



National Homebuyers Fund Inc. (NHF)

Board of Directors Meeting

**Wednesday
February 11, 2026
9:15 A.M.**

**1215 K Street, Suite 1650
Sacramento, CA 95814**

National Homebuyers Fund, Inc. (NHF)
Board of Directors Meeting
February 11, 2026 - 9:15 a.m.
1215 K Street, Suite 1650
Sacramento, CA 95814

NHF Board of Directors:

Supervisor Daron McDaniel, Merced County
Supervisor Robert Poythress, Madera County
Supervisor Miles Menetrey, Mariposa County
Supervisor Bob Nelson, Santa Barbara County
Supervisor Anne Cottrell, Napa County

**Additional Teleconference Locations are Listed on the
Last Page of this Agenda**

(All Teleconference Locations are Accessible to the Public)

This meeting will also be livestreamed for public access. Members of the public can watch or listen to the meeting using one of the following methods:

1. Join the Zoom meeting application on your computer, tablet or smartphone:

Go to: <https://rcrcnet.zoom.us/j/83725296509>

Enter Password: 817065

2. Call-in and listen to the meeting:

Dial +1 (669) 444-9171

Enter meeting ID: 837 2529 6509

Enter password: 817065

PUBLIC COMMENT USING ZOOM: Members of the public who join the Zoom meeting, either through the Zoom app or by calling in, will be able to provide live public comment at specific points throughout the meeting.

EMAIL PUBLIC COMMENT: One may also email public comment to mchui@rcrcnet.org before or during the meeting. All emailed public comments will be forwarded to all NHF Board of Directors members.

AGENDA

1. Call to Order and Determination of Quorum

Chair, Supervisor Daron McDaniel, Merced County

2. Public Comment

At this time any member of the public may address the Board. Speakers are asked to state their name for the record. Comments are usually limited to no more than 3 minutes per speaker.

3. Consent Agenda – ACTION

a. November 5, 2025 Board Meeting Minutes

Page 1

b. NHF 2026 Investment Policy Renewal

Page 3

Milena De Melo, RCRC Finance Director

c. NHF Resolution 26-01: NHF Board Travel Policy

Page 11

Milena De Melo

- d. Recognition of 2026 NHF Board of Directors and Corporate Officers** **Page 21**
Patrick Blacklock, President

- 4. NHF Financial Reports** (Discussion and possible action relative to)
Milena De Melo
 - a. Condensed Balance Sheet (December 31, 2025)** **Page 23**
 - b. Investment Report (Period Ended December 31, 2025)** **Page 27**
 - c. Budget v. Actual Report (Period Ended December 31, 2025)** **Page 31**

- 5. Business and Administrative Matters** (Discussion and possible action relative to)
Craig Ferguson, Vice President
 - a. NHF 2026 Business Plan** **Page 35**
 - b. Other Business and Administrative Matters**

- 6. Program Updates** (Discussion and possible action relative to)
Craig Ferguson
 - a. Business Development and Program Updates** **Page 39**

- 7. Adjournment**

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, please call (916) 447-4806 at least 48 hours before the meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment, please let staff know if you would like to speak on a specific agenda item. The agenda for this regular meeting of the National Homebuyers Fund, Inc. was duly posted at its offices, 1215 K Street, Suite 1650, Sacramento, California, 72 hours prior to the meeting.

Any written materials related to an open session item on this agenda that are submitted to the National Homebuyers Fund, Inc. less than 72 hours prior to the meeting, and that are not exempt from disclosure under the Public Records Act, will promptly be made available for public inspection at NHF's principal office, 1215 K Street, Suite 1650, Sacramento, CA 95814, (916) 447-4806, during normal business hours, and on the NHF website, <http://www.nhfloan.org/notices.html>.

Additional Teleconference Location(s)

Santa Barbara County Betteravia Government Center 511 E. Lakeside Parkway, Suite 47 Santa Maria, CA 93455	
--	--

**National Homebuyers Fund, Inc.
Board of Directors Meeting
November 5, 2025 - 9:15 a.m.
1215 K Street, Suite 1650
Sacramento, CA 95814**

MINUTES

Call to Order, Determination of Quorum

NHF Chair, Supervisor Daron McDaniel, Merced County, presided. Present were President Patrick Blacklock, General Counsel Arthur J. Wylene, and RCRC Director of Board Operations Maggie Chui, clerk. NHF Chair McDaniel called the meeting to order at 9:15 a.m. A quorum was determined at that time. Those members present:

Directors

Supervisor Daron McDaniel, Merced County
Supervisor Robert Poythress, Madera County*
Supervisor Geri Byrne, Modoc County
Supervisor Miles Menetrey, Mariposa County

Absent

Supervisor Anne Cottrell, Napa County

*Attendance via Zoom

Public Comment

None

Consent Agenda – ACTION

a. October 15, 2025 Board of Directors Meeting Minutes

NHF Chair, Supervisor Daron McDaniel, Merced County, called for approval of the above-listed consent agenda item.

Supervisor Geri Byrne, Modoc County, motioned to approve the consent agenda. Supervisor Miles Menetrey, Mariposa County, seconded the motion. Motion passed with all Supervisors present voting “Aye.”

Condensed Balance Sheet (September 30, 2025)

Milena De Melo, RCRC Finance Director, presented the NHF Condensed Balance Sheet as of September 30, 2025, as compared to 2024 and 2023.

Investment Report (Period Ended September 30, 2025)

Milena De Melo presented the NHF Investment Report which provided a summary of investment transactions from December 31, 2024, to September 30, 2025.

Budget v. Actual Report (Period Ended September 30, 2025)

Milena De Melo presented the NHF Statement of Revenues and Expenses which provided a summary of the budget to actual comparison for the period ended September 30, 2025.

