



In fiscal year 2017, VHFA honed its programs and partnerships to help **483 home owner** and **823 renter** households move into affordable homes.

1974

2017

**15%**

OF ALL  
**VERMONT  
HOMES**  
HAVE BEEN  
**FINANCED**  
THROUGH  
**vhfa**  
SINCE 1974.

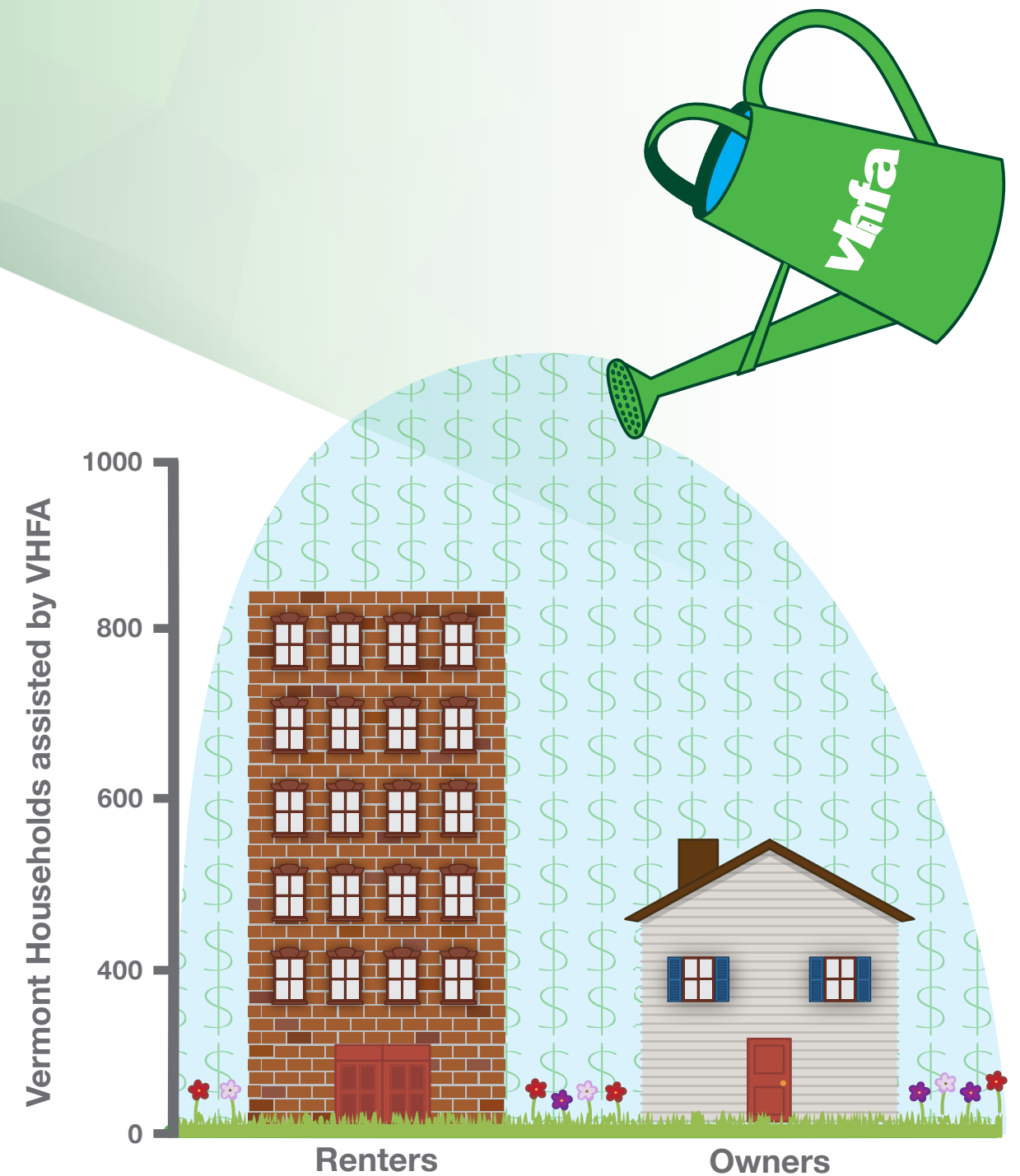
**37,000 HOMES**

**136,000+**

**VERMONTERS  
ASSISTED BY**

**vhfa**

SINCE 1974.





