

2003 Annual Report



NORTHERN NEW ENGLAND
HOUSING INVESTMENT FUND



NNEHIF is in the business of affordable housing finance, which, at its core, is real estate finance. Regardless of property type, successful real estate finance is characterized by two consistent themes—local knowledge and long-term perspective. NNEHIF embodies these characteristics. We work only in our backyard—Maine and New Hampshire—and we have the resources and organizational structure to be around for the long haul.

The design of this annual report expresses these themes of local knowledge and long-term perspective. The images in the report reflect the landscape—both natural and built—of northern New England. We believe ourselves to be a part of this same landscape—a perspective that guides our organizational growth and change.

The Housing Finance Authorities of Maine and New Hampshire created NNEHIF not simply to be another source of capital for affordable housing. Instead, our mission is to consistently raise capital that responds to our particular local housing needs. Further, as a non-profit financial intermediary, our financial strength is designed to be reinvested in the housing sector of Maine and New Hampshire.

Change occurs slowly in northern New England. As a result, it is critical to develop organizations and people that are here to stay. Likewise, maintaining and sustaining affordable housing is a long-term endeavor, requiring ongoing investment in people, buildings, and organizations.

NNEHIF is committed to being an integral part of that long-term affordable housing system. In 2003 we furthered this commitment by merging the Maine and New Hampshire Housing Investment Funds. This merger formalized the long-term relationship between the two funds, which have always operated on the belief that the economies of scale of a two-state entity translate into increased benefit for all of our stakeholders.

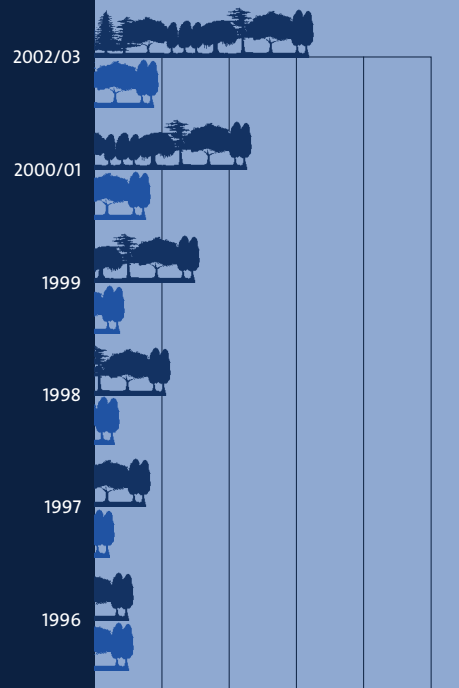
The long-term benefits of NNEHIF and other local, non-profit tax credit investors are many. We are able to retain and develop local intellectual and financial capital for affordable housing; we provide technical and political support for local partners; and we collaborate creatively with our key stakeholders—developers, investors, and state housing finance authorities—to achieve our common goals.

In many respects, NNEHIF is like the downtown hardware store in comparison to the big box out by the mall. We listen to your needs, we will give you advice based on experience doing projects ourselves and we will be here if you have questions along the way. We survive and flourish by distinguishing ourselves with service, knowledge and commitment.

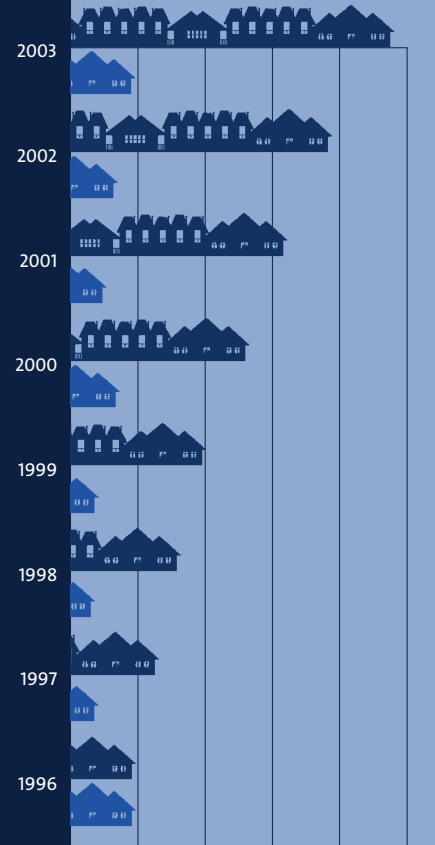
So pick up the phone anytime and give us a call—you can still make that call by dialing seven digits. When you need us, we will be here.