NHF 2026 Proposed Budget

Milena De Melo, RCRC Finance Director, reviewed the proposed 2026 Operating Budget for NHF.

Recommendations

It was recommended that the NHF Board of Directors approve the following actions:

1. Approve the attached proposed 2026 NHF Operating Budget (Attachment A).
2. Approve the 2026 contract service fee to RCRC in the amount of \$4,500,500 and transfer of \$2,000,000 of excess revenues to RCRC in accordance with the NHF bylaws, to be transferred in equal quarterly amounts of \$500,000 during 2026.

Supervisor Robert Poythress, Madera County, motioned to approve the above-listed recommendations. Supervisor Miles Menetrey, Mariposa County, seconded the motion. Motion passed with all Supervisors present voting “Aye.”

Adjournment

NHF Chair, Supervisor Daron McDaniel, Merced County, adjourned the NHF Board of Directors Meeting at 9:28 a.m.



To: Members of the NHF Board of Directors
From: Milena De Melo, RCRC Finance Director
Date: February 4, 2026
Re: NHF 2026 Investment Policy Renewal - **ACTION**

Summary

The Investment Committee is responsible for overseeing the investment activity of NHF and annually presents the Investment Policy to the Board for review and approval.

Issue

The Investment Policy was last revised and approved in February 2025. This policy aims to guide our investment decisions, ensuring alignment with our overall goals, risk tolerance, and regulatory requirements. The Investment Committee which consists of the NHF President, Chief Financial Officer and Vice President, has reviewed the policy and is submitting it for annual review as required. There have been no changes to the policy from the prior year.

The Investment Policy has been amended to authorize the use of Guaranteed Investment Contracts (GICs) for the investment of bond proceeds, to include both project and reserve funds. GICs provide a secure, fixed-rate investment vehicle that aligns with the project's financing structure and ensures stable earnings on said proceeds.

Staff Recommendation

It is recommended that the NHF Board of Directors review and approve the attached NHF 2026 Investment Policy for adoption.

Attachment

- 2026 NHF Investment Policy

NATIONAL HOMEBUYERS FUND, INC.
INVESTMENT POLICY
February 11, 2026

INTRODUCTION

The investment policies and practices of National Homebuyers Fund, Inc. (NHF) are based upon state law and other legal requirements.

SCOPE

This policy provides guidelines for and applies to the investment of all NHF's funds including cash.

GENERAL OBJECTIVES:

The primary objectives of investment activities shall be safety, liquidity, and return, in that order of priority:

1. *Safety*

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

a. Credit Risk

NHF will minimize credit risk, which is the risk of loss of all or part of the investment due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in this Investment Policy
- Pre-qualifying and conducting ongoing due diligence of the financial institutions, broker/dealers, intermediaries, and advisers with which NHF will do business in accordance with this investment policy.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

b. Interest Rate Risk

NHF will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that security maturities match cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting individual security maturity as well as the average maturity of the portfolio in accordance with this policy.

2. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale

markets. Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

3. *Return*

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of tertiary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal;
- Selling a security and reinvesting the proceeds that would improve the quality, yield, or target duration in the portfolio may be undertaken;
- Unanticipated liquidity needs of the portfolio require that the security be sold.

These objectives can be accomplished through diversity of instruments to include those with active secondary markets, maturities that match expected cash needs, and CalTrust which includes diverse investment portfolios and immediate withdrawal provisions. The investment objective shall be to achieve a rate of return that is commensurate with safety and liquidity requirements of the organization. Management of the Investment portfolio will be directed by the objectives of Preservation of Capital – understanding that losses may occur on individual securities; Risk Aversion - understanding that risk is present in all types of investment; and Adherence to Investment Discipline, adhering to this policy.

Subject to the safety and liquidity priorities set forth above, the portfolio's target total return should meet or exceed all of the following over a full market cycle (at least 5 years):

- California's Local Agency Investment Fund (LAIF) rate for the same period.
- The 90 day Treasury Bill rate for the same period.

Standards of Care

1. *Prudence*

The standard of prudence to be used shall be the "prudent investor" standard, as set forth in government Code section 53600.3, and shall be applied in the context of managing an overall portfolio. The Treasurer and other officers and employees involved in the investment process acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. *Ethics and Conflicts of Interest*

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Such officers and employees shall disclose any material interests in financial institutions with which NHF conducts business and shall further disclose any personal financial/investment positions that could be related to the performance of NHF's investment portfolio. All such disclosures, and any other legally required disclosures of income, gifts, and other financial interests, shall be made in accordance with the Political Reform Act and other applicable provisions of state law. Employees and officers involved in the investment process shall refrain from

undertaking personal investment transactions with the same individual with whom business is conducted on behalf of NHF.

Delegation of Authority

Authority to manage NHF's investment program is derived from California Government Code sections 53600 et seq. and is renewed annually by actions of NHF's Board of Directors (Board). By adoption of this investment policy, the Board delegates investment authority to the Treasurer in accordance with Government Code section 53607. All functions assigned to the Treasurer under GC 53600 et seq. and this policy shall be performed by the Chief Financial Officer, unless otherwise directed. The Treasurer shall only act in consultation with the President/Chief Executive Officer (CEO) and/or Vice President, as set forth herein. All investments require the approval of the Treasurer and concurrence of either the President/CEO or Vice President, provided that the Treasurer may delegate investment approval authority to the President/CEO and Vice President acting jointly. The Treasurer, in consultation with the President/CEO and Vice President as set forth above, shall be responsible for all investment transactions undertaken and shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Treasurer. The Treasurer, in consultation with the President/CEO and Vice President as set forth above, shall be responsible for all transactions undertaken and shall establish a system of controls to regulate these activities.

