With 2014 marking Vermont Housing Finance Agency’s 40th anniversary, this is the perfect opportunity to reflect on the ways it has helped 125,000 low- and moderate-income Vermonters find housing they can afford. The economic fluctuations of the past 40 years remind us of the importance of VHFA’s stabilizing presence. It has consistently been the lender that qualified low- and moderate-income homebuyers and developers of affordable rental housing can rely on.

With 40 years’ experience, VHFA has developed an unparalleled knowledge base about the underlying, sometimes complex, issues affecting the affordability of housing across the Green Mountain State. Through the Vermont Housing Data website, housing research, collaborative partnerships and policy analysis, VHFA’s impact extends far beyond its mortgage programs. I sincerely appreciate the breadth of VHFA’s role in helping to house more Vermonters safely and affordably.

By tirelessly searching for new ways to make housing affordable for more Vermonters, VHFA maximizes the positive impact of its own programs as well as those of its partners.

This report clearly shows the great strides VHFA has made toward making housing affordable for more Vermonters. Unfortunately, the ever-present mismatch between the costs of buying and renting homes and the incomes of low- and moderate-income households means there is far more work to do.

I sincerely appreciate VHFA’s long-standing commitment to turning knowledge into results through leadership and the unique financial tools at its disposal. I look forward to working with the Agency in the years to come to develop new solutions for housing affordability problems.

Peter Shumlin
81st Governor of Vermont
MESSAGE FROM THE BOARD
CHAIRPERSON AND EXECUTIVE DIRECTOR

While continuing to serve low- and moderate-income Vermonters through a growing array of lending programs, 2014 was a year of taking stock of VHFA’s impact in its 40-year history and for planning next steps. With the pride of having assisted 125,000 Vermonters move into homes they can afford comes the responsibility of working to help even more of the growing number of residents in need.

Over the past 40 years, nearly 1 in 8 of Vermont’s owned homes was financed using one of VHFA’s mortgage programs. There is no doubt that the current housing market is daunting for many homebuyers, especially those with lower incomes trying to buy their first home. Yet in 2014 VHFA continued to offer new lending tools, providing hundreds of first-time buyers with the financing they needed to make the dream of homeownership a reality.

Since the 1970s, VHFA has helped finance the development of 1 in 9 Vermont apartments. In 2014 alone, 610 affordable apartments were renovated or constructed through loans and housing credit allocations provided by VHFA. Yet tight rental markets and a startlingly high number of Vermonters paying more than half of their income for rent persist in many parts of the state.

There is far more work to be done. For this reason, we know we must continue to look for new partners and strategies like the Housing Acquisition and Rehabilitation Program (HARP) and Vermont mobile home replacement program. These recently-initiated programs continued to expand last year, strengthening communities and providing homeowners with the long term stability that comes from highly energy-efficient, affordable homes.

With unwavering commitment to the benefits that our long-standing financing programs provide to homebuyers and renters, we also look forward to finding ways to extend housing affordability to even more Vermonters who need it.
AUGUST 2013: VHFA announces it will purchase a deteriorating farmhouse for $1 from the town of St. Johnsbury and renovate it through the HARP program.
SEPTEMBER 2013: VHFA-financed energy improvements and renovations in Brandon create 27 affordable apartments for low- and moderate-income Vermonters.

HOW DOES VHFA HELP?

RESULTS
- First-time home buyers get tax credits for 10 years
- Half of all apartments funded in 2014 are for extremely low-income renters
- Raised over $8,000 for United Way

LEADERSHIP
- Started Mortgage Credit Certificate and Advantage programs
- Incentivized developers to target units to extremely low-income households
- Ran charitable contribution drive and 5 teambuilding fundraisers

KNOWLEDGE
- Heard buyers ask for more tools to make ownership affordable
- Found highest housing cost burden among the lowest income renters
- Saw resources shrinking for local services
WHERE DOES VHFA HELP?

20,000 PEOPLE LIVE IN SAFE, DECENT, PERPETUALLY AFFORDABLE RENTAL HOUSING FINANCED THROUGH VHFA IN 94 COMMUNITIES ACROSS THE STATE.

WE CONTINUED REACHING MORE VERMONTERS IN FY2014 BY RENOVATING OR CONSTRUCTING 610 ADDITIONAL PERPETUALLY AFFORDABLE APARTMENTS.

