

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE

The meeting was called to order by Chairman Lana Gordon at 3:30 P.M. on February 6, 2008 in Room 519-S of the Capitol.

All members were present except:

Valdenia Winn- excused
Broderick Henderson- excused
Don Myers- excused
Robert Olson- excused

Committee staff present:

Emalene Correll, Kansas Legislative Research Department
Ryan Hoffman, Kansas Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Matt Todd, Office of the Revisor of Statutes
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:

Brad Snapp, Sedgwick County Housing Director
Carl Harris, Nat'l. Assoc. of Home Builders, KS Bldg. Industry and Wichita Area Builders Assoc.

The Chair introduced Brad Snapp who gave an update on the Kansas Local Government Statewide Housing Program. (Attachments 1 and 2).

Mr. Snapp explained that Sedgwick and Shawnee Counties co-issue this program which is funded with single family mortgage revenue bonds. This resource provides eligible low and moderate income Kansas families, who wish to buy their first home anywhere in the state, with down payment assistance and below market rate loans.

He told how in 1007 - 3, 162 Kansas families living in 67 counties used this program to buy their first home using nearly \$281, 000,000 in safe, fixed rate, low interest 30-year mortgages. The average home loan was \$88,790. Currently 337 cities in 104 counties participate in the program.

Questions and answers followed.

Next to testify was Carl Harris who offered an introduction to Green Building for Housing. (Attachment 3). He said that with the growing interest in green building among their members, homebuyers, legislators and the media say that the idea of sustainable home construction is no passing fad – it's the future of building.

Mr. Harris explained that green building means making intentional decisions that positively impact energy efficiency, resource conservation and indoor environmental quality throughout the design and construction process. He said how many have confused Green Building to mean energy efficiency, when energy efficiency is only part of a green building program, albeit a very important part.

Mr. Harris referred to the NAHB Green Home Building Guidelines. (A copy of this publication is available in the Chairman's office).

Questions and answers followed.

The meeting was adjourned at 4:10. The next meeting is scheduled for Thursday, February 7, 2008.



Sedgwick County Housing Department

Brad Snapp – Director

604 N. Main, Suite E Wichita, Kansas 67203 T 316-660-7270 F 316-383-8271

Good Afternoon Honorable Chair Gordon and members of the House Economic Development Committee. My name is Brad Snapp - I am the Sedgwick County Housing Director. Thank you for this opportunity to give you an update on the Kansas Local Government Statewide Housing Program. Sedgwick and Shawnee Counties co-issue this Program funded with single family mortgage revenue bonds. This resource provides eligible low and moderate income Kansas families, who wish to buy their first home anywhere in the state, with down payment assistance and below market rate loans.

In 2007 - 3,162 Kansas families living in 67 counties used this program to buy their first home using nearly \$281,000,000 in safe, fixed rate, low interest 30-year mortgages. The average home loan was \$88,790.

Currently 337 cities in 104 counties participate in the Program. The most recent city to join was Grainfield in Gove County. The estimated population of Grainfield in 2003 was 313 people. We are so excited about them signing on! We couldn't find a Realtor to contact, but someone in the community is looking to this Program as a resource to help their community. We can't wait for the first loan!

Please let me draw your attention to the booklets and palm cards I provided for you. They were printed in August 2007 so all numbers have increased. You will see an overview of the program's value to first time homebuyers specifically and the state of Kansas in general, maps showing utilization in the last two years, participating cities and counties, participating lenders by area, and support letters from partners and one homebuyer.

In addition to the social and economic benefits of encouraging homeownership in communities the Program pays a private activity bond allocation fee to the Kansas Department of Commerce based on every mortgage originated. Since 2001 KLGSH has sent \$4,037,042 in allocation fees to the state. In 2007 alone we sent \$1,534,553. In 2006 we closed some old mortgage revenue bond issues and used 2.3 million dollars to buy the interest rates down an average of 25 basis points or ¼ percent.

The KLGSH provides below market, 30 year fixed rate mortgage loan financing for homebuyers statewide. Qualified homebuyers are eligible to receive up front cash of 4% of the loan amount which can be used for down payment, closing costs and other prepaid items. The Program's 4% cash assistance is a grant and does not have to be repaid.

Sedgwick County...working for you

Economic Development & Tourism

Date: 2-6-08

Attachment # 1-1

The mortgage loans and 4% cash assistance are funded from tax-exempt revenue bonds issued by Sedgwick and Shawnee Counties. Periodically, new bonds are issued and a new mortgage interest is set. The State of Kansas is not obligated in any manner for the payment of the bonds.

Sedgwick and Shawnee Counties have jointly issued mortgage revenue bonds for nearly 20 years. KLGSHP was the first local government sponsored housing program in the nation to provide 4% cash assistance in the form of a grant to first-time homebuyers.

In order to qualify borrowers must be 'first time' homebuyers – meaning

- they have not had ownership interest in a primary residence in the last three years;
- Must occupy the home within 60 days of loan closing;
- At the time of closing, are not permitted to have an ownership interest in another residential property.

The first time requirement is waived if the house being purchased is in a Target Area. These areas are designated census tracts where 70% or more of the families have incomes at or below 80% of the statewide median income, or are in areas in need of economic development or revitalization as defined by the US Department of Housing and Urban Development.

Target areas may be found in parts of Douglas County (Lawrence), Geary County, Montgomery County, Reno County (Hutchinson), Riley County (Fort Riley and Manhattan), Saline County, Sedgwick County (Wichita), Shawnee County (Topeka), and Wyandotte County (Kansas City). All Target Maps are on our website at www.sedgwickcounty.org/housing/klgshp_maps.html.

Up to \$3,000,000 has been set aside for disaster relief – for homeowners to rebuild their houses that were lost in the Greensburg tornado and Coffeyville flood.

At the beginning of every issue we send invitations to all mortgage lenders in the state. Most new lenders join because one of their clients wants to buy a house and tells them about the Program. Actual lender documents are on our web page. Currently we have 51 participating lenders that operate from 195 neighborhood branch locations.

We are on ground level with homebuyers and lenders. Just as new homebuyers have pride of ownership – we have pride of administration. We provide a valuable resource to Kansas. This is a successful Program that continues to draw new lenders and cities and families – families who want to realize the dream of homeownership. One criticism we had four years ago was more loans being made in the eastern part of the state than the west. We have to agree, but it's because the population is denser in the eastern half of the state. This is a consumer driven Program – the Administrators do not dictate where funding goes.

The Internal Revenue Service establishes the income and purchase price limits. The issuers follow their rules and regulations.

12/31/2007

Sedgwick County Kansas and Shawnee County, Kansas
 Single Family Mortgage Revenue Bonds
 (Mortgage-Backed Securites Program)
Allocation Fees Paid to Kansas Department of Commerce and Housing

| Series | Year 2001 | Year 2002 | Year 2003 | Year 2004 | Year 2005 | Year 2006 | Year 2007 |
|----------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| 2000 A | 30,709.62 | | | | | | |
| 2001 A | 154,867.70 | 25,490.91 | | | | | |
| 2001 B | 45,052.12 | 143,660.29 | | | | | |
| 2002 A-1 | | 50,360.56 | | | | | |
| 2002 A-2 | | 25,229.57 | | | | | |
| 2002 A-3 | | 38,299.82 | | | | | |
| 2002 A-4 | | 45,418.51 | 1,313.02 | | | | |
| 2002 A-5 | | 35,423.94 | 10,604.48 | | | | |
| 2002 B-1 | | | 7,350.54 | | | | |
| 2002 B-2 | | | 50,915.03 | 255.59 | | | |
| 2002 B-3 | | | 51,285.74 | 1,289.25 | | | |
| 2002 B-4 | | | 73,800.28 | 1,207.06 | | | |
| 2002 B-5 | | | 44,463.62 | 2,692.77 | | | |
| 2003 A-1 | | | 43,241.25 | 1,469.56 | | | |
| 2003 A-2 | | | 14,317.84 | 21,513.38 | | | |
| 2003 A-3 | | | | 23,300.07 | 196.81 | | |
| 2003 A-4 | | | | 39,465.27 | 1,174.20 | | |
| 2003 A-5 | | | | 43,055.25 | 430.64 | | |
| 2004 A-1 | | | | 40,573.93 | | | |
| 2004 A-2 | | | | 76,228.57 | | | |
| 2004 A-3 | | | | 38,359.67 | 10,696.18 | | |
| 2004 A-4 | | | | 4,024.61 | 47,324.27 | | |
| 2004 A-5 | | | | | 50,457.26 | | |
| 2004 A-6 | | | | | 75,502.97 | | |
| 2005 A-1 | | | | | 45,992.58 | | |
| 2005 A-2 | | | | | 102,632.46 | | |
| 2005 A-3 | | | | | 60,235.95 | 15,261.47 | |
| 2005 A-4 | | | | | 4,415.61 | 46,570.58 | 435.22 |
| 2005 A-5 | | | | | | 75,364.07 | 2,719.00 |
| 2006 A-1 | | | | | | 50,979.77 | 1,693.50 |
| 2006 A-2 | | | | | | 60,456.93 | 2,174.97 |
| 2006 A-3 | | | | | | 99,662.96 | 3,249.96 |
| 2006 A-4 | | | | | | 139,259.71 | 2,675.23 |
| 2006 A-5 | | | | | | 146,751.56 | 2,382.37 |
| 2006 A-6 | | | | | | 117,281.43 | 2,550.08 |
| 2006 B-1 | | | | | | 150,748.77 | 49,470.32 |
| 2006 B-2 | | | | | | 15,853.35 | 184,750.41 |
| 2006 B-3 | | | | | | | 152,517.97 |
| 2006 B-4 | | | | | | | 203,128.20 |
| 2006 B-5 | | | | | | | 124,842.43 |
| 2007 A-1 | | | | | | | 205,323.65 |
| 2007 A-2 | | | | | | | 204,158.20 |
| 2007 A-3 | | | | | | | 203,124.62 |
| 2007 A-4 | | | | | | | 161,607.86 |
| 2007 A-5 | | | | | | | 27,748.58 |
| | \$230,629.44 | \$363,883.60 | \$297,291.80 | \$293,434.98 | \$399,058.93 | \$918,190.60 | \$1,534,552.57 |

1-3



Sedgwick County, Kansas

Housing

Department



Sedgwick County, Kansas Housing Department Kansas Local Government Statewide Housing Program

This Program provides below-market, 30 year fixed rate mortgage loan financing for first-time home buyers statewide. Qualified home buyers will be eligible to receive up front cash of 4% of the loan amount which can be used for down payment, closing costs and other prepaid items. The Program's 4% cash assistance is a grant and does not have to be repaid. The mortgage loans and 4% cash assistance are funded from bonds issued by Sedgwick and Shawnee County. Periodically, new bonds are issued and a new mortgage interest rate is set.