RESPONSIBILITY OF THE INVESTMENT CONSULTANT(S)

In the event the Treasurer determines to utilize an Investment Consultant, the Investment Consultant's role will be that of a non-discretionary advisor to the Treasurer and other officers and employees involved in the investment process. Investment advice concerning the investment management of assets will be offered by the Investment Consultant, and will be consistent with the investment objectives, policies, guidelines, and constraints as established in this statement.

LIQUIDITY

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to meet a required payment, the Treasurer will monitor expected net cash flow requirements.

To maintain the ability to deal with unplanned cash requirements that might arise, the Treasurer, in consultation with the President/CEO and Vice President as set forth above, will determine the portion of assets that shall be maintained in cash or cash equivalents, including money market funds or short-term U.S. Treasury bills.

MARKETABILITY OF ASSETS

The Treasurer may require that all assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently, with minimal impact on market price.

AUTHORIZED AND SUITABLE INVESTMENTS

NHF is empowered to invest in CalTRUST and, as provided in Government Code (GC) Section 53600 et seq., to invest in the following types of securities, subject to the limitations upon quality, maturity, and portfolio percentage set forth therein:

1. Specific Authorizations

- Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including NHF.
- Notes and other securities of NHF affiliated companies when that note or security meets the requirements of any of the securities listed in GC Section 53601 and this policy, provided that any such transaction shall be reviewed by counsel to ensure compliance with applicable laws pertaining to conflicts of interest.
- Guaranteed Investment Contracts (GICs) are an authorized investment for any bond proceeds (including project, reserve, and comparable funds) if permitted under the bond transaction documents, from providers rated a minimum of “AA” by a Nationally Recognized Statistical Rating Organization (NRSRO). Collateralization requirements shall be determined at the time the investment agreement is made, based on market conditions and NHF’s objectives.

2. Cash Equivalents

- U.S. Treasury obligations which carry the full faith and credit guarantee of the United States Government
- Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission (“Money Market Funds”)
- Banker’s Acceptances
- Repurchase Agreements
- Certificates of Deposit and other evidences of deposit at financial institutions, subject to any applicable collateralization requirements.

3. Fixed Income Securities

- U.S. Government and Agency Securities that have a liquid market with a readily determinable market value
- Medium-term Corporate Notes
- A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond ("Mortgage Backed Security")
- Treasury notes or bonds of the State of California or of any of the other 49 states.

4. Mutual Funds

- a. Shares of beneficial interest issued by diversified management companies that invest in securities as allowed in this statement (“Mutual Funds”), regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities

Collateralization:

Where required by governing legislation, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

ASSET ALLOCATION

Sections 53601 and 53601.1 of the California Government Code provide legal authorization for investment of funds of local agencies. All investments of NHF shall conform to the restrictions of those laws and shall be consistent with prudent and conservative investment standards.

1. The Treasurer, in consultation with the President/CEO and Vice President as set forth above, will determine the Aggregate Fund Asset Allocation (allocation) giving consideration to resources,

operating needs and economic conditions. The Treasurer will monitor the allocation and take steps to balance the allocation as appropriate.

2. Should an investment percentage-of-portfolio limitation be exceeded due to an incident such as fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses. When no loss is indicated, the Treasurer shall consider rebalancing the portfolio, basing the decision, in part, on the expected length of time the portfolio will be unbalanced.
3. In order to achieve a prudent level of portfolio diversification, the securities of any one company or government agency or particular industry should not be excessive as determined by the Treasurer. The total allocation to treasury bonds and notes may represent up to 100% of the aggregate bond position.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Chief Financial Officer (CFO) will maintain a list of financial institutions authorized to provide investment services. No public deposit shall be made except in a qualified public depository as established by State of California laws.

In addition, a list will also be maintained of approved security broker/dealers selected by factors that will include credit worthiness and may also include other factors, such as FINRA broker check, who are authorized to provide investment services in the State of California. These may include primary dealers or regional dealers.

All financial institutions and broker/dealers who desire to be approved for providing investment services must provide the Treasurer with the following:

- Audited financial statements
- Proof of National Association of Security Dealers certification
- Trading resolution
- Proof of State of California registration
- Certification of having read NHF's investment policy and depository contracts

An annual review of the financial condition and registrations of approved security broker/dealers utilized by NHF will be conducted by the CFO.

SAFEKEEPING AND CUSTODY

1. Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible custody account prior to the release of funds.

2. Safekeeping

Securities will be held by an independent third-party custodian selected by the Treasurer as with all securities held in NHF's name. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

3. Internal Controls

The CFO shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, mis-

representation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of NHF.

INVESTMENT PERFORMANCE REVIEW AND EVALUATION

The Treasurer shall ensure that performance reports are compiled at least quarterly. The market value of the portfolio shall be calculated and an investment report shall be prepared at least quarterly for presentation to the NHF Executive Committee. The report shall include the following:

- Listing of individual investments held at the end of the reporting period, showing institution, selling institution, date of maturity, amount of deposit, and current market value
- Realized and unrealized gains or losses resulting from appreciation or depreciation
- Return on investment expressed as an annual percentage rate
- Average weighted yield to maturity of portfolio as compared to applicable benchmarks
- Statement of current allocation of investments

The Investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Treasurer will evaluate the portfolio(s) over at least a three-year period.

INVESTMENT POLICY REVIEW

The investment policy shall be reviewed and approved annually by the Board of Directors in accordance with Government Code Section 53646.



