Agenda Item 9 –
Update on Moody’s annual review of the Agency’s credit ratings

May 9, 2013

On 3/19/13, Moody’s confirmed the Agency’s credit ratings:

- Issuer Credit Rating (G-O): A3, negative
- HMRB (special obligation): Baa2, negative

Confirmation based on:

- "stable and improving financial performance"
- "strong actions by management"
- "effective steps to improve the Agency’s finances"
- "worked proactively to improve the Agency’s balance sheet"
- "strong relationship with the State"

Our ratings have reached an inflection point:
Affirmation of the proposed allocation of the Agency's liquidity

Collateral posting risk is better contained

On 4/30/13, closed a refunding of NIBP bonds

- RMRB 2009 A-4 $100.2Mn 3.55% 2.90%
- RMRB 2009 A-3 $33.5Mn 3.10% 2.90%

Future expected savings depend on the life of the loan portfolio. Estimated savings:
  - First year: $700,000
  - NPV after issuance costs: $2.0Mn to $3.5Mn