VHFA helped more homebuyers this year than in any other year since the recession. Homebuying creates **economic activity** for communities and **wealth building opportunities** for homeowners.

VHFA financed **\$76 million** in home mortgages in 2017.

## THE AVERAGE VHFA HOMEBUYER

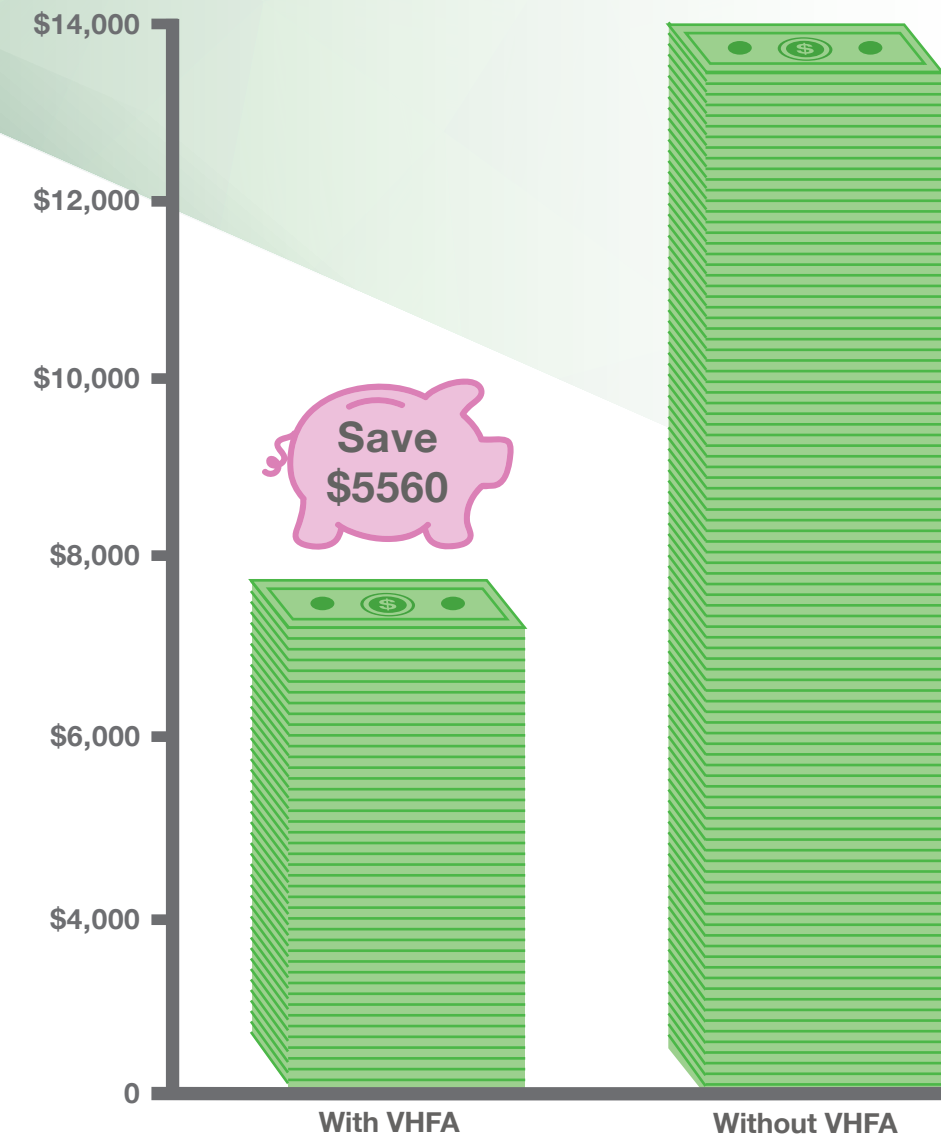
The average income of a VHFA homebuyer: **\$66,000**

The average price of a home purchased using VHFA: **\$168,000**

The average age of a VHFA homebuyer: **32 years old**

35% of all Vermont mortgaged homeowners are cost-burdened, paying more than 30% of their income towards housing costs. VHFA's ASSIST down payment assistance program helps lower closing costs, enabling primarily young Vermonters to purchase their first home with less financial strain.