To: Members of the NHF Board of Directors
From: Milena De Melo, RCRC Finance Director
Date: February 3, 2026
Re: NHF Resolution 26-01: NHF Board Travel Policy - **ACTION**

Background

NHF has prepared a Travel Expense Policy for consideration and approval by the Board of Directors. Proposed changes to maximum reimbursement rates are highlighted below.

The Travel Policy has been updated to clarify travel by NHF Board Members by commercial charter aircraft or by private aircraft owned or rented by Board Members, when such travel is determined to be necessary, subject to required approvals, safety, insurance, and cost-reasonableness requirements.

Policy Highlights

Lodging: The lodging maximum reimbursement rate is based on the official government per diem rates for Sacramento County as set by the General Services Administration (GSA) *and remains at \$250 per night*. NHF staff will provide a list of hotels nearby that often publish rates below \$250 / night.

Meals: In addition, Section VI, “Meals,” contains the following proposed meal allowance maximum reimbursements. These rates are also based on the official total \$86.00 per diem rates for Sacramento as set by the GSA:

MEAL to be REIMBURSED	PROPOSED RATE
Breakfast	\$22.00
Lunch	\$23.00
Dinner	\$41.00
Total Maximum Reimbursable by NHF	\$86.00

Mileage:

Each year, the Internal Revenue Service (IRS) sets a rate for reimbursement of mileage for personally owned vehicles. For 2026, the standard mileage rate has been set at \$0.725, up from \$0.70 in 2025. The policy indicates that reimbursement will be at the prevailing IRS rate. If the IRS publishes any update, NHF will revise the rate to reflect the current IRS published rate.

Recommendation

It is recommended that the NHF Board of Directors approve and adopt the proposed Board Travel Expense Policy, NHF Resolution 26-01.

Attachment

- NHF Resolution 26-01 – Travel Expense Policy for the National Homebuyers Fund, Inc. Board Members

NHF RESOLUTION 26-01

TRAVEL EXPENSE POLICY FOR THE NATIONAL HOMEBUYERS FUND, INC. BOARD MEMBERS

WHEREAS, National Homebuyers Fund, Inc. Board of Directors needs to establish rules and regulations concerning travel, lodging and meals;

NOW, THEREFORE, BE IT RESOLVED by the Board of National Homebuyers Fund, Inc. (NHF) that unless otherwise provided by law, the following rules and regulations shall govern NHF business travel by NHF Board Members.

STATEMENT OF GENERAL POLICY

- A. It is recognized that members of Boards of Supervisors are reimbursed for business expenses by their respective counties. It is the intention of NHF to encourage involvement in NHF business by reimbursing NHF Board Members for certain NHF-related expenses, as described herein. Such a policy is intended to augment county reimbursement, not fully replace it.
- B. Travel is limited to only those purposes which enhance the efficient and effective operation of NHF.
- C. NHF Board Members traveling on NHF-related business shall do so by the most reasonable means available, both in terms of financial costs as a primary focus and productive utilization as a secondary consideration. It is also recognized that circumstances such as the distance to be traveled and the time necessary to travel, emergency situations, inclement weather conditions, etc., are all factors which may have significant impact in determining the allowance for the cost of travel.
- D. Authority to travel and reimbursements for customary and reasonable costs incurred for such travel including meals, transportation, registration, lodging, parking, and other related costs shall be in accordance with policy and procedures delineated herein.
- E. All travel reimbursement claims must be submitted utilizing the NHF travel claim form.
- F. In no case will a Board Member be reimbursed in an amount greater than provided in this resolution without approval of the President or Chief Financial Officer.
- G. Reimbursement for commercial air travel will be at "coach" class cost, except where the President determines, in advance, that other travel

arrangements are reasonable and necessary. (For purposes of this policy, "coach class" may include one checked and one carry-on bag, seat selection, and additional legroom, if offered as upgrades to a standard coach or economy class seat.)

- I. Travel by commercial charter aircraft or private aircraft owned or rented by Board Members will require prior authorization by the NHF President. Generally, but not exclusively, such approval should be based on the relative benefit to NHF and/or because other types of travel for a particular trip are not reasonable, appropriate or best suited to the circumstances, as determined by the NHF President. Such travel, when approved by the NHF President, is subject to the specific provisions set forth in Section III.
- H. Reimbursement associated with an NHF Board Meeting, attendance at the full meeting is required in order to be reimbursed.

I. TRAVEL DEFINITIONS

Travel in this policy is defined as travel that is necessary to complete NHF business required by the organization in the performance of its primary function and/or in the course of the assigned duties. Travel for Board Members consists of roundtrip travel from their place of residence or office to attend such required events/activities.

Such travel events include, but are not limited to:

- Meetings or conferences required in the implementation or administration of new or ongoing NHF program areas.
- Meetings, appearances, or other travel necessary to conduct NHF business requested by the Board of Directors, Chair of the NHF Board, or the NHF President or Chief Financial Officer.

II. REIMBURSABLE TRAVEL ACTIVITIES

NHF and its Board recognize the importance of NHF Officers and Board Members actively participating on behalf of NHF in certain activities on NHF business.

NHF will reimburse for travel expenses, including transportation, meals and lodging at the levels approved in this policy, for such activities in the following circumstances:

1. The activity is an NHF Board Meeting, and the attending person is an official Member of the NHF Board.
2. The activity is a conference or a necessary meeting in which NHF has been invited to participate, and relates to subjects of interest to NHF, as

determined by the NHF Board of Directors, and the NHF President or Chief Financial Officer.

3. The participation of the particular NHF Board Member is designated as official NHF business by the NHF President or Chief Financial Officer.
4. The travel, lodging and meal expenses are in connection with the activities described above, and are not for personal or non-official purposes, such as entertainment or tourist related activities organized as part of a conference.

Reimbursements shall be made only upon supporting invoices, receipts, and bills consistent with appropriate NHF policies.

