

BREVARD COUNTY
HOUSING FINANCE AUTHORITY

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TO: Members of the Brevard County Housing Finance Authority

FROM: Angela A. Abbott, Esquire

DATE: September 15, 2020

RE: 2012-2020 TBA/MCC Program Status Report

During the months of July and August, 2020, six (6) new loans were closed and four (4) loans paid off in full.

The following is the status of the referenced program as of August 31, 2020:

Closed loans:

First mortgages:	330 Loans:	\$47,638,105.00
Second mortgage/DPA loans:	257 Loans funded:	\$ 2,307,500.00
	236 Active Loans:	\$ 2,102,500.00
	20 Paid Loans:	\$ 195,000.00
	1 Foreclosed Loans:	\$ 10,000.00
	0 Loans in foreclosure:	\$ 0

Pending loans: There are two (2) loans reserved so far this month, which will utilize the Authority's DPA second mortgage.

Attached are status reports on the DPA and GNMA Custody accounts as of August 31, 2020, and a summary of GNMA profits as of August 31, 2020. During this fiscal year, as of August 31, 2020, thirty (35) second mortgages were funded totaling \$262,500 and ten (10) second mortgages were repaid in full totaling \$95,000. The GNMA profit this fiscal year is \$186,794, with an average profit per loan of \$5,048. As housing prices increase, the GNMA profit per loan increases. The net cash cost to the Authority to continue its participation in this program is less than \$2,500 per loan and the Authority holds the second mortgages as term assets. Historically, the foreclosure rate on loans with second mortgages is about 4%.

The current balance in the DPA custody account is approximately \$289,000. If loans continue to originate at the current rate, the funds on deposit in the DPA custody account will be sufficient to provide DPA loans through August, 2021. The Authority needs to continue monitoring this program and determine the upper limit of the second mortgage portfolio.

Summary of Loan Originations 2018, 2019 and 2020

<u>Month:</u>	<u>Loans Closed:</u>
January, 2018	2
February, 2018	12
March, 2018	25
April, 2018	27
May, 2018	23
June, 2018	16
July, 2018	20
August, 2018	22
September, 2018	13
October, 2018	11
November, 2018	6
December, 2018	3
Total:	<hr/> 180
January, 2019	6
February, 2019	10
March, 2019	15
April, 2019	7
May, 2019	9
June, 2019	4
July, 2019	6
August, 2019	1
September, 2019	4
October, 2019	3
November, 2019	6
December, 2019	7
Total:	<hr/> 78
January, 2020	5
February, 2020	2
March, 2020	2
April, 2020	0
May, 2020	3
June, 2020	1
July, 2020	5
August, 2020	1
Total:	<hr/> 19