Average Vermont down payment and closing costs



Assumes a 3% down payment amount and a home priced at \$168,000. Assumes an average DPA of \$4800, and savings on Vermont Property Transfer Tax of \$760.

## THE AVERAGE VHFA RENTER

The average income of a **VHFA** renter: **\$17,000**

The average rent for a **VHFA** renter: **\$487/mo**

The average age of a **VHFA** renter: **56 years old**

The median Vermont rent is \$925/month. In order for that rent to be affordable a household would need to earn \$37,000 per year, which is well over minimum wage. Apartments financed by VHFA help bridge the affordability gap for low-income renters.

VHFA was again the single largest funding source for the construction and rehabilitation of affordable apartments in Vermont this year, using housing tax credits and loans to grow and preserve **over 800 homes** for low-income renters.

### OTHER FUNDERS

Banks
Federal Finance Board Bank
Federal Home Loan Bank
HOME Investment Partnership Program
Housing Assistance Council
Housing Vermont
Local non-profit housing developers
Municipal housing trust funds
Other equity investors
Private foundations
U.S. Department of Housing & Urban Development
U.S. Rural Housing Service
Utility and energy companies
Vermont Community Development Program
Vermont Community Loan Fund
Vermont Energy Investment Corporation
Vermont Housing & Conservation Board

**VHFA** tax credits and loans provided **\$75 million** for rental housing in 2017.



New England Federal Credit Union donated **\$1 million** to VHFA in May 2017 to help develop apartments like Allard Square under construction in South Burlington.

AFFORDABLE APARTMENTS FINANCED IN 2017		Type of VHFA Funding						
		Homes	Short-term / construction loan	Permanent loan	0% loan	Allocated housing credits	Bond housing credits	State housing credits
H = Prior year funding 2017 = 2017 Project								
APPLEGATE	Bennington	104	2017	2017		H	2017	2017
BRADLEY HOUSE (Senior)	Brattleboro	36	2017					
BRIARS	White River Jct	24	2017				2017	2017
BRIGHT STREET	Burlington	40				2017		2017
BRIDGE AND MAIN	White River Jct	17	2017			2017		
COLONIAL VILLAGE (Senior)	Bradford	21	2017				2017	2017
FALCON MANOR (Senior)	Williston	65		2017			H	
GOVERNOR PROUTY APTS (Senior)	Newport	24	2017					
GREAT RIVER TERRACE	Brattleboro	22	2017				2017	2017
HERITAGE COURT APTS (Senior)	Poultney	17	2017				2017	2017
MCAULEY SQUARE (Senior)	Burlington	74		2017	2017	H	H	
MONUMENT VIEW APTS	Bennington	24				2017		
PARKVIEW	Newport	12	2017				2017	2017
PINES - PHASE I,II,III (Senior)	So. Burlington	125	2017	2017		H		
RUTLAND REHAB 2017	Rutland	40	2017			H	H	
SUGARWOOD APARTMENTS	Middlebury	12	2017					
WALDEN MOUNTAIN (Senior)	Danville	18		2017	2017			
WINCHESTER PLACE	Colchester	148		2017			2017	2017



New England Federal Credit Union president / CEO John J. Dwyer Jr. with Vermont Housing Finance Agency Executive Director Sarah Carpenter on May 26th, 2017 presenting a \$1 million dollar check addressed to VHFA.



Ground Breaking ceremony for Allard Square on November 1st, 2017, funded in part with the New England Federal Credit Union's grant. 39 senior households will call Allard Square home thanks to the New England Federal Credit Union and other funders.

VHFA provided financing for 18 affordable housing projects across the state in FY2017, allocating over \$75 million in federal and state tax credits and private investments for 823 rental housing units.



Reflecting staff passion for improving access to affordable housing, VHFA ranked again among the **top five best** small places to work in Vermont.