Notwithstanding the above, in no event shall NHF make reimbursement for lavish expenses for travel, lodging or meals; provided, however, that if the prevailing levels of lodging expenses exceed prevailing per diem levels, NHF may reimburse for such expenses upon a determination of the NHF President or Chief Financial Officer that the location, prevailing costs of lodging, or business necessity required more expensive lodging or meals.

NHF Board Members who are public officials under Government Code Section 87200 or are designated employees of a governmental agency, will be required to report payments as income on their FPPC Form 700 Statement of Economic Interests. NHF will provide to such persons annually a listing of reimbursements for these reporting purposes.

III. LICENSE, INSURANCE REQUIREMENTS AND MEANS OF TRAVEL

Licenses - All NHF Board Members operating any vehicle used in the performance of NHF-related business must possess a valid driver's license.

Insurance Requirements - Any Board Member who uses their personal vehicle, rental vehicle, or government vehicle for travel on NHF-related business shall carry insurance for personal injury or property damage at or above state mandated minimum levels at that time. Board Members not in compliance with these minimum standards shall not be authorized to drive their personal vehicle, rental vehicle, or government vehicle on NHF business. If requested, the Board Member is required to provide proof of licensing and insurance.

Chartered Aircraft - Travel by commercial charter aircraft shall be limited to instances in which travel by scheduled airline is impractical or more expensive. Board Members may be eligible to use charter flights if the cost of the charter is less than the cost of commercial airfare for travelers essential to the trip. Travelers are encouraged to investigate the use of charter aircraft if three or more persons are traveling from the same origin to the same destination within California. If

approved, chartered flights may only be obtained from an FAA certificated charter operator.

Private Aircraft - Private aircraft owned or rented by an NHF Board Member and flown in the performance of NHF-related business must have current "Standard" airworthiness certificates issued by the Federal Aviation Administration (FAA), and the pilot in command must hold a currently effective pilot's certificate issued by the FAA and must have a current rating for the aircraft flown. Before any private aircraft owned by an NHF Board Member is flown on NHF business, a current certificate of insurance covering the aircraft in the minimum amount of \$1,000,000 must be filed with the NHF's President or Chief Financial Officer. NHF's General Liability and Excess Liability policies exclude aircraft.

IV. MILEAGE CALCULATION AND REIMBURSEMENT

Mileage Calculation - Roundtrip mileage is to be calculated from the Board Member's principal place of employment or home to the destination. Any special circumstances which inflate the normal mileage should be accompanied by an explanation in the expense claim and are subject to denial.

Mileage Reimbursement Rate - Authorized private vehicle usage for NHF business travel will be reimbursed at the rate allowed under prevailing Internal Revenue Service rules and regulations as maintained by NHF.

Aircraft Travel - Approved commercial charter flights will be reimbursed at the actual cost of the service as supported by validated receipts. Reimbursement to Board Members for use of private aircraft owned or rented and flown to travel destination, if approved, will be on the basis of actual cost as supported by validated receipts, or hourly rates approved in advance by the NHF's President or Chief Financial Officer. For purposes of these rules, landing and tie down fees are defined as reimbursable expenses.

Other Forms of Travel - NHF Board Member's choosing to utilize another form of travel, such as train or other transit, shall be reimbursed at the same rate as if travel occurred as addressed in the Statements of General Policy. Item C. states NHF Board Members traveling on NHF-related business shall do so by the most reasonable means available, both in terms of financial costs as a primary focus and productive utilization as a secondary consideration. Item G states Reimbursement for commercial air travel will be at "coach" class cost, except where the President determines, in advance, that other travel arrangements are reasonable and necessary. (For purposes of this policy, "coach class" may include one checked and one carry-on bag, seat selection, and additional legroom, if offered as upgrades to a standard coach or economy class seat.)

V. LODGING

Hotel Allowance - Board Members should seek the lowest cost accommodation reasonably available for the intended travel. For lodging in the Sacramento area, NHF will reimburse lodging expense, inclusive of room rate, occupancy tax and other fees, up to a maximum of \$250 per night. If NHF has arranged a block of rooms for the event and the cost of the room within that block is greater than \$250, NHF will reimburse the cost of the room at the block rate. Board Members are charged with using reasonable care and judgment regarding whether overnight accommodations are required for their participation.

Guidelines regarding the need for overnight accommodations are as follows:

- For a two-day meeting/event when one-way travel from place of residence or office to the meeting/event is more than 75 miles or if travel will take more than 1 to 1 ½ hours;
- For a one-day meeting/event when one-way travel from place of residence or office is more than 150 miles or if travel will take longer than 2 hours; or
- In circumstances when the Board Member needs to remain in Sacramento to participate at an NHF associated event that will end later than 6:30 pm or in an early meeting the following morning.
- When participation in NHF business requires arrival the night before for a meeting in Sacramento that begins at 8:00 am or earlier.

For accommodation reimbursement associated with an NHF Board Meeting, attendance at the full meeting is required in order to be reimbursed.

Transient Occupancy Tax - Occupancy tax can sometimes be waived by the motel/hotel dependent upon local regulation. Board Members traveling should always inquire about an exemption when appropriate.

VI. MEALS

Meal Allowances - Meal allowances (total of \$86.00 per day) will be reimbursed at the following rate, however, **receipts must be provided**:

- Breakfast \$22.00
- Lunch \$23.00
- Dinner \$41.00

Board Members will not be reimbursed for meals if the cost of a meal is included in the conference fee either reimbursed or paid directly by NHF. Board Members will not be reimbursed for meals that are provided at NHF events or meetings.

