



New Hampshire Housing

FY 2010 Annual Report



We help hardworking Granite State residents live where they work and play.

We built this city

During last year's statewide housing conference, participants were invited to build a community, a "Box City," from the ground up. For New Hampshire Housing, the Box City activity illustrates one of our primary organizational goals, which is to provide leadership in research, public education and advocacy initiatives that promote access to and understanding of affordable housing and its relationship to the economic development of our state and its communities.

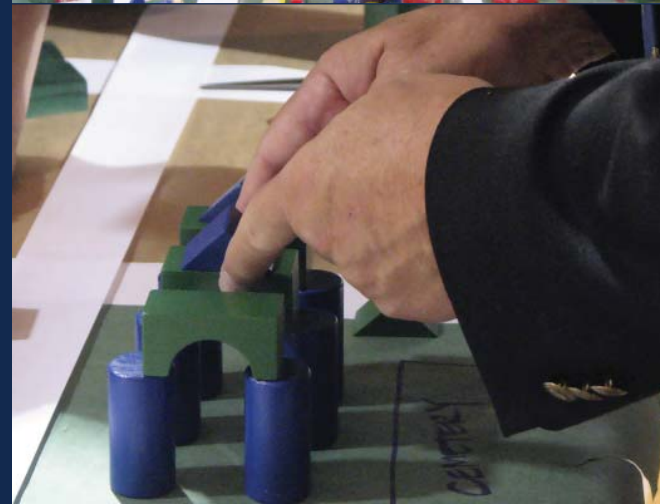
Guided by professionals from the New Hampshire Chapter of the American Institute of Architects, Box City participants had to consider geography, natural resources, providing opportunity for economic development, and meeting housing needs for citizens. AIANH actually created the "Box City" program to teach elementary and middle school students how cities are planned and what makes a quality city. However, all age groups can benefit from this activity!

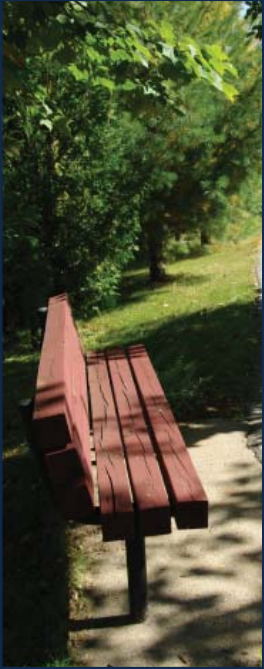
Starting with bare tabletops, Box City participants were able to build a community and fully consider consequences of planning decisions. "The visual nature of the Box City activity allowed the group to imagine what communities could look like if notions about planning and development that have existed since the 1950s were challenged," said Kevin Peterson, Senior Program Officer, New Hampshire Charitable Foundation.

According to Kevin, creating communities where integrated development exists allows residents to live better. For one thing, people can live where they work, even walk or ride a bike and curb harmful emissions. Instead of commuting for two hours every day, that time can be spent enjoying family, exercising, socializing with neighbors or engaging in community activities. Thoughtful planning also leads to affordable housing since development costs less when units are a little smaller and closer together.

Further, recreation, conservation and historic preservation were aspects of the conversation that arose much like they do when real communities evolve through a mix of collaboration and necessity.

Box City participant Linda Wilson, Deputy State Historic Preservation Officer, routinely helps New Hampshire residents "save and use things" through federal and state programs for preservation and conservation. For Linda, the activity reinforced her views about community involvement and planning: "Everybody should be a part of the planning process. Citizens of all ages need to be empowered to ask 'has anyone thought about X?'" she said. "We need to empower the next generation to do it better than we did."





Improving housing choice ...

Since the Legislature enacted the workforce housing statute, many of the state's municipalities have sought the help of New Hampshire Housing as they work to understand the housing market and to provide opportunities for the development of workforce housing.