## VHFA RETIREMENTS IN 2017



2017 marked the retirement of two long-time VHFA managers. Sam Falzone, who holds the title of the VHFA-er with the longest tenure, retired after 38 years overseeing the Agency's rental housing portfolio. Dave Adams retired after 18 years as chief of program operations.





# VERMONT HOUSING FINANCE AGENCY STAFF

EXECUTIVE DIRECTOR	
Sarah Carpenter	
ADMINISTRATION	
Maura Collins <i>Director of Policy and Administration</i>	Leslie Black-Plumeau <i>Research and Communications Coordinator</i>
Steve Gronlund <i>Human Resources Manager</i>	Lori Gilding <i>Office Manager</i>
Will White <i>Social Media Intern</i>	Madison Noyes <i>Graphic Design Intern</i>
INFORMATION SYSTEMS	
Rick Jean <i>Information Systems Manager</i>	Joe Brouard <i>SQL Server Report Writer and Analyst</i>
Sara Everest <i>Web Developer</i>	Chris MacAskill <i>Network Administrator</i>
PROGRAM OPERATIONS	
David Adams <i>Chief of Program Operations</i>	Victoria Johnson <i>Administrative Assistant</i>
LEGAL	
George Demas <i>General Counsel</i>	Brenda Howley <i>Legal Coordinator</i>

FINANCE	
Tom Connors <i>Chief Financial Officer</i>	Michelle Baird <i>Manager of Bond Financing &amp; Investments</i>
Lisa Clark <i>Assistant Director of Finance</i>	Brittany Garland <i>Financial Analyst/Compliance Specialist</i>
Matthew Harder <i>Staff Accountant</i>	Darren Keniston <i>Mortgage Loan Analyst</i>
Tom Kimball <i>Controller</i>	Robert Purcell <i>Financial Analyst/Investment Specialist</i>
HOMEOWNERSHIP	
Jacklyn Santerre <i>Director of Homeownership</i>	Kathy Cawley <i>Administrative Assistant, Loan Servicing</i>
Diane Edson <i>Underwriter</i>	Pat LaFond <i>Loan Servicing/Reporting Agent</i>
Heather Kvasnak <i>Manager of Business Development</i>	Jennifer Martin <i>Underwriter</i>
Joshua Mead <i>Operations Coordinator</i>	Carolynn Mossey <i>Loan Servicing Specialist</i>
Polly Thibault <i>Loan Servicing Manager</i>	
MULTIFAMILY MANAGEMENT	
Kimberly Roy <i>Director of Asset Management &amp; Compliance</i>	Robin Castine <i>Multifamily Operations Analyst</i>
Kathy Curley <i>Multifamily Management Officer</i>	Erin Philbrick <i>Multifamily Management Officer</i>
Ann-Marie Plank <i>Multifamily Management Officer</i>	Andrea Tieso <i>Multifamily Management Officer</i>
DEVELOPMENT	
Joe Erdelyi <i>Director of Development</i>	Josh Slade <i>Housing Development Underwriter</i>

FINANCIAL AND LEGAL PARTNERS	
AUDITOR CohnReznick LLP	BOND COUNSEL Kutak Rock LLP
UNDERWRITERS Raymond James Morgan Stanley	FINANCIAL ADVISOR Piper Jaffray & Co.
TRUSTEES Bank of New York Mellon Trust Company Wells Fargo Bank NA Wilmington Trust	

For 25 years, funds from proceeds of the **Interest on Real Estate Trust Account (IORTA)** program have been dedicated to VHFA for homeownership mortgage down payment or closing cost assistance.

## VHFA BOARD OF COMMISSIONERS



VHFA is governed by a nine-member Board of Commissioners. The Board includes four Ex Officio members and five members appointed by the Governor of Vermont, representing private and public lending, real estate, and housing development interests.

From left to right: Jeanne Morrissey (President, J.A. Morrissey, Inc.); L. Randolph Amis (Attorney with Montroll Backus & Oettinger), Chair; Gustave Seelig, Ex Officio, Vice Chairman (Executive Director, Vermont Housing & Conservation Board); Michael Clasen, Designee for Beth Pearce, Ex Officio (State Treasurer); Sarah Carpenter (Executive Director & Secretary); Lamont Barnett (Owner of The Rock and Hammer); Katie Buckley, Designee for Michael Schirling, Ex Officio (Secretary of Agency of Commerce and Community Development); Thomas Leavitt (President & CEO, Northfield Savings Bank); Jill Rickard, Designee for Michael Pieciak, Ex Officio (Commissioner of Department of Financial Regulation); Not pictured: Dayne Canney (Principal Broker, Vermont Real Estate Sales Co.)

