

Questions to consider when completing MVM summaries

1. What are the main recurring themes discussed?
 - Stress testing and risks related to mixed income rentals, higher AMI's such as market rate units, markets with little discount to LIHTC rents
 - Asset protection. Real estate is getting used harder and at a sustained pace longer. What does that mean for our collateral?
 - New developments and availability of subsidy, rent growth which has historically been strong, higher operating costs, and of course what type of reserves will be required by perm lenders going forward
 - TDR's and the concern about what will trigger those. Brian Sample seemed to have a handle on this.
2. Were there any big surprise(s) in the conversation?
 - Discussion that rates are dropping quickly enough and potentially long term enough to be adding interest "floors" to new facilities!
 - Warren Hanson is looking for new and additional resources to grant deferments and to provide flexibility to his borrowers ie without these resources can't be flexible.
 - From Calvin: how generous Wells was being as far as grants and new funding opportunities for CDFI's. While Josh didn't fully see this, worth pursuing!
 - Web site provided by Joe Flatley about Boston rent collections

<http://www.mapc.org/wp-content/uploads/2020/04/COVID-Housing-Gap-April-2020.pdf>

3. What were the top &/or emerging external threats members are identifying? *Highlight specific, illustrative examples by member name and speaker (we can refer to the notes for detail).*
 - Brian Sample discussed how MLF is talking to all of their investors who want to know specifically how they are handling this crises from an individual loan and portfolio status
 - Bill Hanson discussed how rural, while not yet hard hit (Brian agreed with this assessment) in MN is seeing huge shut down in meat and food processing facilities which means huge growth in rural unemployment.
 - There were several references to diminished subsidy for new projects.
 - Calvin indicated that 29.6% of his (very different than housing) portfolio had some sort of modification
 - Chris Coffey @ NHS indicated that 12% of their single family loan portfolio has already requested forbearance and expects that number to increase.
4. What were the top &/or emerging internal challenges that members are facing? *Highlight specific, illustrative examples by member name and speaker (we can refer to the notes for detail).*

- The actual process of how to deal with deferments, forbearance and forgiveness (Brian, Josh, Warren. Brian suggested that it seemed that we were just “kicking the problem” down the road.)
 - Joe Flatley discussed the impact and risks on construction loans and his NMTC facilities such as health care and schools. Calvin on arts and entertainment facilities. Interesting both have very different portfolios, not entirely housing focused.
 - Kevin @ CHN discussed the impact on single family lending and missed payments. Surprising fact was that 75% of the folks (including their single family rentals) didn’t think they had to pay. Only 25% of non-payees had economic impact!
5. What innovative opportunities/ solutions did members share? *Highlight specific, illustrative examples by member name and speaker (we can refer to the notes for detail).*
- That everyone is still in business but being more thoughtful on stress testing and sponsors
 - Capital for single family lending is a challenge
6. Were any strengths of our Network and/or individual members showcased? *Highlight specific, illustrative examples by member name and speaker (we can refer to the notes for detail).* I don’t know if anyone really was showcased. Zina, Brian, and Warren are stars! Warren does lots of research which I think is very interesting as a way to support his company’s needs.
7. List any next steps and/or conclusions
- Work with AERIS to make sure that our ratings are not adversely impacted by granting reasonable modifications.
 - Josh’s point to investors that he uses maturity dates as an investor tool ie extensions are normal for NHTCDFI, not considered a negative.
 - Better understandings on TDR’s.
 - Monthly CDFI peer exchange meetings