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news release

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FITCH RATES VHFA BOND RESOLUTION 'A+'

BURLINGTON, VT — **Fitch Ratings** has assigned an "A+" rating to Vermont Housing Finance Agency's 1990 single-family housing bond resolution. Fitch has labeled its rating outlook "stable."

Fitch's long-term credit ratings operate on a 10-grade scale from "AAA," the highest-quality investment grade bond, to "D," the lowest category junk bond.

The resolution, which includes approximately $447 million in outstanding bonds in Series 9 through 27, was created in 1990 and issued bonds from 1990 to 2007. This is Fitch's initial rating assignment for the resolution.

"We're pleased with Fitch's rating, and think it's a demonstration of the rating agency's faith in the long-term viability of VHFA," said Executive Director Sarah Carpenter.

"The loan portfolio consists of 30-year fixed-rate seasoned loans. The majority, 53 percent, is privately insured. The second largest portion, 27 percent, is uninsured with safe loan-to-value ratios of 80 percent or lower. All this minimizes potential loss exposure," she added.

Fitch credits VHFA's "successful history of administering its single-family programs."

Fitch Ratings Ltd., with headquarters in New York and London, is a global rating agency that provides the world's credit markets with independent and prospective credit opinions, research, and data. The company is part of the Fitch Group, a majority-owned subsidiary of Fimalac S.A., which is headquartered in Paris, France.

The Vermont Legislature created VHFA in 1974 to finance and promote affordable housing opportunities for low- and moderate-income Vermonters. Since its inception, the Agency has helped approximately 26,500 Vermont households with affordable mortgages and financed the development of approximately 7,700 affordable rental units.

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Forward-looking statements
This release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon VHFA's current expectations and speak only as of the date hereof. These statements may use forward-looking terms, such as "projected," "expects," "may," or their negatives or other variations on these terms. VHFA cautions that, by their nature, forward-looking statements involve risk or uncertainty and that actual results could differ materially from those expressed or implied in these forward-looking statements or could affect the extent to which a particular objective, projection, estimate, or prediction is realized. These forward-looking statements involve risks and uncertainties including, but not limited to: (1) difficult economic conditions, which may not improve in the near future, and adverse changes in the economic, credit, or interest rate environment; (2) the actions of the U. S. Government, Federal Reserve and other government and regulatory bodies to stabilize the financial markets; (3) changes in prepayment speeds on mortgage assets; (4) changes in VHFA's credit or financial strength ratings; (5) inadequacy of reserves established for losses and loss expenses; (6) the risk that VHFA's underwriting and risk management policies and practices do not anticipate certain risks and/or the magnitude of potential for loss as a result of unforeseen risks; (7) operational risks, including with respect to internal processes, risk models, systems and employees; and (8) other risks and uncertainties that have not been identified at this time. VHFA undertakes no obligation to revise or update publicly any forward-looking statements for any reason.