### IORTA ASSISTANCE PROVIDED TO HOMEBUYERS IN FY2017

Addison (\$5,000)
Bennington (\$10,000)
Caledonia (\$5,000)
Chittenden (\$10,000)
Essex (\$5,000)
Franklin (\$33,000)
Rutland (\$10,000)
Washington (\$10,000)
Windsor (\$1,500)
Orleans (\$1,500)

**IORTA** is funded with the interest earned on earnest money and real estate contract deposits. Real estate brokers are required to put most of these deposits into pooled interest-bearing trust or escrow accounts and financial institutions are required to remit the interest made to VHFA for use in its homeownership program.

**In FY2017, VHFA received \$35,983.56 in IORTA funds** and provided 22 Vermont home buyers with down payment assistance using the funds. The timing of IORTA fund distribution to borrowers depends on the timing of home purchases.

## KEEPING HOUSING SAFE AND AFFORDABLE, 2017



**8500+**

apartments monitored statewide

**300+**

properties physically inspected each year

Once the construction or remodeling of affordable rental housing is finished, VHFA helps property owners and managers comply with state statutes, federal tax code, and contractual commitments.



SUMMARY OF NET POSITION (All amounts are in thousands of dollars)	
ASSETS	
Cash and cash equivalents	50,953
Accrued interest receivable:	2,969
Other receivables and prepaid expenses	422
Investments	15,264
Mortgage loans receivable, net	265,783
Mortgage backed securities	178,462
Capital assets	688
Real estate owned	939
Due from other funds	175
<b>TOTAL ASSETS</b>	<b>515,655</b>
DEFERRED OUTFLOWS OF RESOURCES	
Interest rate swaps	1,583
LIABILITIES	
Notes payable	41,686
Accrued interest payable	2,992
Other payables	412
Funds held on behalf of mortgagors	2,868
Bonds payable	378,775
Fair value of derivative instrument - interest rate swaps	1,583
Other liabilities	748
Due to other funds	175
<b>TOTAL LIABILITIES</b>	<b>429,239</b>
<b>NET POSITION</b>	<b>87,999</b>

STATEMENT OF REVENUES, EXPENSE, AND CHANGES IN NET POSITION (All amounts are in thousands of dollars)	
OPERATING REVENUES	
Interest income	21,630
Fee interest	1,178
Sales of state tax credits	594
Gain on sales of loans and securities	478
Gain on bond redemptions, net	595
Other revenue	253
<b>TOTAL OPERATING REVENUES</b>	<b>24,728</b>
OPERATING EXPENSES	
Financing costs	15,297
Mortgage service and contract administration fees	296
Salaries and benefits	2,454
Operating expenses	920
Professional fees	279
Trustee and assignee fees	126
Provision for losses on loans and real estate owned	(886)
<b>TOTAL OPERATING EXPENSES</b>	<b>19,486</b>
<b>OPERATING INCOME</b>	<b>5,242</b>
NONOPERATING REVENUE (EXPENSES)	
Net appreciation in fair value of investments	(7,077)
Other nonoperating revenue	1,000
Federal program revenue	2,691
Federal program and administration expenses	(2,691)
<b>TOTAL NONOPERATING REVENUE (EXPENSES)</b>	<b>(6,077)</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>(835)</b>
<b>NET POSITION AT BEGINNING OF THE YEAR</b>	<b>88,834</b>
<b>NET POSITION AT END OF THE YEAR</b>	<b>87,999</b>

Detailed financial statements are available at  
<http://www.vhfa.org/partners/investors/annual-financial-statements>

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**On the cover:** Dave Adams takes the wheel at the Allard Square ground breaking on November 1, 2017 in honor of his retirement as VHFA's Chief of Program Operations. Courtesy of Snyder Braverman Development Company & Cathedral Square Corporation.