- ↳ [First-Time Homebuyer Program](#)
- ↳ [Lender Training Manual](#) 8.04 MB
- ↳ [2007A Lender Invitation](#)
- ↳ [2007A Origination and Servicing Agreement](#)
- ↳ [Participating Lenders](#)
- ↳ [Approved Cities & Counties](#)
- ↳ [Funding Reservation Request](#)
- ↳ [Down Payment Assistance Acknowledgement](#)
- ↳ [Conventional Loan Checklist](#)
- ↳ [FHA Loan Checklist](#)
- ↳ [RHS Loan Checklist](#)
- ↳ [RHS Loan Ineligibility Area - Sedgwick County](#)
- ↳ [VA Loan Checklist](#)
- ↳ [2006 Recapture Forms](#) (1.30MB)

- Home Ownership
- ↳ [Kansas Local Government Statewide Housing Program](#)
- ↳ [Kansas Mortgage Savers Program](#)
- Information
- ↳ [2007 PHA Plan](#)
- ↳ [Fair Housing Act](#)
- ↳ [Housing Authority](#)
- ↳ [Sedgwick County Rental Housing Code](#)
- Resources
- ↳ [Kansas Housing Resources Corporation](#)
- U.S. Department of Housing and Urban Development**
400 State Avenue
Gateway Tower II
Kansas City, KS 66101
Phone: 913-551-5644
Fax: 913-551-5416 TDD
- HUD Fair Housing Laws and Complaints:
Housing Discrimination Hotline
Phone: 800-669-9777
TDD Line: 800-927-9275
- Buying a HUD Home:
Phone 800-767-4483
- Contact Us
- ↳ [Feedback Form](#)

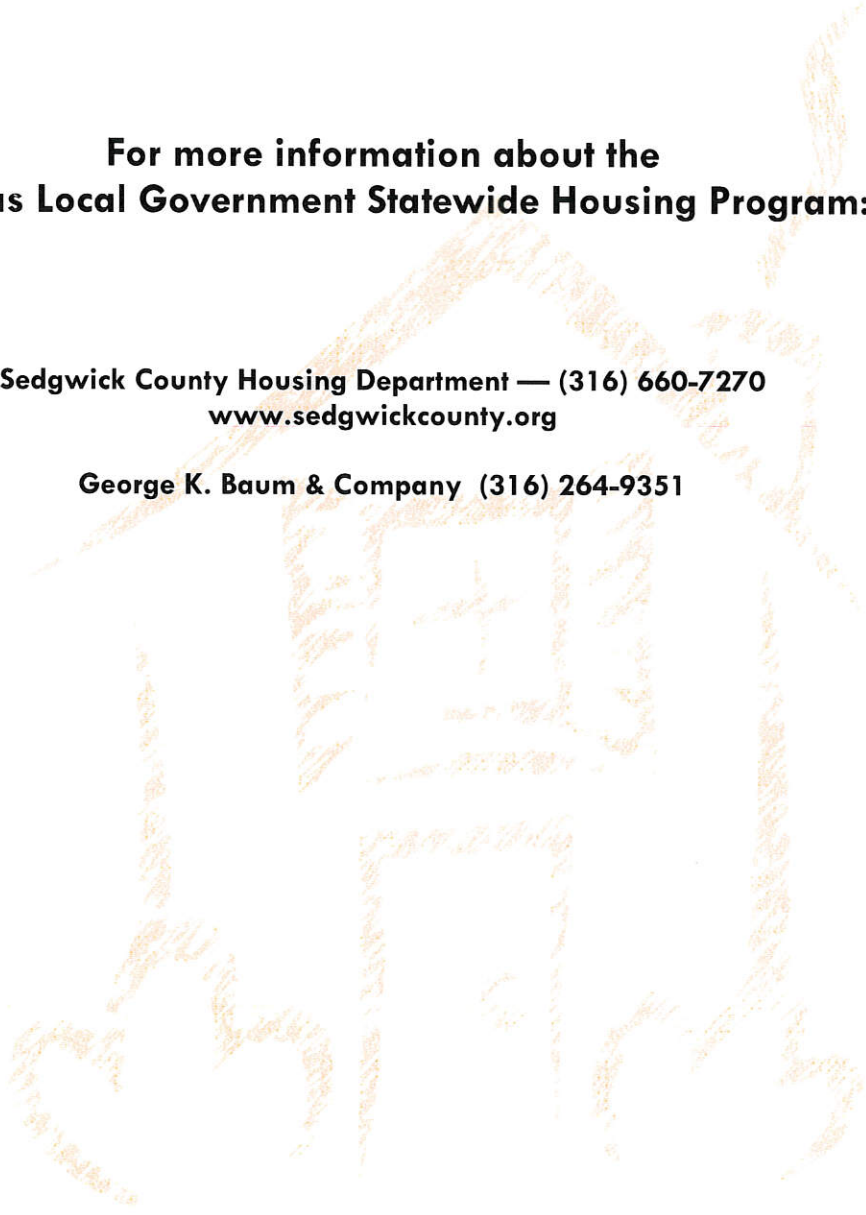




**For more information about the
Kansas Local Government Statewide Housing Program:**

**Sedgwick County Housing Department — (316) 660-7270
www.sedgwickcounty.org**

George K. Baum & Company (316) 264-9351



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working for you*



Economic Development & Tourism
Date: 2-6-08
Attachment # 2-1

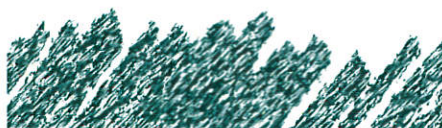




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KANSAS
DEPARTMENT OF COMMERCE





Giving Kansans a Hand Up...

Homeownership is the dream of all Americans. For many families, while they can afford the house payment, the down payment and closing costs can be a barrier to homeownership. In Kansas, the Kansas Local Government Statewide Housing Program helps make the dream of owning a home come true. All over the state, families are getting a helping hand with first-time homeownership. And, one of the best parts, it comes at no cost to the State of Kansas.



This Program enables low and moderate income Kansas families to qualify for a mortgage loan to purchase their *first home*. In 2006, over 2,100 families bought their first home, with a total mortgage volume exceeding \$181,000,000. In 2007, mortgage volume is expected to exceed \$250,000,000.

How does it help Kansans?

This Program provides eligible first-time homebuyers throughout Kansas with real assistance:

- *below-market rate* 30-year fixed rate mortgages **AND** a cash grant equal to 4% of the loan amount that can be used by borrowers to pay for closing costs and down payment.
- If cash assistance is not needed, the homebuyer can choose the option of an even lower, below-market mortgage rate.

And, families all over the state can take advantage of these benefits in over 180 neighborhood lending centers, through 45 participating mortgage lenders statewide. Today, 329 cities and 103 counties participate in this first-time homebuyer program, at no cost to the government.

What does it mean to the State of Kansas?

In addition to the economic and social benefits of encouraging home ownership, the Kansas Local Government Statewide Housing Program pays a private activity allocation fee to the Kansas Department of Commerce based on every mortgage originated. This allocation fee has been paid to the Kansas Department of Commerce for more than 10 years. **Since 2001, the program has paid \$3,302,577* in bond allocation fees to the State.**

*Through 8/20/07



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So how does the Program work?

The Kansas Local Government Statewide Housing Program provides below-market, 30-year fixed rate mortgage loan financing for first-time homebuyers statewide. Qualified home buyers are eligible to receive up front cash of 4% of the loan amount which can be used for down payment, closing costs and other prepaid items. The Program's 4% cash assistance is a grant and **does not have to be repaid**.



The mortgage loans and 4% cash assistance are funded from tax-exempt revenue bonds issued by Sedgwick and Shawnee County. Periodically, new bonds are issued and a new mortgage interest rate is set. The State of Kansas is not obligated in any manner for the payment of the bonds.

Sedgwick and Shawnee Counties have jointly issued mortgage revenue bonds since 1990. In 1994, the Kansas Local Government Statewide Housing Program became the first local government sponsored housing program in the nation to provide 4% cash assistance in the form of a grant to first-time homebuyers.



Who is eligible?

Borrowers must be first-time home buyers —

- Have not had an ownership interest in a primary residence for the past 3 years;
- Must occupy the home within 60 days of loan closing;
- At the time of loan closing, are not permitted to have an ownership interest in other residential property.

(* Buyers need not be first-time home buyers if they are purchasing a home in a Target Area — see information on the following page.)

Federal law establishes the limits for eligibility in the Program. Those limits include income limits and purchase price.

The type of mortgage loan obtained from a participating lender may be a qualifying FHA, VA, Farmers Home Administration (USDA-RHS) or conventional loan.

The mortgage loan must be for the purchase of the home and not for the refinancing of an existing mortgage loan.



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Eligible Properties & Price Limits

The Program can finance one-unit and two-unit residential homes and qualified condominiums. Rental houses or mobile homes are not eligible. Qualified manufactured homes may be eligible with the purchase of land. Mortgage loans for homes in rural areas are encouraged, providing participating lenders an additional 1% origination fee for loans made in designated rural counties.



The purchase price of a home financed cannot exceed the established purchase price limits.

What are "Target Areas"?

Target Areas are designated census tracts where 70% or more of the families have incomes which are 80% or less of the statewide median income, or are in areas in need of economic development or revitalization as defined by the US Department of Housing and Urban Development.

The first-time buyer requirement is waived for homes located in Target Areas, and slightly higher income and purchase price limits apply too.

Target Areas can be found in:

- | | |
|---|--------------------------------|
| Sedgwick County (Wichita) | Wyandotte County (Kansas City) |
| Shawnee County (Topeka) | Geary County |
| Reno County (Hutchinson) | Saline County |
| Douglas County (Lawrence) | Montgomery County |
| Riley County (Fort Riley and Manhattan) | |

Purchase Price Limits: New & Existing Homes

| | Non-Target Areas | Target Areas |
|---|------------------|--------------|
| Kansas City MSA (Leavenworth, Wyandotte, Johnson, Franklin, Linn & Miami) | \$241,875 | \$295,625 |
| All Other Areas | \$237,031 | \$289,705 |



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Homebuyer Income Limits

Total gross income for all residents living in or intending to live in the residence, age 18 or older, must be within the income limits (detailed below). Total gross annual household income is calculated using all sources of income, including but not limited to wages, overtime, bonuses, child support, alimony, commissions and earnings from a second job, business and investments.



| | Non-Target Areas | | Target Areas | |
|---|------------------|------------|--------------|------------|
| | 1-2 Persons | 3+ Persons | 1-2 Persons | 3+ Persons |
| Kansas City, MSA (Leavenworth, Wyandotte, Johnson & Miami) | \$68,400 | \$78,660 | \$82,080 | \$95,760 |
| Lawrence MSA (Douglas) | \$64,700 | \$74,405 | \$77,640 | \$90,580 |
| Topeka MSA (Shawnee) | \$60,400 | \$69,460 | \$72,480 | \$84,560 |
| Wichita MSA (Sedgwick, Butler & Harvey) | \$61,200 | \$70,380 | \$73,440 | \$85,680 |
| All Other Areas | \$59,300 | \$68,195 | \$71,160 | \$83,020 |



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Partner Counties & Cities



Allen Co.

