



INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven
Governor

Wayne Stenehjem
Attorney General

Roger Johnson
Agriculture Commissioner

News Release

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For Immediate Release

MOODY'S INVESTORS SERVICE UPGRADES HOUSING PROGRAM BOND RATING

BISMARCK – The Industrial Commission announced today that Moody's Investors Service has upgraded the North Dakota Housing Finance Agency's (NDHFA) Housing Finance Program Bonds to an Aa1 rating. The previous bond rating was Aa2. The Aa1 rating, which carries a stable credit outlook, reflects Moody's view of the program's solid financial position.

"I am extremely pleased to hear of Moody's action. The new rating attests to the outstanding performance of NDHFA in meeting its fiscal responsibilities while working to provide the citizens of North Dakota with affordable housing options," said Gov. John Hoeven.

"Mortgage Revenue Bond proceeds are used to fund the loans acquired from participating lenders through the agency's popular FirstHome program," said Agriculture Commissioner Roger Johnson. "Since 1982, NDHFA has helped more than 27,000 North Dakota families achieve homeownership through the issuance of these bonds."

"Investors purchase the agency's bonds at low interest rates because the income earned is free of federal income tax, or taxed at a reduced rate. The interest savings is then passed on to low- to moderate-income families for first home purchases," said Attorney General Wayne Stenehjem. "A higher bond rating allows NDHFA to pass on greater savings to their borrowers."

NDHFA currently manages two primary single-family mortgage revenue bond programs and one multifamily revenue bond program. Mortgage loans and all assets of the housing finance program, as well as a general obligation pledge from the agency secure the bonds. The State of North Dakota is not obligated in any way for the repayment of the bonds.

"I am particularly pleased that Moody's, in announcing the rating upgrade, not only recognized the strong financial performance of our homeownership program but also cited 'capable management oversight'," said Pat Fricke, NDHFA executive director. "This speaks highly of the outstanding efforts of our staff in managing our homeownership program."

Moody's publishes credit opinions, research and ratings on fixed-income securities, issuers of securities and other credit obligations. The ratings provided are the product of a comprehensive analysis of each individual issue and issuer. Bonds that receive an Aa rating are judged to be of high quality by all standards. Along with the Aaa group, they comprise what are generally known as the highest-grade bonds.

The Industrial Commission of North Dakota, consisting of Governor John Hoeven, as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson, oversees the NDHFA. For more information about the FirstHome program, contact a participating lender, real estate agent, home builder or the NDHFA directly at (701) 328-8080, (800) 292-8621, (800) 366-6888 (TTY) or www.ndhfa.org.

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