In response, New Hampshire Housing assembled an advisory committee and hired consultants to develop written guidance for local action under the workforce housing statute. The resulting guidebook, "Meeting the Workforce Housing Challenge," helps local land use boards address the requirements of the statute and shape future growth consistent with their vision for dynamic, healthy communities.

In fiscal year 2010, two towns, Gilford and Salem, received grants from New Hampshire Housing that allowed these municipalities to hire qualified consultants to help them create inclusionary zoning regulations, thus paving the way for more housing choice.



In total, 12 towns have received such grants since fiscal year 2008.

New Hampshire Housing and its partners supported the work of local entities and regional workforce housing coalitions that are actively engaged in educating the general public and local officials about housing needs and its importance to a healthy economy. This fiscal year, nearly \$75,000 was provided to support regional workforce housing coalitions. This includes first-time funding for the Mount Washington Valley Housing Coalition to support housing education and advocacy.

The Analysis of Impediments to Fair Housing was completed by New Hampshire Legal Assistance during the year. This HUD required document suggests a connection between the lack of housing choice and unintended impacts on protected classes of people. The study included the largest known survey of housing discrimination ever conducted within the Granite State.

Building communities

Communities are in a constant state of evolution. Building healthy communities is an ongoing process, and New Hampshire Housing has remained committed to developing useful tools and information that will help guide discussion and encourage action.

Often when people think of living more compactly, images of urban city centers come to mind. However, many people do not realize that New Hampshire has a history of thoughtful compact development, and Shaker Village, located in Canterbury, NH, serves as an example. In fiscal year 2010, New Hampshire Housing filmed a compact design forum we hosted, which led to the creation of an informational video that is now in production. The video will deal with the pros and cons of compact development in the Granite State, and help communicate the benefits of more compact development as we seek to allow a range of housing options for New Hampshire residents while embracing the importance of conserving our state's natural resources.



Who we serve at a glance ...

families, seniors and those with special needs

New Hampshire Housing's mission is "to promote, finance and support affordable housing opportunities and related services for New Hampshire families and individuals." To fulfill our mission, we invest in the development of affordable housing for renters and provide affordable mortgages for first-time buyers striving to reach their dreams of home ownership.

A variety of capital and subsidy financing sources are used to accomplish the Authority's mission of adding units to the market. Along with federal HOME, Low Income Housing Tax Credit and Tax Exempt Bond Financing program funds, New Hampshire Housing uses the Authority-administered Affordable Housing Trust Fund and other funding resources to provide financing for new multi-family project developments.

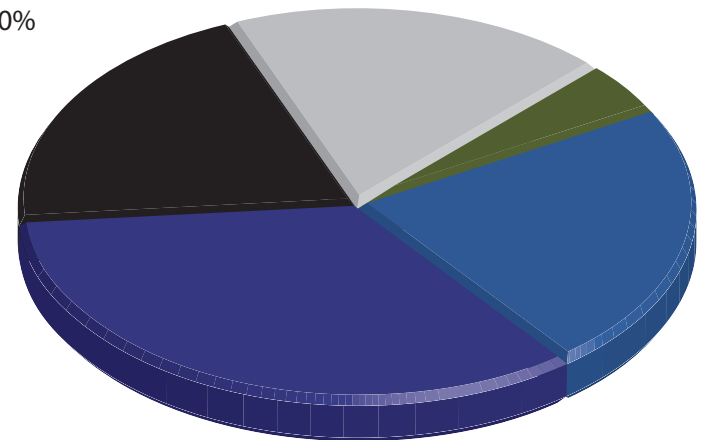
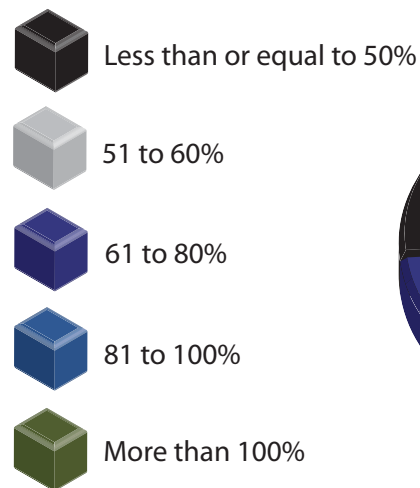
In addition, we offer rental assistance programs and safe mortgage products to help low- and moderate-income individuals and families obtain housing they can afford.