Gas
Humboldt
Iola
Moran
Savonburg

Anderson Co.

Garnett
Greeley

Atchison Co.

Atchison
Effingham

Barber Co.

Medicine Lodge

Barton Co.

Claffin
Ellinwood
Great Bend
Hoisington
Susank

Bourbon Co.

Bronson
Ft. Scott
Fulton

Brown Co.

Horton
Sabetha

Butler Co.

Andover
Augusta
Benton
Cassoday
Douglas
El Dorado
Leon
Potwin
Rose Hill
Towanda
Whitewater

Chase Co.

Cottonwood Falls

Chautauqua Co.*

Cedar Vale
Sedan

Cherokee Co.*

Columbus
Galena
Weir

Cheyenne Co.

St. Francis

Clark Co.*

Ashland
Minneola

Clay Co.

Clay Center
Morganville
Wakefield

Cloud Co.

Clyde
Concordia
Glasco
Jamestown
Miltonvale

Coffey Co.

Burlington
Gridley
Lebo
LeRoy
Waverly

Cowley Co.

Arkansas City
Burden
Udall
Winfield

Crawford Co.

Arcadia
Girard
Pittsburg

Dickinson Co.*

Abilene
Carlton
Chapman
Enterprise
Herington
Manchester
Soloman
Woodbine

Doniphan Co.*

Elwood
Troy

Douglas Co

Baldwin City
Eudora
Fairway
Lawrence
LeCompton

Edwards Co.

Kinsley

Elk Co.

Howard
Longton

Ellis Co.

Ellis
Hays
Victoria

Ellsworth Co.

Ellsworth
Holyrood
Kanopolis
Wilson

Finney Co.

Garden City
Holcomb
Ford Co.
Bucklin
Dodge City
Ford
Spearville

Franklin Co.

Ottawa
Pomona
Wellsville
Williamsburg

Geary Co.

Grandview Plaza
Junction City
Milford

Gove Co.

Graham Co.

Grant Co.

Ulysses

Gray Co.

Cimarron
Ensign
Ingalls
Montezuma

Greenwood Co.

Eureka
Madison

Hamilton Co

Syracuse

Harper Co.

Anthony
Harper

Harvey Co.

Burton
Halstead
Hesston
Newton
North Newton
Sedgwick
Walton

Haskell Co.

Sublette
Satanta

Jackson Co.

Delia
Dennison
Holton
Hoyt
Mayetta
Whiting

Jefferson Co.

Mclouth
Meriden
Nortonville
Perry
Valley Falls
Winchester

Jewell Co.

Esbon
Formoso
Jewell
Mankato
Randall

Johnson Co.

DeSoto
Edgerton
Fairway
Gardner
Leawood
Lenexa
Merriam
Mission
Olathe
Overland Park
Prairie Village
Roeland Park
Shawnee
Spring Hill
Westood

Kearney Co.

Deerfield
Lakin

Kingman Co.

Cunningham
Kingman
Norwich

Kiowa Co.

Greensburg
Haviland
Mullinville

Labette Co.

Altamont
Oswego
Parsons

Lane Co.

Dighton

Leavenworth Co.

Basehor
Lansing
Leavenworth
Linwood
Tonganoxie

Lincoln Co.

Lincoln Center
Sylvan Center

Linn Co.

LaCygne
Linn Valley
Mound City
Pleasanton

Logan Co.

Oakley

Lyon Co.*

Americus
Emporia
Olpe

Marion Co.

Florence
Goessel
Hillsboro
Marion
Tampa

Marshall Co.

Meade Co.

Fowler
Meade
Plains

McPherson Co.

Canton
Galva
Inman
Lindsborg
McPherson
Moundridge

Miami Co.

Osawatatomie
Paola
Spring Hill

Mitchell Co.

Beloit
Cawker City
Glen Elder
Tipton

Montgomery Co.

Caney
Cherryvale
Coffeyville
Elk City
Independence
Liberty

Morris Co.

Council Grove

Morton Co.

Elkhart



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Partner Counties & Cities (cont'd)



Nemaha Co.

Bern
Centralia
Sabetha
Wetmore

Neosho Co.

Chanute
Erie
Thayer

Ness Co.

Utica

Norton Co.

Osage Co.

Burlingame
Carbondale
Lyndon
Osage City
Overbrook
Scranton

Osborne Co.

Downs
Osborne

Ottawa Co.

Bennington
Minneapolis

Pawnee Co.

Larned

Phillips Co.*

Phillipsburg

Pottawatomie Co.

Belvue
Olsburg
Onaga
St. George
St. Marys
Wamego
Westmoreland

Pratt Co.

Pratt

Rawlins Co.

Reno Co.

Arlington
Buhler
Haven
Hutchinson
Nickerson
Plevna
Pretty Prairie
South Hutchinson
Sylvia

Republic Co.*

Belleville
Munden

Rice Co.

Lyons
Sterling

Riley Co.

Leonardville
Manhattan
Ogden
Randolph
Riley

Rooks Co.

Plainville
Stockton

Rush Co.

La Crosse
Otis

Russell Co.*

Dorrance
Luray
Russell

Saline Co.

Brookville
Gypsum
New Cambria
Salina
Smolan

Scott Co.

Scott City

Sedgwick Co.

Andale
Bel Aire
Bentley
Cheney
Clearwater
Colwich
Derby
Garden Plain
Goddard
Haysville
Kechi
Maize
Mount Hope
Mulvane
Park City
Sedgwick
Valley Center
Viola
Wichita

Seward Co.

Kismet
Liberal

Shawnee Co.

Auburn
Rossville
Silver Lake
Topeka
Willard

Sheridan Co.

Hoxie

Sherman Co.

Goodland

Smith Co.

Smith Center

Stafford Co.*

Hudson
St. John
Stafford

Stanton Co.

Johnson City

Stevens Co.

Hugoton

Sumner Co.

Argonia
Belle Plain
Caldwell
Conway Springs
Oxford
Wellington

Thomas Co.

Oakley

Trego Co.

Wakeeny

Wabaunsee Co.

Alma
Alta Vista
Eskridge
Harveyville
Maple Hill
McFarland
Paxico

Wallace Co.*

Sharon Springs

Washington Co.

Linn

Wichita Co.

Wilson Co.*

Buffalo
Coyville
Fredonia
Neodesha

Woodson Co.

Yates Center

Wyandotte Co.

Bonner Springs
Edwardsville
Kansas City

**Approved Cities & Counties -
* Indicates County has not
taken action to participate.
Revised 10/24/2007**

If a lender would like to make a loan in a city or county not on the list, please contact Sedgwick County Compliance Agent: Mary McCammon (316) 263-4991



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Sedgwick County...
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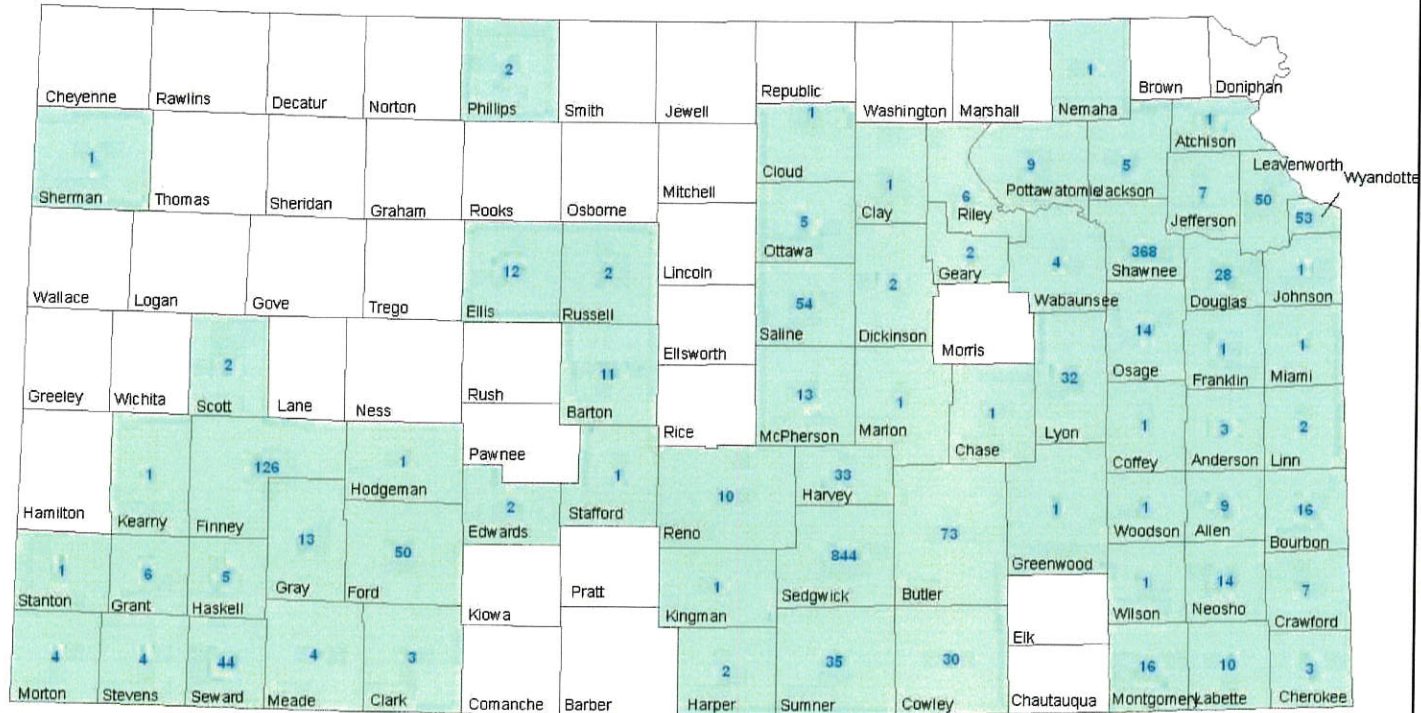
KANSAS
DEPARTMENT OF COMMERCE



