

Attention: Carilyn Willis

Re: 294th Board Meeting

Dear Ms. Della Vecchia:

Thomas Hunt, Acting Assistant Director, Office of Consumer Finance of the Department's Division of Banking, has been authorized to be my designee, with voting power, for all 2007 NJ Housing and Mortgage Finance Agency meetings.

If you have any questions, please do not hesitate to call Mr. Hunt at (609) 292-5360, ext. 50223.

Very truly yours,

STEVEN M. GOLDMAN
Commissioner

c: Thomas Hunt
Assistant Director

Terry McEwen
Director of Banking



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
PO Box 700
TRENTON, NJ 08625-0700

JON S. CORZINE
Governor

JENNIFER VELEZ
Acting Commissioner

February 22, 2007

Marge Della Vecchia
Executive Director
NJ Housing and Mortgage Finance Agency
637 South Clinton Street
Trenton, NJ 08650-2085

Dear Ms. Della Vecchia:

Please be advised that Kevin Martone, Assistant Commissioner, Division of Mental Health Services, will be the Department's designee to all board meetings of the New Jersey Housing and Mortgage Finance Agency. Mr. Martone has full authority to represent and take action on matters related to the Department of Human Services. In Mr. Martone's absence, the designee will be Patti Holland, Assistant Director, Office of Housing and Community Development within the Division of Mental Health Services.

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

Sincerely,

Jennifer Velez
Acting Commissioner

JV:3:cg
c: Kevin Martone
Patti Holland