FY 2010 Single Family Mortgage Program Profile

Average family size:	2.17
Average family income: (67.7% of statewide median income)	\$52,796
Average purchase price:	\$162,782
Average loan amount:	\$156,061

FY 2010 Single Family Mortgage Program Beneficiary Incomes



(as a percentage of statewide family median income)

... and home buyers and renters



Family and Friends make a house a home

**Rental Assistance Profile:
Direct Tenant Subsidy**

Seniors

Average family size:	1.77
Average family income:	\$14,115
Total households assisted:	2,258


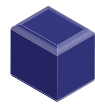
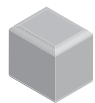
Family

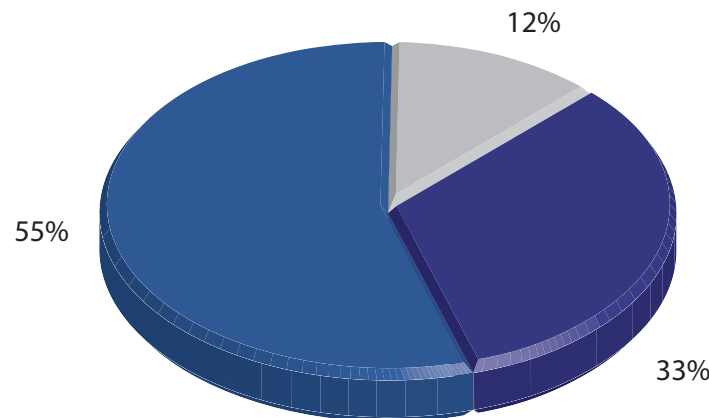
Average family size:	3.35
Average family income:	\$15,656
Total households assisted:	923

**Rental Assistance Profile:
Subsidized Rental Units**

Average household income:	\$14,418
Total households assisted:	6,608
Senior households assisted:	4,757

FY 2010 Housing Development Financing Commitments

-  Family
-  Senior
-  Special needs



(by unit type)

Keeping families & jobs in NH



Impacts: American Recovery and Reinvestment Act

When the housing market turned, the tax credit market also suffered. Lower-valued tax credits left many developers in the Granite State without a means to finance new affordable housing projects or continue construction on developments already in progress.

Fortunately, the American Recovery and Reinvestment Act (ARRA) of 2009 provided vital federal financing that allowed New Hampshire Housing to help developers finance 13 housing projects that will ultimately add over 300 affordable units to the state's housing supply and will retain or create more than 600 construction-related jobs. As a result, millions of dollars in construction funds are expected to stimulate the Granite State's real estate markets.

Because adding affordable housing to our housing stock allows individuals and families to stay here and work for local employers, keeping families and jobs in New Hampshire can only improve the state's economic viability in the future. Below we've highlighted a handful of developments (located across New Hampshire) that moved forward in fiscal year 2010 due to ARRA funding.



Developments that moved forward



Glenridge Apartments: Salem, NH
Sponsor: Steven Lewis, Inc.
Units: 26 senior
Architect: Drawings Unlimited
Permanent lender: Hampshire First Bank
Construction lender: New Hampshire Housing
General contractor: Windover Construction, Inc.
Construction jobs saved or created: 28



Romano Place: West Lebanon, NH
Sponsor: Lebanon Housing Authority
Units: 16 family
Architect: River Town Design
Permanent lender: New Hampshire Housing
Construction lender: New Hampshire Housing
General contractor: Glen Builders, Inc.
Construction jobs saved or created: 21

Connecting legislation to real people



Congresswoman Carol Shea-Porter chats with project managers at the South Porter Street Project in Manchester. Because of ARRA funding, jobs were saved or created during these challenging economic times.



