

HABITAT FOR HUMANITY Citrus County, Inc.
MINUTES of BOARD MEETING
September 30, 2010, at the Realtors Association Building

Meeting called to order at 9:00 a.m. by Pres. George Rusaw.

In absence of Secretary, David La Croix volunteered to be ad hoc secretary.

Opening Prayer by John Heindel

Pledge of Allegiance led by George Rusaw

Those present were: Linda Daly, John Heindel, David La Croix, Terry McMillan, Norm Peterson, Rosann Strawn, James Andrews, Kevin Conway, Nancy Hautop, George Rusaw, Bruce Marston, Vance Milton, Terry Steele.

Those absent were Bill Metzendorf, Hugh McElvey, Chuck Price, John Thrumston.

Secretary's Report was read, a motion to accept was made by Norm Peterson, seconded by Bruce Marston and approved.

Treasurer's Report was read, a motion to accept was made by John Heindel, seconded by Rosann Strawn and approved.

Committee Reports, Delinquency Report and Home Store Report were provided to the Board for consideration, but not discussed due to time constraints:

There was considerable discussion of bank commitments for financing the new building to be purchased. Brannon Bank will continue the line of credit, but not finance the building. Center State will finance the building, but with greater up-front costs and slightly higher interest rate than Nature Coast Bank. Nature Coast Bank will provide \$750,000 in financing, secured by the new building and current HFHCC mortgages, in the form of two loans. The first, on the building, will be for \$425,000; the second, with the mortgages as additional security, will be for \$325,000. Both will be amortized over 25 years, at a 6½ % fixed interest rate for five years, then adjustable each year based on 3.65 basis points over the average of 5-year treasury note rates. The total monthly payment on the two loans will be \$5,064.05, which should easily be covered by new from the new resale store.

Motion was made by David La Croix, seconded by Linda Daly, and approved to keep the line of credit with Brannon Bank, accept the Nature Coast Bank commitment for financing, and to authorize the President to attempt to negotiate limits of 2% per year and 6% for the life of the loan for any rate increases after the first five years.

Motion was then made by Linda Daly, seconded by Rosann Strawn, and approved to authorize the President and other necessary officers to proceed with the closing of the purchase and to execute all documents necessary thereto on or before October 28, 2010, with the financing as proposed by Nature Coast Bank if the bank is unwilling to include interest rate increase limits.

There was then discussion of the \$190,000 in SHIP funds that Florida Low Income Housing was unable to use, which are now available for re-allocation by Citrus County. Re-allocation of those funds to HFHCC would require HFHCC to have 11 homes completed for this fiscal year by the end of June, 2011.

Motion was made by Norm Peterson, seconded by Rosann Strawn, and approved to apply to Citrus County for re-allocation of these SHIP funds to HFHCC and HFHCC either doing 11 homes by June 30, 2011 with increase per house to \$40,000 thru approval from Advisory Board, or doing 11 homes by June 30, 2011, and five more started but completed by Dec. 31, 2011 thru an extension with SHIP in Tallahassee.

After discussion, a motion was then made by Terry McMillan, seconded by Nancy Hautop, and approved to also respond to a request for proposals for leftover money from the \$8,000 first-time home buyer funds.

The Board then discussed the more-than-three-month mortgage delinquency of homeowner Brandie Kapiton.

Motion was made by Bruce Marston, seconded by Kevin Conway, and approved to give Ms. Kapiton until close of business on Monday, October 4, 2010, to bring her mortgage current; if she doesn't do so, to provide her with notice on October 5, 2010, of acceleration of the balance owed on the mortgage and HFHCC's intent to file foreclosure on October 13, 2010, if the mortgage is not paid in full before then or Ms. Kapiton has not deeded the property to HFHCC in lieu of foreclosure; to offer Ms. Kapiton \$1,000 if she will deed the property back to HFHCC by October 11, 2010, and if she does deed the property by that date, to allow her until November 11, 2010 to vacate the premises; and to offer Ms. Kapiton an additional \$1,000 if she deeds the property back to HFHCC by October 11, 2010, vacates the property by November 11, 2010, leaves the property reasonably clean and undamaged (beyond damage now existing) and leaves all appliances.

Motion made at 10:32 to close by Bruce Marston, seconded by James Andrews, and approved.

Respectfully submitted

David la Croix, Ad Hoc Secretary