

INVESTMENT POLICY
FOR
HOUSING FINANCE AUTHORITY OF BREVARD COUNTY, FLORIDA

Section 1. Scope. The Authority hereby adopts the investment policy set forth in this Resolution (the “Investment Policy”). The Investment Policy shall apply to the funds of the Authority in excess of amounts needed to meet current short-term expenses and general working capital. As applicable, the Investment Policy shall not apply to pension funds, trust funds or funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds.

Section 2. Investment Objectives. The objectives of the investments made pursuant to the Investment Policy shall be as follows, in the following order of priority; the first objective of all investments shall be the safety of the capital of the Authority; the second objective of all investments shall be the liquidity of the funds of the Authority; the third objective of all investments shall be investment income to the Authority. Investments in furtherance of legally authorized housing programs of the Authority need not meet any or all of the foregoing objectives.

Section 3. Prudent Person Rule. Investments made pursuant to the Investment Policy shall be made with judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

Section 4. Authorized Investments. Excess funds of the Authority shall be invested in the following identified investments and the Authority may divest itself from such investments, at prevailing market prices or rates, subject to the requirements set forth in this Resolution:

- (a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act

as provided in Section 163.1, Florida Statutes; provided that such fund has been rated as a money market fund in the highest rating category by Standard and Poors.

- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- (c) Banking accounts in state-certified qualified public depositories, as defined in Section 280.02, Florida Statutes;
- (d) Certificates of deposit in state-certified qualified public depositories, as defined in Section 280.02, Florida Statutes;
- (e) Direct obligations of the U.S. Treasury;
- (f) Federal agencies and instrumentalities.

The Authority may invest in other investments as authorized by resolution, subject to the requirements set forth in Sections 1, 2, 3 and 5 of this Resolution.

The securities listed in paragraphs (c), (d), (e) and (f) shall be invested to match investment maturities with known cash needs and anticipated cash-flow requirements.

The Treasurer with the concurrence of the Authority's Counsel or Financial Advisor is authorized to transfer funds among the Authority's established accounts as deemed appropriate.

The Authority designates Public Resources Advisory Group as financial Advisor for purposes of making investment decisions consistent with this Investment Policy and for purposes of fulfilling the continuing education requirement of Section 218.415 (14), Florida Statutes.

Field Code Changed

Notwithstanding anything in this Resolution to the contrary, in furtherance of its housing programs the Authority may provide funding for (1) first or second mortgage loans, or in mortgage-backed securities relating to such loans, made to certain eligible persons or families in Brevard County, Florida, (2) cost of issuance for single family bond issues, or (3) any other loan made in conjunction with a housing development in Brevard County, Florida.

Section 5. Risk and Diversification. Investments made pursuant to the Investment Policy shall be diversified to the extent practical to control the risk of loss

resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer or bank through which financial instruments are bought and sold.

Section 6. Authorization and Ratification of Prior and Subsequent Acts. The members, officers, agents and employees of the Authority are hereby authorized and directed to take all such actions, to do all such things and to execute all such documents, certificates and agreements as may be necessary to carry out and comply with the provisions of this Resolution and all of the actions taken and things done by such members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of this Resolution, whether taken or done before or after the adoption of this Resolution, are hereby ratified, confirmed and approved by the Authority.

Approved: October 12, 2017