HUD Secretary Shaun Donovan, left, visits the Bow Highlands Project. This project has not only preserved or created construction-related jobs in New Hampshire, but it will add much needed affordable housing to the area.



Littleton Town and Country: Littleton, NH
 Sponsor: AHEAD, Inc.
 Units: 25 family
 Architect: Guillot-Vivian-Viehmman Architects, Inc.
 Permanent lender: New Hampshire Housing
 Construction lender: Connecticut River Bank
 General contractor: Dave Hebert, Inc.
 Construction jobs saved or created: 39



Parmenter Place: Concord, NH
 Sponsor: Concord Housing
 & Redevelopment Authority
 Units: 25 family
 Architect: Steve Burnell
 Permanent lender: Merrimack County Savings Bank
 Construction lender: New Hampshire Housing
 General contractor: North Branch Construction
 Construction jobs saved or created: 33



South Porter Street: Manchester, NH
 Sponsor: Manchester Housing
 & Redevelopment Authority
 Units: 31 senior
 Architect: Dennis Mires, PA
 Permanent lender: New Hampshire Housing
 Construction lender: New Hampshire Housing
 General contractor: Fulcrum Associates
 Construction jobs saved or created: 34



Townhomes at Abingdon Square: Goffstown, NH
 Sponsor: NeighborWorks Greater Manchester
 Units: 25 family
 Architect: John Jordan
 Permanent lender: New Hampshire Housing
 Construction lender: New Hampshire Housing
 General contractor: Glen Builders, Inc.
 Construction jobs saved or created: 35

Putting down roots

Tanya Eldridge is a single mother with two children, McKayla (10) and McKenzie (4). Now, with the help of New Hampshire Housing's GOAL program, she is also a home owner.

Tanya's personal goal has always been to own a home; in fact she wanted to accomplish this dream before she turned 30 (which she did!).

"I was raised in a home and I wanted the same for my kids," she said. "I wanted them to feel safe, to have a yard to play in and to be able to have friends over like I did when I was growing up."

However, her path to home ownership was not an easy one. Nearly 10 years ago, Tanya was a young mother-to-be living at home with her father. While she was working at this time, Tanya just couldn't afford an apartment on her own.

New Hampshire Housing came into the picture when Tanya decided to apply for rental assistance to better provide for her small family.

While she was receiving help with her rental costs, Tanya learned about New Hampshire Housing's GOAL or Family Self-Sufficiency Program. This program is designed to help families receiving rental assistance become economically independent by providing participants with education on how to increase income, establish or rebuild credit, and even prepare for home ownership. With the guidance of her GOAL coach, who she described as "being the best," Tanya began to build credit, pursued more education and opened an Individual Development Account that matched her savings.

After two years of hard work, Tanya closed on her first home in Middleton, NH, on Friday, June 25, and used the money in her IDA account to cover down payment and closing costs. The family of three has moved into their new home, and Tanya is busy making small home repairs and decorating. If all continues to go well, she plans to make a dream come true for her kids – getting a puppy!



From left: McKenzie, Tanya Eldridge and McKayla enjoy their spacious back yard.





Helping renters

The 2010 Residential Rental Cost Survey revealed that rents remain steady despite decreasing housing prices. The statewide median cost for a two-bedroom apartment is \$1,056, a 2% increase over last year. Unfortunately, wage and job loss increased during the last calendar year, compounding an existing affordability problem.

In accordance with our mission, to preserve and increase access to decent, safe, affordable rental housing for low-income families, New Hampshire Housing assisted more than 4,000 households with nearly \$28 million in rent subsidies during fiscal year 2010.

Other fiscal year 2010 rental program achievements:

During this fiscal year, 175 people participated in the GOAL-FSS Program. The GOAL Program helps Housing Choice Voucher clients increase income and save money as they reach their employment and home ownership goals. Sixteen people also graduated from the program.



The home ownership option of the Housing Choice Voucher Program allows participants to use their voucher toward the purchase of a home. Since 2002, 188 families have bought a home through the program.

