



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

EARL J. POLESKI
EXECUTIVE DIRECTOR

May 30, 2017

Q/A for RFP: Swap Valuations

1. To fully understand the complexity of your portfolio and to provide the best pricing can we receive all trade confirms?

This information will be made available to the winning bidder only.

2. If we can't receive all the confirms, can we receive a detailed sample of confirms that are representative of the portfolio's complexity?

No.

3. How many cancelable swaps are in the portfolio?

See the MSHDA Financial Report, dated June 30, 2016 - Footnote 14

4. Do any swaps have minimum outstanding notional requirements?

See the MSHDA Financial Report, dated June 30, 2016 - Footnote 14

5. Can we receive a copy of the 2015 GASB 53 Report?

See the MSHDA Financial Report, dated June 30, 2016 - Footnote 14

6. Were there any debt refundings and/or cancellations in 2016 which affected existing hedge relationships? If so, how many?

Yes, three (3).

7. GASB issued Statement No. 72 effective for financial statements for periods beginning after June 15, 2015 requiring all fair values to incorporate the risk of nonperformance; therefore, it is our understanding it shall be required for June 30, 2017 and June 30, 2018 for the Authority's swaps. Does the Authority expect to comply with this requirement, and should the bidder be expected to provide fair values pursuant to GASB 72?

See the MSHDA Financial Report, dated June 30, 2016 - Footnote 14