John Anton,
President, NNEHIF

P.S. We designed this report so that you can use it to decorate your office or bulletin board if you wish. We hope you enjoy it.



Capital Raised
in millions



Units Created

CUMULATIVE
ANNUAL



NNEHIF is a proud member of the
National Association of State and Local Equity Funds.
www.naslef.org

| INVESTORS | NEW HAMPSHIRE | MAINE | TOTAL |
|--|-------------------|-------------------|--------------------|
| Androscoggin Savings Bank | - | 928,268 | 928,268 |
| Bangor Savings Bank | - | 772,500 | 772,500 |
| Bank North | 11,710,000 | 12,885,000 | 24,595,000 |
| Boston Financial | 1,602,000 | - | 1,602,000 |
| Bow Mills Bank and Trust | 311,510 | - | 311,510 |
| Camden National / United Kingfield | - | 1,535,000 | 1,535,000 |
| Chittenden Corp. (MB & T/Ocean National) | 257,500 | 257,500 | 515,000 |
| Citizens Bank | 11,210,000 | - | 11,210,000 |
| Connecticut River Bank | 202,000 | - | 202,000 |
| Fannie Mae | 1,802,500 | 12,041,530 | 13,844,030 |
| Fleet National Bank, NA | 28,560,000 | 21,623,750 | 50,183,750 |
| Gorham Savings Bank | - | 1,731,149 | 1,731,149 |
| John Hancock Realty Advisors | 5,210,000 | - | 5,210,000 |
| Key Community Development Corporation | 6,100,000 | 10,323,750 | 16,423,750 |
| Mascoma Savings Bank | 1,255,000 | - | 1,255,000 |
| MBNA Community Development Corporation | 2,050,000 | 8,997,500 | 11,047,500 |
| Norway Savings | - | 2,040,000 | 2,040,000 |
| Providian National Bank | 12,037,456 | 2,550,000 | 14,587,456 |
| Saco Biddeford Savings Institution | - | 306,250 | 306,250 |
| TOTALS | 82,307,966 | 75,992,197 | 158,300,163 |

**NORTHERN NEW ENGLAND HOUSING INVESTMENT FUND
FINANCIAL SUMMARY AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003**

BALANCE SHEET

ASSETS

| | |
|--|------------------|
| CASH AND CASH EQUIVALENTS | 3,750,140 |
| OTHER CURRENT ASSETS | 271,026 |
| OTHER ASSETS | 4,192 |
| PROPERTY AND EQUIPMENT (NET OF DEPRECIATION) | 80,799 |
| TOTAL ASSETS | 4,106,157 |

LIABILITIES AND NET ASSETS

| | |
|---|------------------|
| CURRENT LIABILITIES | 68,354 |
| LONG-TERM LIABILITIES | 949,776 |
| TEMPORARILY RESTRICTED ASSETS | 1,125,000 |
| UNRESTRICTED NET ASSETS | 1,963,027 |
| TOTAL LIABILITIES AND NET ASSETS | 4,106,157 |

STATEMENT OF REVENUES AND EXPENSES

REVENUE AND OTHER SUPPORT

| | |
|-----------------------|------------------|
| MEMBERSHIP | 50,000 |
| FEE INCOME | 1,365,444 |
| OTHER INCOME | 16,067 |
| INTEREST INCOME | 39,312 |
| TOTAL REVENUES | 1,470,823 |

EXPENSES

| | |
|------------------------|------------------|
| PROGRAM EXPENSES | 801,630 |
| MANAGEMENT AND GENERAL | 205,510 |
| TOTAL EXPENSES | 1,007,140 |

| | |
|---|----------------|
| EXCESS OF REVENUES OVER EXPENSES | 463,683 |
|---|----------------|

Note: This Financial Summary is for illustrative purposes only and is not intended to present a complete financial picture of NNEHIF. For more information, please refer to the Audited Financial Statements which are available upon request or on our website at www.housinginvestmentfund.org/aboutus_financials.html