OUR MISSION TO FINANCE AND PROMOTE AFFORDABLE, SAFE AND DECENT HOUSING OPPORTUNITIES FOR LOW- AND MODERATE-INCOME VERMONTERS.

OCTOBER 2013: Twelve new assisted living units, funded largely through VHFA’s allocation of federal housing credits, open in Townshend.
NOVEMBER 2013: VHFA appetites and culinary skills raise $400 for the United Way during staff soup cook-off and Thanksgiving pie auction.

VHFA BY THE NUMBERS

1,840
MEN, WOMEN AND CHILDREN MOVED INTO HOMES FINANCED THROUGH VHFA THIS YEAR

70,800
MOVED INTO HOMES FINANCED THROUGH VHFA SINCE 1974

125,000+
PEOPLE SERVED THROUGH AFFORDABLE HOUSING SINCE 1974:

96,000
VERMONTERS STILL LIVE IN UNAFFORDABLE HOUSING

but unfortunately the need continues to be great...

Jen Gagliardi, manager, and Warren Patrick, 103-year old resident, at West River Valley Assisted Living in Townsend, Vermont.
ABOUT THE FY2014 HOME BUYER

TO FINANCE AND PROMOTE AFFORDABLE, SAFE AND DECENT HOUSING OPPORTUNITIES FOR LOW-AND MODERATE-INCOME VERMONTERS.

DECEMBER 2013: 101 pairs of mittens stuffed with treats for families served by local office of Women Helping Battered Women.

ALL BUYERS
MEDITAN HOME PRICE:
$200,000

MEDIAN INCOME:
$65,000

BUYERS
MEDITAN HOME PRICE:
$158,000

MEDIAN INCOME:
$58,000
JANUARY 2014: Executive Director, Sarah Carpenter, received the Tim McKenzie Award from Champlain Housing Trust for 30 years of outstanding contributions to permanently affordable housing.
**RENTAL HOUSING FINANCING PROVIDED**

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**OUR MISSION**
To finance and promote affordable, safe and decent housing opportunities for low- and moderate-income Vermonters.

**FEBRUARY 2014:** VHFA accepted into HUD’s 2014 physical-inspection pilot program to help better align requirements of 3 federal agencies involved in affordable rental housing.

**PEOPLE PROVIDED WITH VERMONT HOUSING DATA THIS YEAR:**
16,000+
MARCH 2014: VHFA offers new Mortgage Credit Certificate and Advantage programs to help extend affordable home financing to more Vermonters in time for peak home buying season.
The Vermont Governor’s Council on Physical Fitness & Sports awarded VHFA the silver award for its exemplary worksite wellness program.

To finance and promote affordable, safe and decent housing opportunities for low- and moderate-income Vermonters.

**Housing Acquisition Rehabilitation Program**

**Homes Renovated Through HARP:**

- Swanton
- St. Albans
- Glover
- East Haven
- Wolcott
- Vernon
- Williamstown
- Brattleboro
- Putney
- Barre
- Proctor
- Fair Haven
- West Rutland
- Wilmington
- Marlboro
- North Clarendon
- Claremont
- Springfield
- Brattleboro
- Vernon

**Impact Since 2009:**

- 1600 contractors and other service providers employed in the rehabilitation of houses.
- Over 60 foreclosed homes in 29 towns.
- 10 more renovated homes are expected to be sold in FY2015.
- Average buyer of HARP homes in Vermont receives a grant of $45,000 off the purchase price.

**HARP Program Dual Goals**

Provide individual home buyers with homes that will be high quality for years to come and provide communities with renovated homes that were once vacant and foreclosed.

Funded by HUD’s Neighborhood Stabilization Program, every one of these homes was rebuilt to a high standard of energy efficiency, safety and integrity.

**Our Mission**

To finance and promote affordable, safe and decent housing opportunities for low- and moderate-income Vermonters.

**April 2014:** The Vermont Governor’s Council on Physical Fitness & Sports awarded VHFA the silver award for its exemplary worksite wellness program.
MAY 2014: Vermont House of Representatives recognized VHFA’s 40 year history helping Vermonters through financing, research and partnerships that do not require general state appropriations.