Kansas Local Government Statewide Housing Program

Number of Loans During 2006

\$181,741,814



Loan Activity



Total number of loans - 2140
Average Loan Amount - \$84,926

Source: Sedgwick County Housing Department



Sedgwick County GIS, September, 2007

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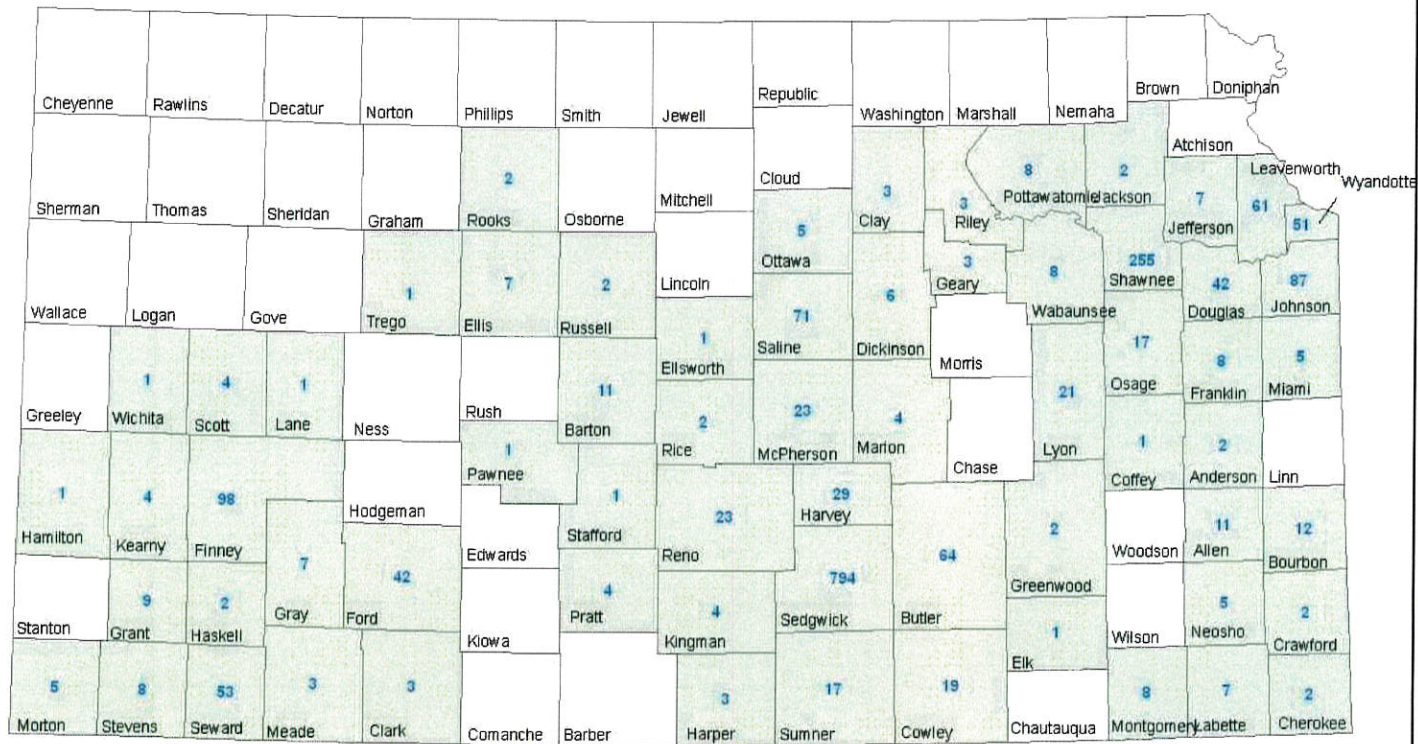
7

2-10

Kansas Local Government Statewide Housing Program

Number of Loans During 2007

\$175,934,288



Loan Activity



Total number of loans - 1977
Average loan amount - \$88,991

Source: Sedgewick County Housing Department



Sedgewick County GIS, September, 2007

FILE: C:\gis\gismaps\housing\countyloans07.mxd jr



Sedgewick County...
working for you

KANSAS
DEPARTMENT OF COMMERCE



11-2

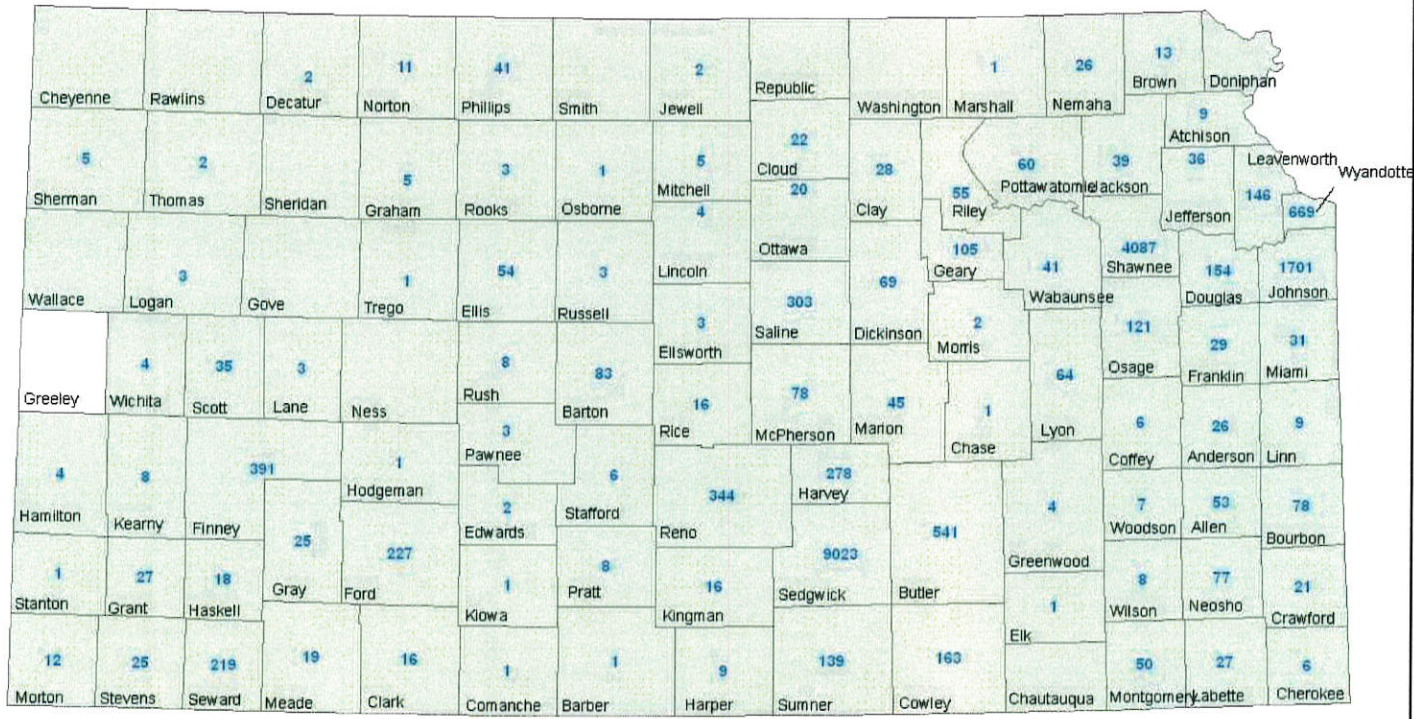


Sedgwick County...
working for you

KANSAS
DEPARTMENT OF COMMERCE



Kansas Local Government Statewide Housing Program First-time Homebuyers 1990 - 2007



Participants



Source: Sedgwick County Housing Department

Sedgwick County GIS, September, 2007
FILE: C:\Gis\gismaps\housing\c_countyloans07.mxd jr

2-11



Participating Lenders in Kansas



Abilene - The Mortgage Company

Auburn - Landmark National Bank

Augusta -
Emprise Bank
First Horizon Home Loan
Verus Bank

Baldwin City - Hilco Mortgage Corp.

Chanute - Emprise Bank

Colwich - Legacy Bank

Derby -
Bank of the West
Countrywide Home Loans
Fidelity Bank
Plaza Lane Mortgage & Investment
Verus Bank
Wells Fargo Home Mortgage

Dodge City -
Bank of the West
Landmark National Bank

El Dorado -
Bank of the West
Emprise Bank
The Executive Mortgage Group
Verus Bank

Ellis - Golden Belt Bank

Ellinwood - Bank of the West

Emporia -
Wells Fargo Home Mortgage

Eureka -
Emprise Bank
Bank of the West

Fort Scott -
Citizens Bank
Landmark National Bank

Garden City -
Bank of America
Bank of the West
Garden City State Bank
Garden Plains Credit Union
Landmark National Bank
Security Savings Bank
Wells Fargo Home Mortgage

Gladstone, MO - Best Mortgage

Great Bend - Landmark National Bank

Hays -
Golden Belt Bank
Emprise Bank

Haysville -
Accelerated Mortgage Group Inc.
Emprise Bank

Hillsboro - Emprise Bank

Hoisington -
Bank of the West
Landmark National Bank

Hutchinson -
Bank of the West
First Horizon Home Loan Corp.
Wells Fargo Home Mortgage

Independence -
Wells Fargo Home Mortgage

Iola -
TeamBank
Emprise Bank

Junction City -
First State Bank
Landmark National Bank

Kansas City -
Bank of America
Countrywide Home Loans
US Bank Home Mortgage
First Federal Bank

Kingman - Bank of the West

Kinsley - Bank of the West

La Crosse - Landmark National Bank

Larned - Bank of the West

Lawrence -
Bank of America
Bank of the West
Countrywide Home Loans
Emprise Bank
Landmark National Bank
Mortgage Centre
US Bank Home Mortgage
Wells Fargo Home Mortgage

Leawood - Bank of the West
Countrywide Home Loans
First Horizon Home Loans
Plaza Mortgage Services
Realty Home Mortgage
Wells Fargo Bank

Leavenworth -
Citizens Savings & Loan Assoc.
Countrywide Home Loans

Lee's Summit - Bank of Oklahoma

Lenexa -
Affinity Mortgage
Bank of America
Bank of Kansas City
Countrywide Home Loans
Bank of the West



*Sedgwick County...
working for you*





Participating Lenders in Kansas



Liberal - Mortgages Unlimited, Inc.