Meal Times - Board Members are charged with using reasonable care and judgment in regard to reimbursements. Reasonable times are generally

considered to be departure prior to 7:00 a.m. for breakfast and return to residence after 6:00 p.m. for dinner.

Meal Limitations - Reimbursement will not include alcoholic beverages regardless of meal type or captive nature. Gratuities are capped at 15% of the cost of the meal.

Captive Meal - Captive refers specifically to those instances where a Board Member must/should participate in a dining event as part of an agendaized event. Required group meetings, gatherings or functions for which meal allowances will be claimed for breakfasts, luncheons or dinners and which are of a captive nature shall be reimbursed at actual cost even though it exceeds those amounts set forth under Meal Allowances. Expense claims for meals at such meetings, gatherings or functions (captive meals) will state the captive nature of the meal for which the expense claim is being presented.

Fixed Prices - When attendance at official meetings or conventions forces fixed prices, the claimant must list the items separately on the claim form as "Official Banquet" or other such language and the amount thereof. In this event, all such items will be supported by receipts verifying such charges. If supporting documents are not obtainable, then a statement to this effect will be made by the claimant. The NHF President or Chief Financial Officer reserves the right to deny any undocumented expenses.

VII. EXPENSE DOCUMENTATION

Receipt Requirements - Receipts must be provided for reimbursable expenses including the following:

- All lodging expenses paid at actual cost. There is \$250 per night maximum in the Sacramento area, inclusive of room rate, taxes and fees.
- All meal expenses.
- Registration fees (only if not paid by NHF).
- Telephone calls related to NHF business in excess of \$2.50 per trip.
- Taxi/Ride-share/Bus fare in excess of \$5.00 per travel period.
- Car Rental.
- Commercial Air Travel (use ticket stub or electronic itinerary).
- Other common carrier (use ticket stub).
- Commuter bus fare (i.e. Airporter service).
- Toll Charges in excess of \$6.00.
- "Captive Meal" and "Fixed Prices" as described in Section VI (a written explanation of circumstances and approval by the NHF President or Chief Financial Officer can suffice).
- Parking, at standard parking rates for City visited.

VIII. NON-REIMBURSABLE PERSONAL EXPENSE

Personal Expense - Any and all expenses that are for the direct personal needs of the Board Member, except as otherwise identified as reimbursable under this document, are not reimbursable by NHF. Examples of such non-reimbursable items are listed below. This is not intended to be an all-inclusive list.

- Personal telephone calls, internet charges and personal fax transmissions
- Alcoholic Beverages
- Entertainment (including related transportation costs)
- Violations of legal requirements

IX. CLAIM PROCESS

Completed claim forms are to be submitted to NHF within thirty (30) days after the completion of the trip/expense. Failure to adhere to the filing deadline may result in the denial of the reimbursement claim

The claim form must include the purpose of the trip/expense, and the inclusive dates. All expenditures must be itemized, and all claims will include receipts for expenses as detailed earlier under the section titled **EXPENSE DOCUMENTATION**.

The claim information must include all expenses of the trip whether or not they were paid directly to a vendor. The claim form is intended to be a recap of the complete trip as a reconciliation of all expenses and a central location for all receipts. Those items paid in advance or by credit card should be duly noted.

Secretary's Certificate

I certify that the foregoing is a true and accurate description of action taken at a properly constituted meeting of the Board of Directors of National Homebuyers Fund, Inc. on February 11, 2026.

Secretary's Signature



To: Members of the NHF Board of Directors
From: Patrick Blacklock, President
Date: February 3, 2026
Subject: Recognition of 2026 NHF Board of Directors and Corporate Officers – **ACTION**

Summary

Section 4.e of the NHF Bylaws states that the directors of the corporation shall be the currently serving Chair, Vice Chair, and President (or his or her designee) of RCRC, and the currently serving Chair and Vice Chair of the Golden State Finance Authority (GSFA). The NHF Bylaws (Section 6.k) further provide that the NHF Chair shall be the current Chair of GSFA and the NHF Vice Chair shall be the current Vice Chair of GSFA.

As RCRC President, I am designating Supervisor Anne Cottrell, Napa County, to serve as a Director on the NHF Board. The 2026 NHF Board of Directors is therefore as follows:

<u>NHF Board Directors</u>	<u>NHF Position</u>	<u>Currently Serving</u>
Daron McDaniel, Merced County	Chair	GSFA Chair
Robert Poythress, Madera County	Director	GSFA Vice Chair
Miles Menetrey, Mariposa County	Director	RCRC Chair
Bob Nelson, Santa Barbara County	Director	RCRC Vice Chair
Anne Cottrell, Napa County	Director	RCRC Designee

The NHF Bylaws (Section 6.b) also state the following: The President shall be the President of RCRC, the Chief Financial Officer shall be the chief financial officer of RCRC, and the Secretary shall be the Secretary of RCRC. The President further has the right to appoint additional officers as needed.

For purposes of conducting the business and affairs of NHF, as NHF President, I appoint/recognize the following as additional officers of NHF:

Vice President/Secretary	Craig Ferguson
Chief Financial Officer	Milena De Melo

Recommendations

Recognize the 2026 NHF Board of Directors and corporate officers as set forth above.



To: Members of the NHF Board of Directors
From: Milena De Melo, RCRC Finance Director
Date: February 4, 2026
Re: Condensed Balance Sheet (December 31, 2025)

Summary

The Condensed Balance Sheet provides an overview of the Net Position of NHF as of December 31, 2025, compared to the Net Position as of December 31, 2024, and 2023.