DEVELOPERS

Affordable Housing Education and Development, Inc. (AHEAD) | Avesta Housing | Clem Begin | Richard Berman/Jim Hatch | Bill Bittinger | Concord Area Trust for Community Housing (CATCH) | Coastal Economic Development Corporation | Coastal Enterprises, Inc. | Community Action Program Belknap-Merrimack Counties, Inc. | Community Concepts, Inc. | Cumberland County YMCA | Dover Housing Authority/Silver Street Development | Families in Transition | Freeport Housing Trust | Green Mountain Development | The Housing Partnership | Keene Housing Authority | Laconia Area Community Land Trust (LACLt) | Steven Lewis | Manchester Housing and Redevelopment Authority | Manchester Neighborhood Housing Services | William Marceau | NHS of Greater Nashua, Inc. | O'Neil Development Company | Penquis Community Action | Peoples Regional Opportunity Program (PROP) | Plant Home | Portsmouth Housing Authority | Realty Resources Chartered | Rochester Housing Authority | Rockingham Community Action | Sanford Housing Authority | Shalom House, Inc. | Silver Street Development | Southern New Hampshire Services | Southwestern Community Services | Paul Stewart | Twin Pines Housing Trust | Wardwell Home for the Aging | Westbrook Housing Authority | Wescott and Payson | York County Community Action | York Housing Authority

PROFESSIONALS

| CERTIFIED PUBLIC ACCOUNTANTS | TAX CREDIT COMPLIANCE CONSULTANT | LEGAL COUNSEL |
|------------------------------|-----------------------------------|--|
| Otis Atwell | General Management Services, Inc. | Curtis, Thaxter, Stevens, Broder & Micoleau Devine Millimet Nixon Peabody, LLC |

SUSTAINING MEMBERS

MAINE STATE HOUSING AUTHORITY
NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

BOARD CHAIR

MARK HENNIGAR
Senior Vice President,
Citizens Bank



BOARD VICE CHAIR

JOHN GALLAGHER
Executive Director,
Westbrook
Housing Authority



WILLIAM R. BARAN

Interim Pastor,
Union Congregational Church,
York Beach



MAUREEN BEAUREGARD

President,
Families in Transition



RICHARD A. BLAKE

Senior Vice President,
Peoples Heritage Bank



KATHARINE BOGLE SHIELDS

Vice President
of Community Development,
Providian Financial



JOANNE CAMPBELL

Senior Vice President,
Camden National Bank



ERIC CHRISTENSEN

Vice President,
Key Bank, N. A.



KIM DAVIS

Vice President,
Ocean National Bank



GERALD H. LITTLE

President, New Hampshire
Bankers Association



AMY LOCKWOOD

Executive Director, Concord
Area Trust for
Community Housing (CATCH)



IGNATIUS MACLELLAN

Deputy Director, Northern
New England Partnership Office,
Fannie Mae (Company name listed
for identification purposes only)



BILL MARCELLO

Executive Director,
Southwestern
Community Services



BETH MCPHERSON

Executive Director,
Genesis Community Loan Fund



WILLIAM NICKERSON

Senior Vice President,
Fleet National Bank



MATT SMITH

Executive Administrator,
Community Concepts, Inc.



PAUL N. STEWART

President, Stewart Property
Management, Inc.