Louisburg -
Countrywide Home Loans
Landmark National Bank

Lyons - Bank of the West

Maize - Emprise Bank

Manhattan -
Landmark National Bank
The Mortgage Company
Peoples Choice Mortgage, LLC

McPherson - Security Savings Bank

Mission -
Bank of the West
US Bank Home Mortgage
Wells Fargo Home Mortgage

Mulvane -
Plaza Lane Mortgage
Emprise Bank

Ness City - Bank of the West

Newton - Bank of the West

Olathe -
Approved Mortgage Inc.
Mortgage Investment Services
Security Savings Bank
MegaStar Mortgage
US Home Mortgage

Osage City -
Landmark National Bank

Ossawatomie -
Landmark National Bank

Ottawa -
Bank of the West
Countrywide Home Loans

Overland Park -
Argentine Federal Savings
Bank of America
Bank of the West
Concord Mortgage
Countrywide Home Loans
First Horizon Home Loan Corp.
First National Bank of Kansas City
Gold Mortgage Bank
National Bank of Kansas City
Pulaski Bank
Summit Mortgage Corp.
US Home Mortgage
Wells Fargo Bank

Paola -
Landmark National Bank
TeamBank, NA

Park City - Emprise Bank

Parsons - TeamBank, NA

Pittsburg - US Bank Home Mortgage

Prairie Village -
Boulevard Bank

Rose Hill - Prairie State Bank

Salina -
Bank of America
Bank VI
Bank of the West
Security Savings Bank
The Mortgage Company

Shawnee - Bank of the West

Topeka -
American Home Mortgage
Bank of America
Countrywide Home Loans
National Bank of KC
US Bank Home Mortgage
Wells Fargo Home Mortgage

Wamego - Landmark National Bank

Wellington -
Gateway Mortgage Group

Wichita -
Allied Home Mortgage Capital Corp.
Bank of America
Bank of the West
Concord Mortgage
Countrywide Home Loans
Emprise Bank
Equity Bank, NA
Fidelity Bank
First Equity Mortgage Services
First Horizon Home Loan
Legacy Bank
Midwest Mortgage Services
Mortgage Centre
Priority Mortgage Corp. of Wichita
RCP Bank/Pioneer
Regent Financial
Security Savings Bank
The Executive Mortgage Group
Wells Fargo Home Mortgage

Winfield - Bank of the West



Sedgwick County...
working for you

KANSAS
DEPARTMENT OF COMMERCE





Letters of Support



*Sedgwick County...
working for you*

KANSAS
DEPARTMENT OF COMMERCE





October 24, 2007

Mr. Brad Snapp
Sedgwick County Housing Department
604 N Main, Suite E
Wichita KS 67203

Dear Mr. Snapp,

The Wichita Area Association of REALTORS® supports the Kansas Local Government Statewide Housing Program as it is currently administered. The program is an effective tool for low and moderate income families to purchase a house of their own in our community and throughout Kansas. Many families have good credit and a stable income, but lack the financial means for a down payment. This program addresses that barrier by providing a cash grant to cover the necessary down payment.

Speaking on behalf of the over 2,000 real estate professionals who are members of the Wichita Area Association of REALTORS®, we stand beside you and your co-issuer Shawnee County in the continued promotion and implementation of this important resource for Kansas families. Please let me know if we can assist you to preserve 'our' program.

Sincerely,

A handwritten signature in cursive script that reads 'Laura Raudonis'.

Laura Raudonis, CAE, RCE
Chief Executive Officer

2-15

540 S. Broadway

Wichita, KS

67202

316.263.3167

316.263.2832 fax



Kansas Association of REALTORS®
3644 SW Burlingame Rd.
Topeka, KS 66611

October 26, 2007

Mr. Brad Snapp
Sedgwick County Housing Department
604 N Main, Suite E
Wichita KS 67203

Dear Mr. Snapp,

The Kansas Association of REALTORS® solidly supports the Kansas Local Government Statewide Housing Program. This program has been and continues to be an effective tool for low and moderate income families to purchase their own homes throughout Kansas. We know many families have good credit and stable income, but lack the means for a down payment or closing costs. This program has effectively addressed that barrier by providing a cash grant to families to cover the necessary expenses of purchasing a home.

Speaking on behalf of our leaders and our statewide membership, we stand firmly beside you and your co-issuer Shawnee County in the continued promotion and implementation of this vitally important resource for Kansas families. Please let me know how we may assist you to preserve this valuable program and resource.

Sincerely,

Luke Bell
Director of Governmental Relations

785.267.3610
VOICE

800.366.0069
TOLL FREE

785.267.1867
FAX

3644 SW Burlingame Rd
Topeka, Kansas 66611
www.kansasrealtor.com

2-16

November 14, 2006

2430 N. Bramblewood St.
Wichita, KS 67226
316.612.0461

Sedgwick County Housing Department
Attn: Mr. Brad Snapp
604 N. Main St. Suite E
Wichita, KS 67203

Dear Mr. Snapp:

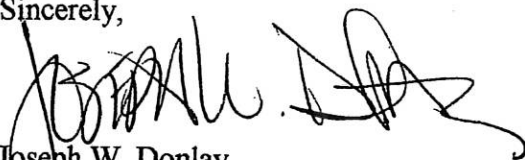
I am writing this letter in warm regard and support of the Kansas Local Government Statewide Housing Program for first-time homebuyers. As a first-time homebuyer and program participant in Sedgwick County, I have heartfelt gratitude and appreciation for the program and its facilitators that make it possible.

Purchasing a home can be extremely cost-prohibitive for first-time homebuyers; especially those with limited funding to contribute towards a down payment and traditional mortgage closing costs. This program allowed me to enter home-ownership with financial assistance that aided in the upfront expenses while also allowing me to benefit from a mortgage loan interest rate that was significantly lower than the going rate at many institutions. Without the program benefits, the costs would have been much too significant for me to purchase a home.

The Kansas Local Government Statewide Housing Program for first-time homebuyers opens the door of home ownership for many individuals. The reduced entry expenses and affordable mortgage rates pave the way for new homebuyers to build equity within the communities where they live.

Speaking as a first-time homebuyer, I am truly grateful that such a program exists and sincerely hope the program can continue to assist those who would benefit from it.

Sincerely,


Joseph W. Donlay



United States Department of Agriculture
Rural Development

July 28, 2006

Sedgwick County Housing Department
Attn: Brad Snapp, Housing Director
604 N. Main, Suite E
Wichita, KS 67203

RE: Commitment of Partnership Support for "Kansas Local Government Statewide Housing Program"

Dear Mr. Snapp:

This letter is in support of "Kansas Local Government Statewide Housing Program" provided by the Sedgwick County Housing Department. This program will assist low and very low income rural households to become homeowners. USDA Rural Development has a new partnership with your organization as a *Rural Home Loan Partnership* (RHLP) non-profit and looks forward to future participation in providing leveraged loans to rural first time buyers.

Our 502 loan program, including the Leverage Loan Program, provides an interest subsidy, called payment assistance, to applicants to help make homeownership more affordable. The amount of interest subsidy varies, based on the applicant's income. Very low income applicants in the Leverage Loan Program receive a 1% interest rate. Payment Assistance subsidy is re-evaluated annually. The USDA Rural Development loans are in a lien position junior to the participating lender's loan. Under this proposal, the participating lender will make a minimum of 20%. The combination of these resources and funding commitments will bring additional USDA Rural Development Loan funds to rural Kansas.

In fiscal year 2005, the Agency's direct single family loan program served 256 families in rural Kansas with a total of \$17,680,084 million in loans funded. The leveraged loan program with our funding partners was a large part of this effort. We anticipate future reduction in our direct loan funding, but with the assistance of this continued partnership, we expect that this program will enable us to serve many families in the next year, that otherwise we would be unable to assist subject to our appropriations. We expect this funding to assist many of our Agency offices across rural Kansas.

Thank you for giving this proposal your highest consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim G. Rogers". The signature is fluid and cursive.

TIM G. ROGERS
Housing Program Director

1303 SW First American Place • Suite 100 • Topeka, KS 66604
(785) 271-2720 • Fax (785) 271-2784 • TTY (785) 271-2767 • www.rurdev.usda.gov/ks

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.,
Washington, DC 20250-9410 or call (800)795-3272 (voice) or (202) 720-6382 (TDD).

2-18



American Home Mortgage

2231 SW Wanamaker Rd., Ste 201
Topeka, Kansas 66614

Tel: (785) 271-0103
Fax: (785) 271-6310

September 22, 2006

Brad Snapp
Director of Sedgwick County Housing Office
604 N Main Street, Suite E
Wichita, KS 67203

Dear Mr. Snapp:

I am writing in support of the Sedgwick County, Kansas, and Shawnee County, Kansas, Single Family Mortgage Revenue Bonds staying in it current very capable hands and not being taken over by State government.

I have been a Mortgage Banker for twelve-years, and since 1994 my primary business has been working with first-time buyers. The above-mentioned bond program has evolved over the past twelve years and has become more widely known by the public. I will point out the reasons, aside from the four-percent cash assistance that I believe makes it so popular.

1. **This program is stable and constant.** Customers know they will be able to have the cash assistance when they find their perfect home.
2. **Program management.** The program is fine-tuned, the flow of the process is smooth, and the Ranson staff is knowledgeable and helpful. Managing the vast amount of reservations in the spring and fall would seem overwhelming to most of us, yet the staff at Ranson glides through the process and has never held up a closing because they were not able to produce a clearance of the approval.
3. **Real Estate agents expect a product that will enable their buyers to act swiftly and close swiftly.** The Real Estate agents support this popular and thriving program because there are very few problems and the process is not cumbersome or filled with delays.

In working with first-time buyers, although I encouraged use of the program managed by the State, I rarely used it because the Real Estate agents will not support a program that includes delays and obstacles. I believe if the State takes over the management of the Sedgwick County, Kansas, and Shawnee County, Kansas, Single Family Mortgage Revenue Bond program, it will cause unnecessary delays, confusion, and lack of



support from Real Estate agents and some Mortgage Bankers.

In my opinion, the State has better things to do than to take on management of a program that currently is working as efficiently as this one. Further, I do not believe the State employees will have the same understanding of the urgency—or the efficiency—that twelve-years has brought to Ranson in the management of this program.

Thank you for your consideration.

Sincerely,



Sheila Hodson
Loan Officer

cc: Kelly Drummond



American Home Mortgage

12980 Metcalf Ave., Ste 150
Overland Park, Kansas 66213

Tel: (913) 402-6990
Fax: (913) 402-6949
www.americanhm.com

October 2, 2006

Mr. Brad Snapp
Sedgwick County Housing Authority
604 N Main #E
Wichita, KS 67203

Re: Bond Program

Dear Mr. Snapp,

It has come to my attention that the Sedgwick bond program may be in jeopardy. I have been utilizing this fantastic program with my company, American Home Mortgage, since the day the program started and want to see it continue.