New Hampshire Housing was awarded a \$52,113 grant from HUD for Housing Choice Voucher home ownership counseling. This education helps first-time buyers better understand the home buying process.

In fiscal year 2010, New Hampshire Housing also received \$400,000 for financial education and counseling from the United States Treasury. The agency is developing a pilot program to deliver financial education to low-income individuals and families.

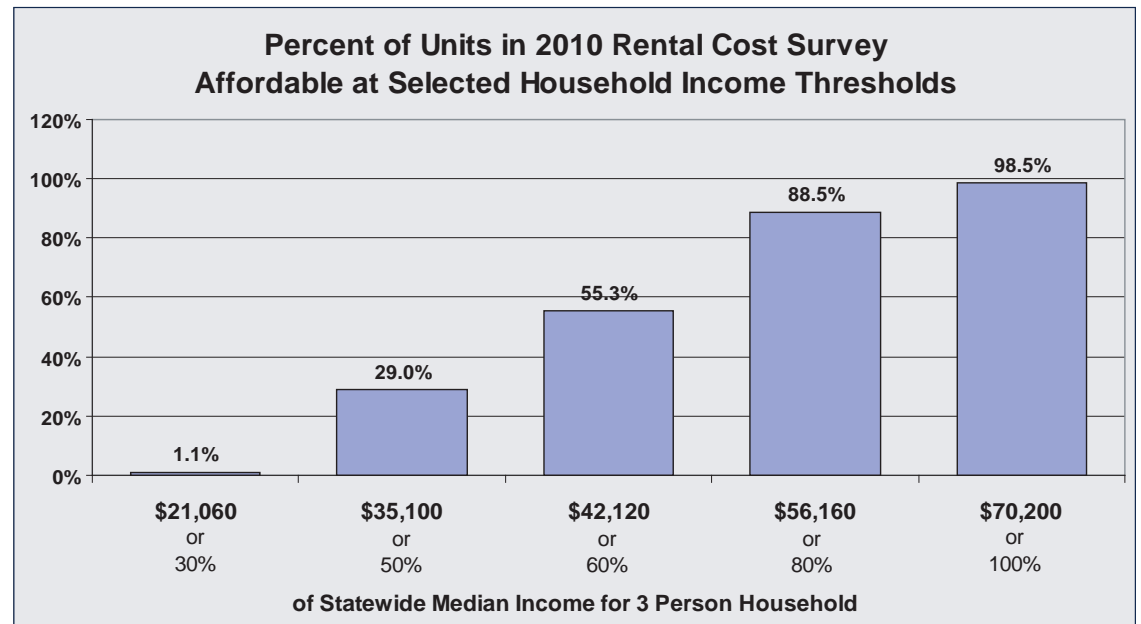
Each fiscal year, the Emergency Housing Program provides short-term rental assistance to around 500 low-income households at risk of becoming homeless. Due to these difficult economic times, the program continued to be an extremely valuable resource for households throughout the state.

Making ends meet

Rental assistance programs help hard working families and individuals afford a decent place to live when a steady paycheck doesn't translate into affording market rate rental units.

To illustrate the challenge facing an individual or family searching for a safe, decent and affordable place to live, the chart on the right shows how many units are affordable to a three person household earning a certain percent of the state's median income. Affordable housing is so important to our communities because it allows individuals to take advantage of job opportunities in the communities where they live. In turn, employers have a pool of skilled workers to choose from when individuals and families choose to stay.

While New Hampshire Housing is here to lend a helping hand, it also offers its clients education and counseling to help them become self-sufficient.



Bringing you home

Can you imagine passing your child through a window to avoid a public hallway contaminated with allergens? This is exactly what Annette Currier had to do to prevent her youngest daughter from being exposed to peanut residue that could send her daughter to the emergency room.

