

## CSG Proposed Services

### Single Family Financial Advisor Services:

- Advise as to appropriate timing and provide comprehensive MRB structuring alternatives for issuance of debt.
- Review the bond financing and offering documents, as applicable.
- Assist with the selection of underwriting team, credit enhancement providers, and other parties.
- Rating Agency consulting and relationship management.
- Provide comprehensive TDHCA financial and capital adequacy analysis and reporting and assist leadership with strategic planning initiatives, including program design recommendations.
- Attend Texas Bond Review Board and TDHCA Board meetings, as required.
- Attend bond pricings, as required.
- Provide other financial advisory services as requested by the Department.
- Analyze and advise on proposed structure, pricing, expenses, underwriter's compensation, and attributes of proposed issuances, including any new single family bond structures of the Department.
- Review ratings, including rating agency stress tests and other evaluative criteria, and assisting in developing, as needed, strategies to achieve and maintain ratings that are consistent with ratings objectives of the Department and the State of Texas. Prepare rating agency and management cash flows which incorporate all rating agency requirements and TDHCA bond indenture provisions and certificate Cash Flows for Bond Resolution and indenture compliance.
- Assist the Department in evaluation and development of DPA funding solutions.
- Analyze options to monetize DPA second loans to increase liquidity for ongoing operations.
- Provide models to assist in mortgage rate setting, current and future mortgage pipeline management, and well as pipeline performance monitoring.
- Analyze and assist in identifying refunding, defeasance, exercise of options, cross-call or other opportunities for existing debt.
- Provide database tools to acquire, store, and translate HFA, trustee, and third-party data into usable and actionable reporting.
- Calculate bond and mortgage yields, weighted average maturity, and universal cap
- compliance., both at bond issuance and as needed post-closing for federal tax law compliance.
- Store refunding genealogy and, compute and monitor 32- and 10-year rule compliance.
- Analyze prepayment speed analytics under various economic scenarios.
- Recommend and implement bond redemption strategies.
- Consultation on TBA program structure and product offerings.

### Swap Services:

- Assist with quarterly swap mark-to-market reports and annual GASB #53 and GASB #72 reports.
- Valuation and accounting calculations.
- Assist in price verification and competitive bidding on new swaps.
- Counterparty selection and ongoing monitoring.
- Document review and negotiation.
- Valuation and accounting calculations.
- Swap performance / risk assessment.
- Federal tax law compliance calculations
- Market opportunities and option exercise recommendations.
- Derivative structure consultation for housing finance synergy.
- Provide regulatory guidance.

**Investment Services:**

- Act as bidding agent for Guaranteed Investment Contracts (GICs), repurchase agreements, and securities.
- Maintain records of investment agreement provider credit ratings.
- Monitor rating agency investment criteria.
- Assist in analysis of negative arbitrage, arbitrage rebate, analysis and rating agency investment methodology.

**Multifamily Services:**

- Provide recommendations to the TDHCA Board relating to the bond issuance and structure of the transaction.
- Review bond financing and, as applicable, offering documents.
- Analyze and advise on proposed structure, pricing, underwriter's compensation and attributes of proposed issuances, including any new bond structures.
- Rating Agency consulting and relationship management.
- Provide program design recommendations, as appropriate.
- Review and assist with possible modifications to the Department's form of institutional investor letter.
- Research and advise on layering third party assistance programs (e.g., HUD subsidy programs).
- Provide a final transaction closing report for each multifamily issuance.
- Attend Texas Bond Review Board and TDHCA Board meetings.
- Assist, when necessary, with bond closings.
- Provide other financial advisory services as requested by the Department.
- Assist and advise, upon request, regarding multifamily workouts and restructurings, bond redemptions and defeasances.
- Provide reports (quarterly or as agreed upon) detailing interest rates, trends, volume and structure of multifamily transactions closed in the market, etc.
- Review ratings, including rating agency stress tests and other evaluative criteria, and assisting in developing, as needed, strategies to achieve and maintain ratings that are consistent with ratings objectives of the Department and the State of Texas.
- Provide cash flow analytics
- Calculate bond and mortgage yields and weighted average maturity, both at bond issuance and as needed post-closing for federal tax law compliance.