I am a huge support of special financing programs to help first-time homebuyers and the Kansas Bond Program is one of those that needs to continue in order to continue to support our community.

Sincerely,

Barbara Ballenger
Sales Manager



Snapp, Brad

From: Ryan Plattner [rplattner@affinityhomeloan.com]
Sent: Wednesday, October 04, 2006 9:39 AM
To: Snapp, Brad
Subject: Bond Program

Good morning. I wanted to write you a quick note to tell you how excited we are to be a part of the bond program in Kansas. Since we do loans throughout the entire state, this program has been very beneficial to our clients in many different areas. Our clients have been very receptive to the program and find it as an excellent way to fulfill their dream of owning a home. The interest rates are very competitive and periodically below the general market. We will continue to support this program and use it at every opportunity.

Thanks and have a great day.

Ryan Plattner
CEO

Ryan Plattner

AFFINITY
*MORTGAGES*INSURANCE*
913-469-0777 x19
www.affinityhomeloan.com

Great Rates....Even better Service....

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10/4/2006

2.22



**CITIZENS
BANK, N.A.**

September 21, 2006

Brad Snapp
Sedgwick County Housing
604 N. Main, Ste. E
Wichita, KS 67203

Dear Mr. Snapp,

I have worked as a mortgage lender for Citizens Bank, N.A. in Fort Scott for the past seven years. I am writing to you to express our bank's interest in the continued access to the Kansas Bond Program.

The program has provided several of our customers a means to purchase a home by use of the grant for closing costs and repairs and an affordable interest rate. We have accessed the program directly and through Mortgage Investment Services in Olathe with positive results both ways.

The higher income limits for the program allow more customers who are "caught in the middle" to qualify for assistance. These customers can afford monthly rent but have a hard time saving for down payments. My job is made easier by having this program to offer to these customers.

I also appreciate the assistance I have received from Ranson Housing and the training provide by their staff and US Bank.

I look forward to working with Sedgwick County Housing and the Kansas Bond Program in the future.

Sincerely,



Millicent Karleskint
Vice President
Mortgage Lending
Citizens Bank, N.A.





CORPORATE OFFICE

8406 W. Maple
Wichita, KS 67209-9902
Phone: 316-773-1515
Fax: 316-773-1099

OFFICES IN
El Dorado
Hutchinson



EQUAL HOUSING
OPPORTUNITY



MEMBER
SOUTHEAST-CENTRAL &
WESTERN KANSAS

The Executive Mortgage
Group Inc. of Kansas

September 20, 2006

Mr. Brad Snapp, Director
Sedgwick County Housing
604 N. Main, Suite E
Wichita, KS 67203

RE: Sedgwick & Shawnee County Mortgage Revenue Bond Program

Dear Mr. Snapp,

I am very concerned that once again the state legislators are trying to change this very successful program and move it to a state governed program. I fail to see how this could improve the program or make it any more accessible to the first time homebuyer or lenders.

This program has been operating with efficiency since the early 1980s and has only gotten more streamlined over the years. Ranson Housing, compliance agents, and The George K. Baum Company, have always provided a level of service that the state would be hard pressed to match, much less surpass, so I have to fall back on the old axiom, "If it ain't broke, don't fix it", and this program certainly isn't broke.

If the legislators see this as a great source of revenue with no expenses I have to wonder if they have done their homework to factor in the additional staff, training, equipment, office space, and various and sundry other expenses they would incur. This is not a program that can be maintained with any efficiency by one or two people, and if it doesn't remain efficient, the very people the program was designed to help, the first time homebuyers, are the ones that will suffer.

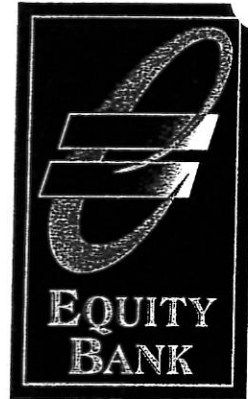
Please feel free to pass this along to whomever you wish as I feel very strongly about this issue.

Sincerely,

Marsha N. Napier
Executive Vice President

September 21, 2006

Brad Snapp
Director of Sedgwick County Housing
604 N. Main, Suite E
Wichita, Ks 67203



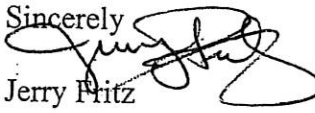
Member FDIC

Re: Bond Programs

Brad,

Just wanted to send you a little note and "Thank You" for the excellent job you all have done on the Sedgwick/Shawnee Bond Program. You have handled these exceptionally well over the years. The County's decision to refinance some of the older bonds to allow reinvestment to current and future applicants of bond money was an excellent idea. It allows applicants throughout the state to benefit with a reduced bond rate because of the smaller premium needing to be paid. Thousands of low to moderate income borrowers have benefited from your commitment to provide these bonds. Keep up the good work!

Sincerely


Jerry Fritz
Vice President

7701 E. Kellogg, Wichita, KS 67207 • 10222 W. Central, Wichita, KS 67212
555 N. Webb Rd., Wichita, KS 67206 • 225 W. Central, Andover, KS 67002

Phone 316-612-6000

www.EquityWebBank.com

2-25



P.O. Box G • 1910 E. Mary • Garden City, Kansas 67846 • 620-271-9700 • Fax 620-271-9701

September 14, 2006

To Whom It May Concern:

I wanted to personally express my opinion of the Sedgwick County Bond Program. I have been very pleased with this program and hope to continue being able to utilize it. My customers are extremely happy and it has benefited them in so many ways.

Thank you for offering this program.

Sincerely,

A handwritten signature in cursive script that reads 'Lisa M. Ratzlaff'.

Lisa M. Ratzlaff, Vice President
Garden City State Bank/Mortgage Lending

GOLDEN BELT BANK, F.S.A.

"We Take The Time To Know You"

901 Washington
PO Box 257
Ellis, KS 67637
785 726-3157
785 726-3409 Fax

September 26, 2006

1101 E. 27th
PO Box 931
Hays, KS 67601
785 625-7345
785 625-7454 Fax

Brad Snapp
Sedgwick County Bond Program
604 N Main, Suite E
Wichita, KS 67203

Dear Mr. Snapp:

We have been approved to use the Sedgwick County Bond Program since April 2005. To date, we have closed 10 loans under this program and presently have one pending. I use this program because the income levels are higher than the levels for other grant programs. I have. The first-time customer can get a grant from this program, when they couldn't with the other programs. Also, they are able to get 100% financing with the My Community Mortgage loan, and the interest rates have been around ½% less than the present 30 year mortgage loan rate. This program has allowed me to help more borrowers purchase their first homes with a first-time homeowner program.

The people at Ransom Housing have been very helpful when we call them with questions. We have been very pleased with the service we receive from them.

I think this is a great program for first-time homebuyers and I plan to continue using it.

Sincerely,



Marie Froelich
Vice President
Golden Belt Bank, FSA



Fund your future.

September 19, 2006

Mr. Brad Snapp
Sedgwick County Housing Office
604 N. Main, Suite E
Wichita, KS 67203

Sam Lines, AVP
Legacy Bank
7555 W. 21st St. N.
Wichita, KS 67205


Mr. Snapp,

This letter is being sent to you in reference to the Sedgwick/Shawnee County Bond Program, which gives down payment assistance to qualified, first-time homebuyers.

Legacy Bank began participating in the bond program in March of 2006. In that short period of time, we have closed approximately 15-20 bond loans. The bond program has assisted our customers in a couple of ways: (1) it gives them 4% towards their closing costs/pre-pays or towards their down payment, and (2) the rate has been very competitive with other 100% financing options and has kept the payment affordable for the customer.

The Sedgwick/Shawnee County Bond Program is currently our best 100% financing option and we hope it continues for a very long time.

Sincerely,



Sam Lines
AVP, Mortgage Services

3711 N. Ridge Road
Wichita, KS 67205
316.260.3711

240 W. Wichita Ave.
Colwich, KS 67030
316.796.1221

8725 W. Central
Wichita, KS 67212
316.721.9595

7555 W. 21st
Wichita, KS 67205
316.260.3755

2055 N. Woodlawn
Wichita, KS 67208
316.687.6200

www.legacy-bank.com



Member FDIC

Legacy Bank is a subsidiary of Colwich Financial Corporation. Established 1886.

2-28



The Mortgage Company

October 4, 2006

Brad Snapp
Executive Director
Sedgwick Co. Housing Office
604 N. Main Street, Ste. E
Wichita, Kansas 67203

VIA FAX: 316-383-8271

We are satisfied with the Mortgage Revenue Bond Program as it currently exists with Sedgwick County and Ransom Housing and George K. Baum & Co.

Sincerely,

THE MORTGAGE COMPANY

Randal J. Graham,
President

Mortgages Unlimited, Inc.



303 N. Kansas Ave. #106
P.O. Box 1399
Liberal, KS 67901

(620) 624-7617
fax 624-8022

Marvin D. Chance, Jr.
home (620) 624-0284
marvin@mtgsliberal.net

October 10, 2006

Sedgwick Housing Dept.
Attn: Brad Snapp – Exec. Dir.
604 N. Main, Suite #E
Wichita, KS 67203

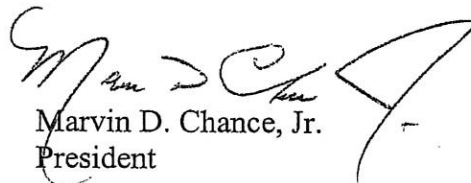
Dear Mr. Snapp:

The first time homebuyer's program provided through Ransom Housing has been a very beneficial program for Liberal and the surrounding communities for the past several years.

The high levels of knowledge and customer service that are provided by Ransom Housing have allowed for me and my staff to continue using this program effectively.

If you have further questions or need additional information, do not hesitate to call.

Respectfully,


Marvin D. Chance, Jr.
President



PIONEER BANK & TRUST
2118 N. Tyler, Bldg. B, Suite 101
Wichita, KS 67212

(316) 721-9660
FAX (316) 721-9661

October 3, 2006

To Whom It May Concern:

Our experience with the first time homebuyer's Bond Program under the care of Sedgwick County has been excellent. We have felt the process has been smooth and our customers have been very happy with the results. We would recommend the program to any first time homebuyer.

Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in cursive script that reads "Matt Carney".

