

IDAHO HOUSING AND FINANCE ASSOCIATION

STATEMENT OF OFFICIAL INTENT (HIGHLANDER APARTMENTS PROJECT)

June 10, 2025

WHEREAS, the Idaho Housing and Finance Association (“IHFA”) is authorized under Title 67, Chapter 62 of the Idaho Code, as amended (the “Act”), to issue nonrecourse revenue bonds to finance loans to nonprofit corporations for nonprofit facilities that promote charitable, educational, human service, cultural and other purposes pursued by such nonprofit corporations; and

WHEREAS, an application has been filed with IHFA by FFAH Highlander ID, LLC, an Idaho limited liability company whose sole member is an nonprofit corporation (hereinafter, the “Borrower”) for the issuance of IHFA’s Nonprofit Facilities Revenue Bonds (Highlander Apartments Project), Series 2025 pursuant to Section 145 of the Internal Revenue Code of 1986, as amended, in an aggregate principal amount of up to \$27,500,000 (the “Bonds”), in one or more series as part of a plan of finance, for the purpose of making a loan or loans to the Borrower to: (i) finance the acquisition, rehabilitation and equipping of affordable housing facilities consisting of 102 units located at 616 Warner Avenue, Lewiston, Idaho (the “Facilities”), and (ii) pay certain costs associated with the issuance of the Bonds (collectively, the “Project”); and

WHEREAS, the Facilities and any related property or equipment will be owned and operated by the Borrower; and

WHEREAS, the Vice President, Project Finance of IHFA has been authorized by the Board of Commissioners of IHFA (the “Board”) pursuant to the Board approved IHFA Statement of Policy and Rules Concerning Issuance of Bonds for Nonprofit Facilities (the “Policy”) to receive and review applications of nonprofit organizations and, in the discretion of the Vice President, Project Finance, to deem the application sufficient to issue a statement of official intent of IHFA pursuant the Internal Revenue Code of 1986, as amended (the “Code”), and related regulations; and

WHEREAS, the Vice President, Project Finance has reviewed the Borrower’s application and now desires to issue this Statement of Official Intent (Highlander Apartments Project) to (i) finance the Project through the issuance of the Bonds in a principal amount of up to \$27,500,000 and (ii) for certain proceeds of the Bonds to reimburse the Borrower for certain expenditures on the Project (the “Reimbursable Expenditures”) incurred by the Borrower not earlier than sixty (60) days prior to the date of this Statement of Official Intent, but prior to the issuance of the Bonds; and

WHEREAS, IHFA expects such reimbursements to occur not later than 18 months after the later of (i) the date of the Reimbursable Expenditures, or (ii) the date the Project is placed in service, but no later than three years after the date of the Reimbursable Expenditures.

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NOW, THEREFORE, IDAHO HOUSING AND FINANCE ASSOCIATION on this 10th day of June, 2025, hereby declares its intent to issue the Bonds in order to finance the Project subject to approval by the Board.

This Statement of Official Intent is an affirmative action of IHFA made pursuant to Section 1.150-2, Code of Federal Regulations toward the issuance of the Bonds in accordance with the purposes of the laws of the State of Idaho and the applicable United States Treasury Regulations; and it is hereby acknowledged that the Borrower intends to incur and pay for Reimbursable Expenditures from its funds and expects to reimburse itself for those Reimbursable Expenditures from the proceeds of the Bonds on the condition that such Reimbursable Expenditures are and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Reimbursable Expenditure), (b) a cost of issuance with respect to the Bonds or (c) a nonrecurring item that is not customarily payable from current the Borrower's revenues and such reimbursement shall occur not later than 18 months after the later of (i) the date of the Reimbursable Expenditures or (ii) the date the Project is placed in service, but no later than three years after the date of the Reimbursable Expenditures.

IDAHO HOUSING AND FINANCE ASSOCIATION

By: _____
Cory Phelps, Vice President, Project Finance