NHF's net position continues to grow, ending at \$143.4 million as of December 31, 2025. Items of significance include:

- Total cash and cash equivalents of approximately \$60.0 million, an increase of \$15.0 million compared to December 2024, predominantly from operations and repayment of the line of credit (LOC) from an affiliated entity.
- Note receivable from an affiliated entity of \$3.0 million, a decrease of \$11.0 million. In December 2024, NHF's Board of Directors approved a note to GSFA in the principal amount not to exceed \$20.0 million for the purpose of financing authorized assistance under the ReCoverCA program. The decrease is due to payments received from GSFA on the note.
- Second mortgages receivable, net of loan loss allowance of \$79.0 million, an increase of \$14.1 million compared to December 2024 driven by additional purchases of second mortgage notes receivable during 2025.

Attachment

- Condensed Balance Sheet – December 31, 2025

National Homebuyers Fund Inc.
Condensed Balance Sheet
December 31, 2025

	(Unaudited)	Audited	
	December 31, 2025	December 31, 2024	December 31, 2023
Assets			
Cash in banks, brokerage, and CalTRUST	\$ 60,098,363	\$ 45,043,438	\$ 69,235,139
Accounts receivable and other assets	9,938,477	9,330,497	4,047,621
Note receivable from an affiliated entity	3,000,000	14,000,000	-
Second mortgages receivable, less loan loss allowance *	79,018,469	64,914,046	34,820,030
Total assets	\$ 152,055,309	\$ 133,287,981	\$ 108,102,790
Liabilities			
Accounts payable and other liabilities	\$ 8,697,936	\$ 9,751,404	\$ 4,813,988
Unearned revenue	1,400	700	-
Total liabilities	\$ 8,699,336	\$ 9,752,104	\$ 4,813,988
Net position, unrestricted	\$ 143,355,973	\$ 123,535,877	\$ 103,288,802

* Net of loan loss allowance of \$900,000 as of December 31, 2025, and \$650,000 as of December 31, 2024, and \$450,000 as of December 31, 2023 has been included as a reduction of mortgage receivables outstanding.



National Homebuyers Fund, Inc.
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (866) 643-4968 · Fax: (916) 444-3551 · www.nhfloan.org

To: NHF Board of Directors
From: Milena De Melo, RCRC Finance Director
Date: February 4, 2026
Re: Investment Report (Period Ended December 31, 2025)

Summary

In accordance with NHF's investment policy, we are providing the NHF investment report. This report provides a summary of investment transactions from December 31, 2024 to December 31, 2025. Investment returns by investment type and a comparison to the 90-day Treasury Rate for the most recent period of December 31, 2025, have been included.

The CalTRUST yields are the funds' reported December 31st yields.

Attachment

- NHF Investment Report for the Period Ended December 31, 2025

NATIONAL HOMEBUYERS FUND INC.
Investment Report
For the Period Ended Decemner 31, 2025

	Total	CalTRUST Short-Term	CalTRUST Medium-Term
Balance 12/31/2024 *	\$ 37,014,424	\$ 2,325,375	\$ 34,689,049
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	385,089	27,289	357,800
Capital Gain/(Loss)	248,770	9	248,761
Balance 03/31/2025 *	\$ 37,648,283	\$ 2,352,673	\$ 35,295,610
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	383,935	25,544	358,391
Capital Gain/(Loss)	107,519	-	107,519
Balance 06/30/2025 *	\$ 38,139,737	\$ 2,378,217	\$ 35,761,520
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	384,313	25,159	359,154
Capital Gain/(Loss)	75,374	2,392	72,982
Balance 09/30/2025 *	\$ 38,599,424	\$ 2,405,768	\$ 36,193,656
Additions	-	-	-
Withdrawals	-	-	-
Interest (includes accrued)	386,565	24,553	362,012
Capital Gain/(Loss)	36,747	16	36,731
Balance 12/31/2025 *	\$ 39,022,736	\$ 2,430,337	\$ 36,592,399

Yield:

Annualized One Year
Average Maturity (days)
90 Day Treasury Bill Rate

Reported as of December 31, 2025	
Short Term	Mid Term
4.34%	4.10%
281	843
3.67%	

All current cash investments are held in CalTRUST's Short-Term Fund or Medium-Term Fund. Cash in the CalTRUST Short-Term Fund may be accessed within 24 hours. Cash in the CalTRUST Medium-Term Fund may be accessed within 72 hours.

No members of the Investment Committee have any conflict of interest with any current investment firms.

* Amounts shown include accrued interest at the end of the period.

Purpose of transactions in excess of \$1 million:
- None



To: Members of the NHF Board of Directors
From: Milena De Melo, RCRC Finance Director
Date: February 4, 2026
Re: Budget v. Actual Report (Period Ended December 31, 2025)

Summary

The Statement of Revenues and Expenses for NHF provides a budget to actual comparison for the period ended December 31, 2025.

NHF's revenues exceeded expenditures by approximately \$19.8 million, resulting in a favorable variance of \$10.5 million from the 2025 year-to-date budget. Items of significance include:

- A favorable variance of approximately \$6.9 million in housing program revenue, driven by increased demand for NHF's housing programs.
- A favorable variance of \$3.9 thousand from interest income on second mortgages, driven by increased demand for NHF's programs and the overall growth of NHF's portfolio.
- A favorable variance of \$1.6 million from interest income and a favorable variance of \$448.4 thousand from unrealized capital gains from investments at CalTRUST given the current interest rate environment.
- An unfavorable variance of \$147.7 thousand for program management fees driven by lower activity at an affiliated entity whose programs NHF manages.
- An unfavorable variance of \$917.8 thousand for downpayment assistance (DPA). NHF did not include any budget allocations for DPA in the form of forgivable second mortgages to borrowers. However, due to shifts in the housing market and sustained high demand, we incurred unanticipated costs.
- An unfavorable variance of \$638.5 thousand for loan loss reserve. As NHF's second mortgage loans receivable portfolio ages, losses are starting to appear. Additionally, the organic growth of the portfolio requires additional reserves for potential losses. Lastly, in December 2025 NHF wrote off certain 2nd mortgages from old programs (programs initiated prior to 2021), adding to the loan losses for the year. In the future, as payments on those loans come in, they will be recognized as revenue in the period on which they are received. Management evaluates the risk of losses on a quarterly basis and deems the allowance for loan losses currently on our books (\$900.0 thousand) sufficient for those losses.
- An unfavorable variance of \$925.3 thousand for program management fees. These are fees NHF pays to its servicers, when loans are paid off.