Matt Carney
Pioneer Bank and Trust



**PLAZA LANE MORTGAGE
& INVESTMENT CO.**

VA - FHA - Conventional

September 20, 2006

Brad Snapp,

The KS Local Government Housing Program has been a very rewarding program to our first time homebuyers. It has assisted many of our customers in providing them with the help they needed to obtain their dream in owning their first home.

The bond program has been very easy to process. We are very pleased that we chose to participate in the program so that we could open new doors for our first time homebuyers through your assistance.

Mary McCammon and her team at Ranson Housing Compliance in Wichita provide an excellent level of customer service. They are and will continue to be second to none. They have always been polite and courteous and are intensely familiar with the bond program. It is the opinion of Plaza Lane Mortgage that without Ranson Housing Compliance, the bond program does not exist in the state of Kansas. They are the epicenter of the bond program.

Sincerely,

Cathy McKerracher
President
Plaza Lane Mortgage
1228 ½ SE Louis Blvd.
Mulvane, KS 67110
Ph (316)777-2200
Fx (316)777-9100

Security Savings Bank

SolidGround™

September 21, 2006

Brad Snapp, Director
Sedgwick County Housing Authority
604 N Main, Suite E
Wichita, KS 67203

Dear Brad,

I have been involved in mortgage lending and various Mortgage Revenue Bond programs over the last 23 years. My experience with the Sedgwick Co Shawnee Co MRB program, George K Baum & Company and Ranson Housing has been the best. Their knowledge, expertise and professionalism have a direct impact on this program running smoothly.

Reservation and approval confirmations have been quick and efficient which provides our borrowers with a much less stressful experience than with other first-time homebuyer programs. I am very pleased with the program as it is.

Sincerely,



Cheryl A Blake
Vice President
Mortgage Lending

Security Savings Bank

SolidGround™

October 3, 2006

Brad Snapp, Director
Sedgwick County Housing Office
604 N Main, Suite E
Wichita, KS 67203

Dear Brad,

I want you to know how much I appreciate the bond program for First Time Homebuyers. This program has directly impacted the lives of many of my applicants.

The number one hurdle for almost every first time homebuyer to overcome is coming up the funds needed for a down payment or closing costs. It is often the case that these young families have good stable income, good credit, and a small amount in a checking or savings account. However, that amount will not cover the down payment or closing costs. The bond program is a huge help.

In any real estate transaction time is of the essence. The Realtors, buyers, sellers, and lenders need to know that if we are working with an outside source to provide funds for closing, those funds will be there and the closing will not be delayed. The dependability of this bond program is definitely one of its strengths.

I hope to continue to have the bond program available for the clients I serve in the Wichita and surrounding communities.

Sincerely,



Guy Wenzel
Mortgage Loan Officer

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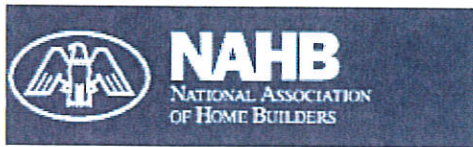
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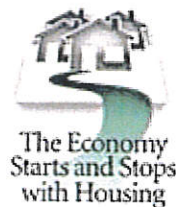
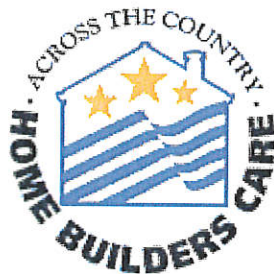
**GREEN BUILDING FOR HOUSING
AN INTRODUCTION**

FEBRUARY 6, 2008

**PRESENTED BY
CARL L. HARRIS
NAHB, KBIA AND WABA**



**TO THE HOUSE ECONOMIC DEVELOPMENT AND
TOURISM COMMITTEE
REPRESENTATIVE LANA GORDON, CHAIR**



Economic Development & Tourism

Date: 2-6-08

Attachment # 3-1

Green Building for Housing

Introduction

The growing interest in green building among our members, homebuyers, legislators and the media tells us that the idea of sustainable home construction is no passing fad – it's the future of building.

However, as special interest groups turn up the heat at city halls and statehouses in their push for green building mandates, it's up to the industry to insure that green building remains affordable and flexible – and therefore, voluntary.

This is a dynamic, evolving way to build, and mandates are not only premature, but they take away customer choice and to make sure that the legislative and regulatory environment remains conducive to cost-effective, flexible green building.

Across the country, we are observing a growing movement toward legislation, which would mandate green building practices for homebuilders or require green building practices as conditions of entitlement.

Background

What is 'Green Building'?

Incorporating environmental considerations and resource efficiency into every step of the home building and land development process to minimize environmental impact.

Green building means making intentional decisions that positively impact energy efficiency, resource conservation and indoor environmental quality throughout the design and construction process. Many have confused Green Building to mean energy efficiency, when energy efficiency is only part of a green building program, albeit a very important part.

The most commonly applied green building principles are:

- **Energy Efficiency** – Specifically, installing efficient HVAC systems, low-e windows and energy efficient appliances.

Energy consumption has far-reaching environmental impacts: from the mining of fossil-fuel energy sources to the environmental emissions from the burning of non-renewable energy sources. Energy consumption is weighted heavily in a green building program.

- **Indoor Air Quality** – Again, installation of efficient HVAC equipment ranked at the top, followed by the use of formaldehyde-free finishes, and selection of products with minimum off gassing and low volatile organic compounds (VOCs).

The increase in reported allergies and respiratory ailments and the use of chemicals that off-gas from the building materials have contributed to a heightened awareness of the air we breathe inside our homes.

○ **Water Conservation** – Here, storm-water mitigation, water-efficient appliances, water conserving fixtures and water filtration systems were deemed most critical.

The importance of water resources is becoming increasingly recognized and emphasis is given to efficient water delivery systems indoors and drought-resistant landscaping choices outdoors to prevent the waste of this resource.

○ **Site Design** – Designing to minimize site disruption and preserve open space was the most commonly employed techniques.

Site design principles such as saving trees, constructing on site water retention/infiltration features and orienting houses to maximize passive solar heating and cooling are basic processes.

○ **Material and Resource Conservation** – Green builders are using high-performance engineered wood, wood alternatives, allergen-free materials, recycled building materials and sustainable harvested lumber.

Resource efficiency can include reducing jobsite waste, use products that use more of the log than would normally be used in dimensional lumber and products that are produced closer to the project worksite.

The Home is more than the sum of its parts

To function properly, a home, like an ecosystem, depends on the interaction of its many unique components.

The greatest operation and efficiency improvements result from a “whole systems approach.” That is, recognizing that the features of one component in the house can greatly affect other components, and ultimately, affect the overall efficiency, comfort, durability and health of that living space. For example, rather than simply focusing on individual decisions related to energy efficiency, such as the R-value of attic insulation, builders should consider the implications of each material or equipment choice on the performance of the whole house.

Most homebuilders are already incorporating some elements of green building into their current practices. By recognizing these contributions, and tackling the more complex issues as training and resources allow, more and more mainstream homebuilders are effectively and holistically weaving environmental concerns into their business models. The result is homes that are more resource-efficient, better for the environment, more comfortable for occupants, longer lasting and more marketable.

In fact, green building is at a tipping point. McGraw-Hill data indicates that 2006 to 2007 is the time frame when the builder population will move from a majority less involved to more involved. 2006 findings showed a 20% increase over the previous year, in terms of those builders dedicated to green building issues. That number is expected to rise by an additional 30% by the end of 2007.

There is no doubt that energy costs are a leading driver in the recent surge in popularity of all things ‘green,’ but McGraw-Hill found that the leading reason builders gave for building green was “because it’s the right thing to do.”

NAHB and Green Building

A recent survey of NAHB members showed that by the end of 2007 more than half would incorporate green practices into the development, design and construction of new homes. This means that NAHB members are engaging in green building at an astounding rate. The association wants to ensure that green practices remain flexible, voluntary and cost-effective so that this growth can continue.

In 2004, NAHB convened a group of builders, researchers, environmental experts, designers and other stakeholders to write the NAHB Model Green Home Building Guidelines, so that our members could easily develop local green building programs.

Since 2005, NAHB's green building strategy has been used to assist local associations in developing their own voluntary green building programs, based on the Guidelines. Over 30 such programs have launched. The market dynamics have changed rapidly since 2005. The 2007 legislative session brought a sharp increase in proposals that would incentivize or mandate residential green building practices at the state or local level. Legislators were seeking quantifiable results and in many instances, defaulted to referencing the USGBC's costly and burdensome LEED rating systems. The few exceptions were jurisdictions where HBAs had launched local green building programs, such as New Mexico and St. Louis, MO. There, the HBAs were able to successfully position the local green building program as a viable option.

As outside organizations and local governments attempted to dictate green building requirements, it quickly became clear that associations, builders, and legislators were in need of an alternative - a credible, cost-effective, nationally-recognized program, with streamlined administration and certification procedures.

In response, NAHB has made a substantial investment in a National Green Building Program to buffer onerous and costly mandates and to support already successful local programs by giving them the advantage of co-branding with a nationally marketed program.

The National Green Building Program will be administered by the NAHB-Research Center, with oversight from NAHB. The NAHB-RC will establish certification protocols that will transform the Guidelines and eventually, the Standard into a National Program for all the builders that make up the NAHB membership - single-family, multi-family, developers and remodelers.

To make these tools easily accessible to the membership, the NAHB-RC is developing interactive, Webbased software to guide builders through the certification process - and a Web site to serve as a one-stop shop for green building resources.

For existing and new HBA green building programs, the NAHB-RC is developing quality assurance protocols. Programs that meet stringency and certification requirements will be eligible for co-branding with the National Green Building Program and have access to a host of turnkey tools and resources, such as marketing materials and model legislation.

The National Program will also offer certification options for individual builders located in areas without HBA green building programs; and large volume builders who build across markets. With the National Green Building Program, NAHB will provide a market-driven and affordable choice for builders and ultimately, home buyers.

On October 15, 2007, the NAHB-RC began National Green Building Program Pilots in 12 locations. The intent is to test the functionality of the online platform. The program criteria has been well vetted by local green building programs over the last two and a half years – work which has resulted in hundreds of certified green homes. The National Green Building Program will officially launch in February 2008 at the International Builders Show (IBS).

In June 2007, the NAHB Board of Directors dedicated funding to the development of a Certified Green Professional Designation Program – also to launch at IBS.

NAHB also has several national forums to communicate with and educate homebuilders and the industry at large about green building. These include the annual National Green Building Conference and the National Green Building Awards. The 10th Anniversary National Green Building Conference will take place May 11-13, 2008 in New Orleans, LA.