DANA TOTMAN

Executive Director,
Avesta Housing



| DEVELOPMENT NAME | DEVELOPER | UNITS | DESCRIPTION | LOCATION, NH |
|---------------------------------|---|-------|-----------------------------|-------------------|
| Addison Place | Dover Housing Authority/Silver Street Development | 45 | Family | Dover |
| Ammonoosuc Green | Affordable Housing Education and Development | 17 | Neighborhood Revitalization | Littleton |
| Beaver Mills | Southwestern Community Services | 30 | Congregate Elderly | Keene |
| Eagles Bluff I | Silver Street Development | 40 | Family | Concord |
| Eagles Bluff II | Silver Street Development | 40 | Family | Concord |
| Elm Street Phase I | Manchester Neighborhood Housing Services | 40 | Neighborhood Revitalization | Manchester |
| Elm Street Phase II | Manchester Neighborhood Housing Services | 28 | Neighborhood Revitalization | Manchester |
| Emerson Court | Rochester Housing Authority | 12 | Family | Rochester |
| Evergreen Knoll | Keene Housing Authority | 32 | Family | Swanzy |
| Families in Transition-Concord | Families in Transition | 16 | Transitional | Concord |
| Franklin Village | Silver Street Development | 132 | Family | Derry |
| Highlands Apartments | Southwestern Community Services | 40 | Family | Keene |
| Lisbon Renewal | Affordable Housing Education and Development | 10 | Neighborhood Revitalization | Lisbon |
| Mad River Apartments | The Housing Partnership | 16 | Family | Farmington |
| Mary Gale Apartments | Manchester Housing & Redevelopment Authority | 37 | Adaptive Reuse Elderly | Manchester |
| Mill View Apartments | Laconia Area Community Land Trust | 16 | Family | Laconia |
| Millette Manor | NHS of Greater Nashua, Inc. | 22 | Adaptive Reuse Elderly | Nashua |
| Millyard I | Families in Transition | 14 | Transitional | Manchester |
| Millyard Families II | Families in Transition | 20 | Transitional | Manchester |
| Neighborhood Initiative II | Laconia Area Community Land Trust | 19 | Neighborhood Revitalization | Laconia |
| New Hope Housing | The Housing Partnership | 12 | Family | Rollinsford |
| Phoenix Apartments | Manchester Neighborhood Housing Services | 14 | Neighborhood Revitalization | Manchester |
| Pine Hill | Laconia Area Community Land Trust | 18 | Neighborhood Revitalization | Laconia |
| Portsmouth Cottage | Portsmouth Housing Authority | 20 | Adaptive Reuse Elderly | Portsmouth |
| Rolling Green | Paul Stewart | 40 | Elderly | Pittsfield |
| Sandy Ledge Apartments | CAP Belknap-Merrimack Counties, Inc. | 11 | Family | Belmont |
| Settler's Ridge | Steven Lewis | 26 | Elderly | Atkinson |
| Sherburne Woods | Southern New Hampshire Services | 20 | Elderly | Deerfield |
| Snow Brook Meadow Village | Southwestern Community Services | 20 | Family | Winchester |
| South End 2000 | Concord Area Trust for Community Housing | 13 | Neighborhood Revitalization | Concord |
| Spencer Square | Bill Bitteringer/Twin Pines Housing Trust | 20 | Family | Lebanon |
| Straw Mansion | Manchester Neighborhood Housing Services | 33 | Adaptive Reuse Family | Manchester |
| Three Corners Apartments | Manchester Neighborhood Housing Services | 20 | Neighborhood Revitalization | Manchester |
| Troy Senior Housing | Southwestern Community Services | 15 | Congregate Elderly | Troy |
| Upper Valley Supportive Housing | Twin Pines Housing Trust | 20 | Special Needs | Enfield & Lebanon |
| Warwick Meadow Apartments | Southwestern Community Services | 20 | Elderly | Winchester |
| West Swanzy Family Housing | Southwestern Community Services | 18 | Family | Swanzy |
| Whispering Pines II | Rockingham Community Action | 20 | Elderly | Epping |
| White Rock Senior Housing I | Green Mountain Development | 73 | Elderly | Bow |
| White Rock Senior Housing II | Green Mountain Development | 43 | Elderly | Bow |
| Willow Crossing | Concord Area Trust for Community Housing | 24 | Family | Concord |
| Winchester Senior Housing | Southwestern Community Services | 20 | Congregate Elderly | Winchester |
| Woodsville Maple Walnut | Affordable Housing Education and Development | 14 | Family | Woodsville |