INVESTMENTS IN VERMONT’S AFFORDABLE OWNER HOUSING STOCK

HELPED LOW INCOME HOUSEHOLDS REPLACE DILAPIDATED MOBILE HOMES THROUGH $957,000 IN LOANS AND GRANTS FROM STATE HOUSING TAX CREDIT EQUITY

HELPED 26 LOW INCOME HOUSEHOLDS THROUGH $957,000 IN LOANS AND GRANTS FROM STATE HOUSING TAX CREDIT EQUITY

HELPED 4 HOUSEHOLDS BUILD AFFORDABLE HOMES IN MIDDLEBURY THROUGH CONSTRUCTION LOANS TOTALING $625,000

4 OF THE NEW HOMES WERE HIGH PERFORMANCE VERMONT UNITS

The Swan family bought their downtown St. Albans home through the HARP program.
JUNE 2014: VHFA teams up with the Vermont Lake Monsters to sponsor first ever mobile app for minor league fans at the team’s Centennial Field.

Detailed financial statements are available at [www.vhfa.org/partners/investors](http://www.vhfa.org/partners/investors)
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.

**TOP ROW:**

Lisa Mitiguy Randall  
Vice President of Lending, Vermont Federal Credit Union

Thomas N. Pelletier  
Chairperson  
President and Chief Executive Officer, Northfield Savings Bank

Dagyne Canney  
Principal Broker, Vermont Real Estate Sales Co.

Jennifer Hollar  
Ex officio  
Deputy Commissioner of Department of Housing and Community Development, designee for the Secretary of Agency of Commerce and Community Development

**BOTTOM ROW:**

Sarah Carpenter  
Executive Director & Secretary

Gustave Seelig  
Ex officio, Vice Chairperson  
Executive Director of the Vermont Housing & Conservation Board

Thomas J. Candon  
Ex Officio  
Deputy Commissioner of Banking, designee for the Commissioner of Banking, Insurance, Securities and Health Care Administration

Beth Pearce  
Ex Officio  
State Treasurer

Lamont Barnett  
Owner of The Rock and Hammer

Jeanne Morrissey  
President of J.A. Morrissey, Inc.
EXECUTIVE DIRECTOR
Sarah Carpenter

ADMINISTRATION
Maura Collins
Director of Policy and Administration
Leslie Black-Plumeau
Research and Communications Coordinator
Brittany Riley
Human Resources/Administration Generalist

INFORMATION SYSTEMS
Rick Jean
Manager
Chris MacAskill
Network Administrator/Systems Specialist
Lucas Henderson
SQL Server Report Writer and Analyst
Sara Everest
Web Developer/Designer

LEGAL
George Demas
General Counsel
Brenda Howley
Legal Coordinator

FINANCE
Tom Connors
Chief Financial Officer
Michelle Baird
Manager of Bond Financing and Investments
Tom Kimball
Controller
Lisa Clark
Finance Operations Manager
Brittany Benton
Accounting Specialist
Darren Keniston
Mortgage Loan Analyst
Brittany Garland
Financial Analyst/Compliance Specialist
Robert Purcell
Financial Analyst

HOMEOWNERSHIP
Jacklyn Santerre
Director
Kathy Cawley
Administrative Assistant – Loan Servicing
Veronica DeVos
Operations Coordinator
Diane Edson
Homeownership Specialist
Pat LaFond
Loan Servicing Specialist
Seth Leonard
Outreach Coordinator
Carolynn Mossey
Loan Servicing Specialist
Polly Thibault
Loss Management Specialist

PROGRAM OPERATIONS
David Adams
Chief of Program Operations
Lori Gilding
HARP Program Administrator

MULTIFAMILY MANAGEMENT
Sam Falzone
Director
Kimberly Roy
Assistant Director
Kathy Curley
Multifamily Management Officer
Robin Howe
Multifamily Operations Analyst
Victoria Johnson
Administrative Assistant
Seth Leonard
Outreach Coordinator

DEVELOPMENT
Joe Erdelyi
Director
Joshua Slade
Development Underwriter

ON THE COVER:
Justine Sears, Evan Keech and Aaron Keech purchased their Burlington home with the help of a low fixed-rate 30-year VHFA mortgage.

LEGAL/FINANCIAL PARTNERS
BOND COUNSEL
Kutak Rock LLP
UNDERWRITERS
Raymond James & Associates, Inc.
Morgan Stanley
TRUSTEES
TD Bank NA
Bank of New York Mellon Trust Company, N.A.
Wells Fargo Bank NA

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