Not long ago, Annette and her three children, Stephanie (18), Sam (16), Erin (6), were crammed into a tiny two-bedroom apartment that had a mold problem. The family lived in such close quarters that they would take turns sleeping on the living room couch or sharing beds. In addition, the entire family experienced health issues due to exposure to mold, with Erin suffering the most since she also has mitochondrial disease.

Today, Annette is a proud home owner in Lebanon, NH, and she was able to achieve this dream through a unique partnership that exists between Habitat for Humanity and New Hampshire Housing. Through this partnership, families selected to receive a Habitat home are offered a first mortgage at 0% with the Authority providing a second mortgage for \$15,000, which is only due when the home is sold.

The second mortgage New Hampshire Housing provides serves two important functions: first, it allows low-income families purchasing a Habitat home to use the \$15,000 to make a down payment to keep monthly mortgage payments as low as possible. Second, this down payment gives Habitat seed money for its next building or rehabilitation project, which allows the organization to start work on another home in a shorter span of time.

Annette and her family were required by Habitat to contribute 500 hours of labor toward their new home, and the work wasn't easy – particularly in inclement weather. When their new home was finished, Annette called her mother to say:

"Mom, I can't believe it! Me and the kids, we did it; we finished our home and we have our keys!"

Since June of this year, the family has been enjoying their home and the freedoms that have come with it – reasonable living space, privacy, a sense of security, and the chance to decorate. Best of all, the entire family has experienced improved overall health!



Top: From left, Stephanie, Sam, Erin and Annette Currier gather in the living room.

Middle: Annette and her family contributed 500 hours of labor toward building their brand new home in Lebanon. The hard work was worth the result!

Bottom: Erin shows off her pretty pink bedroom.





Helping home buyers

In fiscal year 2010, a US Treasury initiative allowed New Hampshire Housing to sell bonds at interest rates that enabled the agency to not only be competitive, but also offer the lowest rates in its history! These low rates helped more lower income borrowers purchase a home.

This fiscal year, 686 individuals and families were able to realize their dreams of home ownership using New Hampshire Housing's mortgage products – that's more than \$107 million in mortgages. Out of these individuals and families, 499 received down payment and closing cost assistance of up to \$10,000.

To allow more borrowers to access affordable New Hampshire Housing loans, the agency became an approved Federal Housing Administration (FHA) Direct Endorsement Lender in fiscal year 2010. The Authority may now close loans with community banks, credit unions, and mortgage brokers even if these institutions do not have FHA approval.



Understanding that affordable homes are often those being sold as a short sale or bank foreclosure in need of repair, we were able to offer the FHA 203K rehabilitation program in addition to our purchase rehab program. This allows buyers to borrow money up-front to make necessary repairs and include the loan in their first mortgage.

New Hampshire Housing also expanded its Emergency Home Repair Loan (EHRL) Program to include energy efficiency repairs to help reduce the high cost of heat, electricity, etc. EHRL can be used by our borrowers when an emergency or other event happens that is not covered by insurance and affects the livability of their home. This program can be a lifesaver since many of our borrowers usually do not yet have the equity to get a conventional home equity loan or credit line.

Safety first!

During fiscal year 2010, the federal SAFE Act was put into place to help ensure that borrowers were being treated fairly by professionals in the mortgage industry.

New Hampshire Housing now has seven in-house licensed loan originators serving its clients. The licensing process required each staff member to obtain 20 additional hours of education, pass both state and national exams, and submit to background checks.

We are proud to have licensed loan originators on staff to reinforce that New Hampshire Housing is here to help borrowers obtain a safe and affordable mortgage, as well as to help them be successful home owners.



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New Hampshire Housing staff

Bill Fish Photography

Financial Statements

Fiscal year 2010 Financial Statements and independent auditors' reports are available as a single Adobe Acrobat file. To request a hard copy of the Financial Statements, e-mail financeinfo@nhhfa.org.





New Hampshire Housing

32 Constitution Drive, Bedford, NH 03110
Mail: P.O. Box 5087, Manchester NH 03108
P: (603) 472-8623 TDD: (603) 472-2089
www.nhhfa.org