| DEVELOPMENT NAME | DEVELOPER | UNITS | DESCRIPTION | LOCATION, ME |
|--------------------------------|--|-------|-----------------------------|---------------------------------|
| Bay Head Apartments | Penquis CAP | 24 | Family | Belfast |
| Brannigan House | Shalom House, Inc. | 10 | Special Needs | Portland |
| Brick Hill Townhouses I | Richard Berman/Jim Hatch/Avesta Housing | 66 | Family | S. Portland |
| Brookside Village | Freeport Housing Trust | 16 | Elderly | Freeport |
| Carrabec Park | Clem Begin | 14 | Family | North Anson |
| CHOM Apartments | Coastal Enterprises, Inc. | 24 | Special Needs | Orono, Belfast & Portland |
| Corundel Commons | Penquis CAP | 20 | Elderly | Corinna |
| Cottage Street Apartments | Community Concepts, Inc. | 18 | Family | Norway |
| Covered Bridge Apartments | Clem Begin | 10 | Elderly | Guilford |
| Farmington Hills Apartments | Community Concepts, Inc. | 12 | Family | Farmington |
| Freese Assisted Living Center | Realty Resources Chartered | 39 | Adaptive Reuse Elderly | Bangor |
| Graham School | Penquis CAP | 20 | Elderly | Veazie |
| Griffin Road Apartments | Penquis CAP | 16 | Family | Bangor |
| Harmon Pines | Avesta Housing | 20 | Family | Buxton |
| High Street SRO | Cumberland County YMCA | 32 | Special Needs | Portland |
| Larabee Village | Westbrook Housing Authority | 150 | Assisted Living | Westbrook |
| Ledgewood Court | Coastal Economic Development Corporation | 24 | Family | Damariscotta |
| Lincolnvile Village Apartments | Clem Begin | 8 | Family | Lincolnvile |
| Logan Place | Avesta Housing | 30 | Special Needs | Portland |
| Maple Street Apartments | Community Concepts, Inc. | 16 | Neighborhood Revitalization | Lewiston |
| Marble Oaks | Coastal Enterprises, Inc. | 16 | Family | Waldoboro |
| Mayflower Assisted Living | Sanford Housing Authority | 35 | Assisted Living | Sanford |
| Norton Street | The Housing Partnership | 20 | Neighborhood Revitalization | S. Berwick |
| Patriot Place | York County Community Action | 40 | Family | Sanford |
| Peninsula Community 2 | Peoples Regional Opportunity Program | 16 | Family | Portland |
| Plant Home | The Plant Home | 37 | Congregate Elderly | Bath |
| Presumpscot Commons | Westbrook Housing Authority | 29 | Adaptive Reuse Elderly | Westbrook |
| Riverside Estates | O'Neil Development Company | 49 | Family | Brunswick |
| Sandy Creek | Avesta Housing | 20 | Family | Bridgton |
| Seabreeze Apartments | William Marceau | 18 | Elderly | Searsport |
| Steeple Square | Avesta Housing | 73 | Neighborhood Revitalization | Westbrook |
| Supportive Housing | Community Concepts, Inc. | 19 | Special Needs | Lewiston, S. Paris & Rumford |
| Unity Gardens | Avesta Housing | 24 | Elderly | Windham |
| Unity Village | Richard Berman/Jim Hatch | 33 | Family | Portland |
| Village View Apartments | Freeport Housing Trust | 30 | Family | Freeport |
| Village Woods | York Housing Authority | 36 | Elderly | York |
| Wardwell Gardens | Wardwell Home for the Aging | 30 | Assisted Living | Saco |
| Western Hills Apartments | Community Concepts, Inc. | 16 | Family | Bethel & Fryeburg |
| Western Maine Apartments | Community Concepts, Inc. | 32 | Family | S. Paris, Brownfield & Fryeburg |
| Windward Apartments | Penquis CAP | 16 | Family | Searsport |
| Yale Court | Wescott and Payson | 30 | Family | Portland |

More detailed information on our developments can be found on our website at www.housinginvestmentfund.org/developments.html

Maine 1188 + New Hampshire 1160 = 2348 units created

long-term perspective



responding to the needs of our communities

part of an enduring landscape



Northern New England
Housing Investment Fund
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Portland, Maine 04101

First Class Mail
US Postage
PAID
Portland, ME
Permit #530

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Chief Financial Officer*

