Our Message from the President and Board Chair

Working in Partnership

We are happy to present to you this report of our efforts in 2010. These efforts would have been lost, however, had they not been equaled and exceeded by your efforts. Our developer partners plan, build, and then operate apartments for our low-income neighbors; these developers are the unsung housing heroes. Our investors have maintained their commitment and loyalty to us through all market changes, consistently providing resources to invest in properties while also providing sound advice and leadership. Not to be forgotten is New Hampshire Housing’s and MaineHousing’s invaluable dedication to all of our communities. As we are reminded each day, people who need housing rely on our continued collaborative effort. We are proud to be one of the many forces in this meaningful work. Thank you.

Looking Back on 2010

In 2010, we continued to navigate these challenging and rapidly changing times to realize an overall successful year. We not only raised and invested capital in much-needed affordable housing, but the properties in which we previously invested continued to show stable operating performance, including strong occupancy and adequate income-to-expense ratios. Furthermore, with our partners, we passionately advocated for effective state and federal housing policies.

Planning for the Future

In addition to our daily work, we continually study, learn, and adapt to a changing financial market and to uncertainties of federal and state housing policies. Change is certain. We are working to influence the decisions that will shape the future housing environment. In 2010, we took a serious look at our performance, through the eyes of several of our development partners. They candidly shared their thoughts about our strengths, as well as areas for improvement. We took all of their comments to heart and are committed to growing from this feedback.

John Anton,
President

Cullen Ryan,
Board Chair
The Culmination of Our Joint Efforts

“I envisioned myself homeless, desperate, and walking down the street pushing my oxygen tank looking for a place just to plug in.”

JODY BRISSETTE, LOCMERE MEADOWS RESIDENT

Raising & Investing Capital

In 2010, we raised $2 million in capital toward our next multi-investor fund. We are grateful for our large bank investors, and we are also excited about the high level of community bank investment in this new fund.

In 2010, we invested $25.6 million in 11 housing developments with 458 units of affordable housing. This represents a 15% increase in the number of units in our portfolio. Each development showcases the hard work of our development partners, exemplified by the properties featured in this report. We thank our developer partners for their efforts. We invested using three financing avenues: 1) Our multi-investor fund, which included TD Bank, Bank of America, Citizens Bank, KeyBank, People’s United Bank, Bangor Savings Bank, and Gorham Savings Bank; 2) Our TD Bank proprietary fund, and 3) Our side-by-side investment with Centric Bank.

Managing Assets

Despite economic and employment challenges, the 103 stabilized properties in our portfolio continued to show solid operating performance with an average 96% occupancy and 1.63 debt coverage ratio. There were no negative performance issues, meaning no foreclosures, no recaptures and no bankruptcies. In addition to overseeing our portfolio, our Asset Management Team worked to improve the property management oversight system.

• We collaborated with our partners and their property managers to enhance results at existing properties and to improve prospects of new acquisitions.
• We innovatively responded to our investors, who often need tailored reports with specific data and explanations of portfolio experience.
• We led our nonprofit syndicator peers to comprehensively rewrite best practices in asset management.

Shaping Public Policy

State and national housing policy is in flux, both in funding levels and programs. We have focused on two main policy fronts: 1) protecting existing programs and policies that work; and 2) providing leadership on future housing policy. We have collaborated with our partners, with state housing groups (Maine Affordable Housing Coalition and Housing Action NH), and with various national groups to ensure that the Maine and New Hampshire perspectives are part of the housing policy discussion. In 2010, the most notable national issue we tackled in this manner was the Community Reinvestment Act.

Our vision of healthy housing policy necessitates that we also support our partners’ work. In 2010, we contributed over $85,000 in various grants, sponsorships and other financial assistance. Our new partner scholarship program assisted 30 members of our partners’ staff in attending housing training. We believe that the stronger you are, the stronger we are.

We actively manage 15 Equity Funds invested in affordable housing developments receiving the Federal Low Income Housing Tax Credit.

Featured Property

New Lochmere Meadows resident Jody Brissette developed a disabling illness about a year-and-a-half ago. Up until that time, she had worked for many years as a hairdresser. Nearing the end of her employment, she was referred to us by the hairdresser. Now unable to work and on oxygen, she found herself also unable to keep up with rent payments. Facing eviction, she spent months looking for an apartment she could afford. She was so desperate that she looked into homeless shelters, but they couldn’t accommodate someone on oxygen. Jody was referred to us by the Town of Meredith. The Town, through the Board of Selectmen, is now overjoyed with the results sourced with the Town’s new Business Block Façade CDBG Project across the street. Thank you for your continued investment.

VALMORE BALSOW, JR., TOWN MANAGER

Lochmere Meadows, Tilton, NH | 29 senior apartments | Developer: Laconia Area Community Land Trust

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Since 1996...Units: 1,987 in ME + 1,810 in NH = 3,797

Investments: $360 Million
Doing the Work

We are a private, nonprofit corporation that promotes housing and community development by providing equity capital, technical assistance and consulting services to affordable housing developers throughout Maine and New Hampshire.

Sustaining Members

MaineHousing
New Hampshire Housing

Staff

John Anton
President

Patrick Brennick
Deputy Director, Asset Management

Holly Burbank
Deputy Director, Finance

Kelly Campbell
Asset Manager

Michelle Cyr
Corporate Administrative Assistant

Maryanne Gottman
Asset Management Administrative Assistant

Ignatius MacLellan
Vice President, Public Affairs

Jan McCormick
Vice President, Asset Management

Lisa Merchant
Senior Acquisitions Manager

Angie Pizzolato
Acquisitions Associate

Bill Shanahan
Vice President, Acquisitions

Thank You!

“...we appreciate her unselfish dedication and truly outstanding service—her caring toward others is to be commended.”

IGNATIUS MACLELLAN, NNEHIF VICE PRESIDENT, PUBLIC AFFAIRS

TOYS FOR TOTS RECIPIENTS EXPRESSED THEIR GRATITUDE BY sending THIS MESSAGE.