NAHB's Model Green Home Building Guidelines

Since 2005, the National Association of Home Builders' Model Green Home Building Guidelines have been helping to move 'green' building into the mainstream marketplace. Intentional decisions about energy efficiency, water and resource conservation, sustainable or recycled products, and improved indoor air quality are rapidly becoming part of the everyday process of building a home.

NAHB developed the voluntary Model Green Home Building Guidelines, in 2004, in conjunction with the NAHB Research Center. By providing homebuilders and HBAs with a nationally recognized green baseline to strive for, the Guidelines have helped to facilitate the adoption of environmentally responsible and resource-efficient construction methods and to facilitate the formation of local green building programs.

The Guidelines cover best practices in seven major areas, including lot preparation and design; resource efficiency; energy efficiency; water efficiency; indoor environmental quality; operation, maintenance and homeowner education; and global impact. They are not intended to be a one-size-fits-all solution to building green. Instead, the Guidelines provide builders with the flexibility to choose among a variety of options and means to achieve various green thresholds. Furthermore, the Guidelines can be customized by HBAs to reflect local geographic and climate conditions.

More than 30 local green building programs based on the Guidelines have launched since the document's debut – and dozens more are currently in development. The Guidelines have become a de facto standard – and an industry benchmark. However, as green building continues to gain popularity, there are several organizations outside of NAHB vying for greater influence in establishing residential green building practices.

Thus, NAHB members elected to take the Guidelines through the American National Standards Institute (ANSI) standards process, to allow them to gain further acknowledgement and prominence as an 'industry standard practice,' developed via a true consensus process. NAHB has partnered with the International Code Council (ICC), the preeminent authority for building codes, on this effort.

The consensus committee that is developing the Standard includes members from the U.S. EPA; the U.S. DOE; the U.S. Navy; many state and local housing agencies; product manufacturers; non government green building organizations, like the Green Building Initiative and the USGBC; code officials; builders from small custom builders up to nation's largest production builder, K. Hovnanian; and others.

This new standard will be applicable to single-family homes; multi-family homes, like condos and apartments; and to residential remodeling. It even includes lot and site development to help create green communities, not just homes.

After an open process and the opportunity for public comment, the document will be certified by ANSI this winter, unveiled in February at the International Builders' Show in Orlando and published by March 2008.

At the same time, we will launch the NAHB National Green Building Program, setting a national certification standard and creating a brand-new network of these successful, flexible, regionally appropriate local programs.

The NAHB National Green Building Program is intended to bolster the already lively network of voluntary green building programs, by providing web-based certification and other resources at the lowest possible cost as a way to expand green options for our nation's home builders and home buyers.

NAHB's Position

NAHB and its affiliated state and local home builder associations, whose members build 80 percent of the nation's new homes every year, are leading the effort to bring green building practices into the mainstream.

A National Perspective

- NAHB Builders have been building green since the term was coined in Austin, TX in 1991.
- Green building means that energy efficiency; water and resource conservation, sustainable or recycled products, and indoor air quality are incorporated into the everyday process of home building. Today, the vast majority of our members incorporate at least some green practices into their home building. Green building is becoming a mainstream practice.
- We surveyed our members in early 2006 to investigate market demand for green building and to explore the triggers and obstacles that come along with the territory. What the survey found is that green building is at the tipping point. There was a 20 percent increase over 2005 in builders

dedicated to green building issues. That number is expected to rise by another 30 percent by the end of 2007.

- When the survey asked these homebuilders why they are building green, their No. 1 answer was “because it’s the right thing to do.” Ninety-two percent of respondents said that. The No. 2 answer, at 87 percent, was energy efficiency.
- So why isn’t everything built green? Obviously, there are obstacles. The first one is cost. You can save a lot of money on your heating bills with a green-built home, but it might cost more to build it– the industry average, the survey said, is about 10 percent.
- When you understand that every time the price of a home goes up by \$1,000 you have 240,000 potential households priced out of home ownership, you understand why this is a real worry among home builders and among all of us who are concerned about affordability.
- It’s important to balance our desire to preserve the environment with our need for workforce housing. Our police officers, our firefighters, and our teachers should be able to work close to where they serve – and it would be ironic to force them to have to move farther away and use more gas to get to work because they can’t afford to spend more on an energy-efficient home.
- NAHB is working to encourage our associate members – the vendors and suppliers who create the green products that are demonstrated every year at NAHB’s National Green Building Conference and at the International Builders’ Show – to continue to create innovative products for our members at reasonable prices.

The Building Code Process Creates Greener Homes

- Builders, engineers, trade group representatives and building code officials have a tried and true process for applying improved safety measures, energy efficiency and technological advances to new home building: the regular hearings conducted by the International Code Council.
- In developing the Codes, officials must weigh the impact of each proposal to ensure that it is affordable. For example, proposed energy efficiency measures are considered to be cost effective when they have no more than a 7-year payback – the higher initial price must be recouped in energy savings within seven years.
- States and local jurisdictions can amend codes to reflect regional differences or community preferences, but adding a brand-new code only adds an additional layer of bureaucracy for home owners, elected and appointed officials, and home builders.
- Voluntary programs also exist that enable builders to build “above code” in areas such as energy efficiency. Successful examples include the national ENERGY STAR® program and local green building programs based on the NAHB Model Green Home Building Guidelines.

Why NAHB’s Guidelines Work

- Published in 2005, the voluntary Guidelines cover seven areas, including lot preparation and design; resource efficiency; energy efficiency; water efficiency and conservation; indoor environmental quality; operation, maintenance, and homeowner education; and global impact - and can be customized to reflect local geographic and climate conditions.
- The NAHB Model Green Home Building Guidelines were developed through an extensive, yearlong review of existing programs and industry best practices via an open, transparent process that gathered ideas from 64 industry stakeholders including builders, researchers, manufacturers, environmentalists and government agencies.
- The Guidelines working group also considered existing programs in the marketplace including established HBA supported green building programs, like The City of Austin’s Green Builder

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program, Built Green of Metropolitan Denver, and Built Green Washington; and national programs, like ENERGY STAR and the American Lung Association's Health House program.

- The Guidelines were developed in conjunction with the NAHB Research Center, an ANSI accredited standards developing organization, in the same style as a formal standard to ensure a consensus-based product.

- Furthermore, the Guidelines can be customized to fit local conditions and reflect differences in local housing stocks. The original working group recognized that no one approach is perfect and none is appropriate in all situations. For example, in an arid climate, water conservation will be more of a priority; whereas in heavily congested areas of the country, accessibility to public transportation might be a bigger concern. The Guidelines allow builders to choose regionally appropriate solutions, and by doing so they help keep housing affordable.

- In early 2008, HBAs will be able to adopt the ICC/NAHB National Green Building Standard as the basis for their programs; and bring existing programs, based on the Guidelines into compliance with the new standard. Per ANSI protocols, the standard is being developed by a Consensus Committee made up of more than forty stakeholders that represent a broad spectrum of the industry. A national consensus standard developed by a diverse committee with a balance of interests will give prominence and stature to the techniques employed by homebuilders already using the NAHB Model Green Home Building Guidelines. Furthermore, it will bring uniformity to sustainable building.

- The new standard will be applicable to all residential construction types, including single and multi-family units, remodeling, and community or land development projects.

- NAHB is confident that this standard will become common green building practice because of the success of voluntary Guidelines-based programs that have started all over the country.

Market-Based, Voluntary Guidelines Are More Likely To Meet With Success

- Voluntary, market-driven green building standards are preferable to mandates, which can reduce the incentive and the market pressure to adapt and to change

- A competitive market process enables green standards and benchmarks to continually improve, responding to the needs of consumers and builders and also incorporating new technology and experience.

- A flexible, regionally appropriate approach is preferable to a unilateral approach that does not take into account local issues, architecture, or geographic differences.

- There is no one-size-fits-all green building standard. Having a variety of green building programs in the marketplace allows users to assess each standard's effectiveness and choose when, how and whether to employ it.

The Guidelines Encourage Cost-Effective Green Building

- The flexibility of the Guidelines encourages affordable green building. Builders can achieve a number of levels depending on cost considerations and consumer preference – adding incremental improvements or even building a zero-energy home.

- Mandates can negatively impact housing affordability by requiring measures that may be unnecessary or overly expensive in certain circumstances.

- Unlike competing outside interests, NAHB has no financial stake in the success of its NAHB Model Green Home Building Guidelines, which our member associations may use to develop voluntary programs for local homebuilders. Projects are certified locally and at a minimal cost, further enabling green to move into the mainstream.

In Legislation

- Legislators should recognize all credible green building rating systems, rather than mandating a proprietary and self-serving program

When we do see legislation or mandates, it's preferable if elected officials encourage the use and development of multiple rating systems, rather than choosing or emphasizing one particular rating system through mandates. Expanding, rather than limiting, the number of credible green building rating systems will foster greater participation and innovation in high-efficiency green building construction.

A common thread in these pieces of legislation, proposed across the country, is that many reference the U.S. Green Building Council's LEED for Homes (USGBC's LEED-H) program as the sole means of compliance.

LEED-H has been a pilot program and recently launched is likely to create a spike in such legislation into 2008. LEED-H mandates would undoubtedly have a negative impact on housing affordability. Many builders who have participated in the LEED-H pilot report that the rating system is costly to comply with, contains too many mandatory measures, and offers little flexibility.

USGBC has approximately 70 member chapters around the country. This grassroots network has been extremely successful in making USGBC's 'voluntary' commercial rating system (LEED-NC) mandatory for taxpayer-funded buildings by lobbying for its inclusion in state and local legislation. USGBC and its chapters are now shifting focus to the residential market by attempting to institutionalize USGBC's residential green building product, LEED-H, through regulatory devices.

Many proven, credible alternatives to the LEED-H pilot rating system already exist. NAHB's Model Green Home Building Guidelines have been widely accepted in the marketplace. Last fall, 2007, the number of voluntary Guidelines-based green building programs had climbed to more than 30 around the country, with more than 100 HBAs interested in new program development. Currently, there are about 100,000 certified green homes in the United States built by our members in local green building programs. By the end of the year, these programs expect to certify about 35,000 more.

Because of the positive initial market acceptance of the Guidelines, in February 2007, the International Code Council (ICC) and NAHB partnered to take the document through the ANSI standards process to create the first and only residential green building standard. Development of the ICC/NAHB National Green Building Standard is underway. The document will be available in March 2008.

There are many other good program choices available too. NAHB policy supports green building rating systems that quantify sustainability and resource efficiency in new home construction, while remaining voluntary, flexible and market driven; and reflecting regional differences and local building preferences.