Attachment

- Statement of Revenues and Expenses, Budget vs. Actual, for the Period Ended December 31, 2025

National Homebuyers Fund, Inc.
Statement of Revenues and Expenses, Budget v. Actual
For the period ended December 31, 2025

	2025 Budget	2025 Actual	Variance favorable / (unfavorable)	Percent favorable / (unfavorable)
Revenue:				
Housing program revenue	\$ 12,291,667	\$ 19,195,894	\$ 6,904,227	56.2%
Program management fees	585,000	437,348	(147,652)	-25.2%
Interest income on second mortgages	2,501,000	6,458,071	3,957,071	158.2%
Interest and dividend income on cash and investments	250,000	1,891,379	1,641,379	656.6%
Unrealized capital gains / (losses)	20,000	468,411	448,411	2242.1%
Miscellaneous income	32,000	16,846	(15,154)	-47.4%
Total Revenue	\$ 15,679,667	\$ 28,467,949	\$ 12,788,282	81.6%
Expenditures:				
Accounting and auditing	\$ 31,800	\$ 49,859	\$ (18,059)	-56.8%
Bank fees	500	-	500	100.0%
Business development and expansion	100,000	17,316	82,684	82.7%
Consultants	200,000	210,000	(10,000)	-5.0%
Contract support service fee	3,539,000	3,542,700	(3,700)	-0.1%
Downpayment assistance (DPA)	-	917,789	(917,789)	-100.0%
Dues, fees and subscriptions	27,000	23,944	3,056	11.3%
Excess resources paid to RCRC	2,000,000	2,000,000	-	0.0%
Insurance	73,000	61,068	11,932	16.3%
Legal fees	10,000	-	10,000	100.0%
Loan loss reserve	100,000	738,531	(638,531)	-638.5%
Meetings	1,000	-	1,000	100.0%
Miscellaneous	1,000	35,000	(34,000)	-3400.0%
Pipeline services	30,000	30,000	-	0.0%
Program management fees	-	925,301	(925,301)	-100.0%
Rent	93,700	98,340	(4,640)	-5.0%
Sponsorships	100,000	2,590	97,410	97.4%
Travel	10,000	2,916	7,084	70.8%
Total Expenditures	\$ 6,317,000	\$ 8,655,354	\$ (2,338,354)	-37.0%
Net Revenue Over Expenditures	\$ 9,362,667	\$ 19,812,595	\$ 10,449,928	111.6%



National Homebuyers Fund, Inc.
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (866) 643-4968 · Fax: (916) 444-3551 · www.nhfloan.org

To: Members of the NHF Board of Directors
From: Craig Ferguson, Vice President
Date: February 3, 2026
Re: NHF 2026 Business Plan

The 2026 National Homebuyers Fund, Inc., Business Plan serves as a guiding document for the organization, directing efforts and resources, in accordance with its mission. Updates will be provided verbally.

Staff Recommendation

Information Only.

Attachment

- NHF 2026 Business Plan

National Homebuyers Fund, Inc.

2026 Business Plan

National Homebuyers Fund is established to stimulate and expand homeownership opportunities and strengthen communities nationwide



The 2026 Business Plan of the National Homebuyers Fund (NHF) serves as a guiding document for the organization, directing efforts and resources, in accordance with its mission, across two main areas:

Since 2022 NHF has:

- Assisted **62,000** households to purchase homes
- Provided more than **\$562 million** in down payment assistance
- Participated in over **\$13.5 billion** in mortgage loan financing
- Partnered with organizations to provide **\$620,000** for veteran housing rehabilitation, education programs on human trafficking, and the provision of laptops to former foster youth.

Learn More:

phone: (866) 643-4968

web: www.nhflloan.org

Expand Homeownership:

Creating greater consumer options across the nation for affordable housing solutions that increase homeownership and help advance financial security in moderate and low income communities.

- Explore new partnership opportunities to advance awareness and utilization of available housing assistance programs among real estate professionals and the public
- Increase equity through homeownership with a targeted outreach campaign regarding down payment assistance programs

Strengthen Communities:

Partnering with charitable and other non-profit organizations to support communities in need.

- Evaluate key areas of need to direct future financial support contributions
- Explore new partnership opportunities with charitable and other non-profit organizations



National Homebuyers Fund, Inc.
1215 K Street, Suite 1650 · Sacramento, California 95814
Phone: (866) 643-4968 · Fax: (916) 444-3551 · www.nhfloan.org

To: Members of the NHF Board of Directors
From: Craig Ferguson, Vice President
Date: February 3, 2026
Re: Business Development and Program Updates

Data Snapshot

	2026 (YTD)	2025	2024	Program Total*
# of individuals/families that purchased a home through a NHF program	2	8,293	6,981	67.0K+
Total down payment assistance (2 nd loans and gifts) provided by NHF programs	\$22K+	\$91.1M+	\$73.5M+	\$617M+
Total loan financing (1 st and 2 nd loans) provided by NHF programs	\$655K+	\$2.4B+	\$2.0B+	\$15.0B+

**From inception*