No question, 2017 was a challenging year. There were many external factors that changed the way we had traditionally done our work—so we adapted. What we learned this year is that we’ve become quite adept at responding to change.

“Broadening Our Commitment” is the way we describe the strategic planning efforts that we completed in 2017. We wanted to look beyond the short-term issues that we faced and take a longer, sustained view. The process started with asking NNEHIF staff for their insights. We then asked other stakeholders to weigh in with their feedback. “Broadening Our Commitment” is a kind of roadmap for us to follow. It outlines three overarching priorities: expand our business model, enhance business value, and invest in people. Early in 2018, we have already made progress toward accomplishing these goals.

Of course, the context and purpose for all the work we do is the enduring need for affordable housing. Another critical issue: the burden of being able to afford rental housing. The Out of Reach 2018 report, prepared by the National Low Income Housing Coalition, estimated that in Maine a person would need 1.9 minimum wage jobs to afford a two-bedroom apartment; in New Hampshire, a person would need 3.1 minimum wage jobs. The same report noted that five of the six New England states were among the top ten states where the two-bedroom housing wage exceeded the average renter wage.

While we are advocating for resources to produce and preserve affordable housing stock, we are often pushing back to just maintain existing resources—and always making the point that we can’t make any progress with fewer resources.

Even after more than two decades of engaging with this chronic problem, we still have a tremendous amount of work to do. NNEHIF has built a solid reputation as a leading tax credit syndicator in Northern New England, and our level of LIHTC expertise, and regional relationships remains unparalleled. We will keep building on these relationships, our core syndication business, and our reputation so that we can continue to provide housing, which is a basic need for everyone.

In closing, thank you to the NNEHIF Board, the NNEHIF staff, and all our investors and development partners for the ways they have engaged to meet this challenge.

Bill Shanahan | President, NNEHIF
We collaborate with creative developers who share NNEHIF’s mission and commitment to our communities.

<table>
<thead>
<tr>
<th>DEVELOPER</th>
<th>DEVELOPMENT</th>
<th>LOCATION</th>
<th>PROPERTY TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAET NASHUA, LLC</td>
<td>22 Marshall Street, LLC</td>
<td>Nashua, NH</td>
<td>Family</td>
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<tr>
<td>DOVER HOUSING AUTHORITY</td>
<td>1623 Settlement Dover LP</td>
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<td>Family</td>
</tr>
<tr>
<td>AUBURN HOUSING AUTHORITY</td>
<td>62 Spring Street LP</td>
<td>Auburn, ME</td>
<td>Family</td>
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<tr>
<td>WESTBROOK HOUSING AUTHORITY</td>
<td>Larabee Commons, LP</td>
<td>Westbrook, ME</td>
<td>Elderly</td>
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<tr>
<td>AVESTA HOUSING DEVELOPMENT CORPORATION</td>
<td>Avesta Three Meeting Place LP</td>
<td>Exeter, NH</td>
<td>Family</td>
</tr>
<tr>
<td>NEWFOUND RIVER APARTMENTS, LLC</td>
<td>Newfound River Apartments I LP</td>
<td>Bristol, NH</td>
<td>Family</td>
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<tr>
<td>LACONIA AREA COMMUNITY LAND TRUST</td>
<td>GVK3 LP</td>
<td>Gilford, NH</td>
<td>Elderly</td>
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<tr>
<td>DEVELOPER’S COLLABORATIVE</td>
<td>Motherhouse Associates LP</td>
<td>Portland, ME</td>
<td>Elderly</td>
</tr>
<tr>
<td>VOLUNTEERS OF AMERICA NORTHERN NEW ENGLAND</td>
<td>Cabin in the Woods</td>
<td>Chelsea, ME</td>
<td>Special Needs</td>
</tr>
</tbody>
</table>

OUR BOARD

DIRECTORS (ME)

CULLEN RYAN, CHAIR • COMMUNITY HOUSING OF MAINE (CHOM)
DAVID BIRKHAHN • TD BANK, N.A.
MICHAEL CLARKE • BANK OF AMERICA MERRILL LYNCH
BILL FLOYD • GENESIS COMMUNITY LOAN FUND
RICK WHITING • AUBURN HOUSING AUTHORITY

DIRECTORS (NH)

ART CASAVANT, VICE CHAIR • PEOPLE’S UNITED BANK
GENE CLERKIN • RBS CITIZENS, N.A.
KARA SWEENEY • PRETI FLAHERTY
CRAIG WELCH • PORTSMOUTH HOUSING AUTHORITY
ANDREW WINTER • TWIN PINES HOUSING TRUST
OUR STAFF

NNEHIF employees bring their expertise, skills, and passion to work every day.

**HOLLY BURBANK**
VICE PRESIDENT, FINANCE AND ADMINISTRATION
Holly is responsible for corporate financial management, including long-term financial goal setting, budgets, financial policies, cash management, and reporting. She also oversees the general operations of the organization and works with NNEHIF’s president to manage funds and maintain investor relationships.

**MARK BROOKS**
SENIOR ACQUISITIONS OFFICER
Mark focuses on structuring and underwriting potential investments. He takes a project from initial application through investment approval and on to closing. Using NNEHIF’s Investment Criteria as a guide, Mark will shape an investment to meet the needs of our investors and developer partners.

**MARYANNE GOTTMAN**
ASSET MANAGEMENT ASSOCIATE
Maryanne collects, reviews, and inputs property and financial information from developers, general partners, and property managers. She reviews annual property budgets and audits and administers NNEHIF’s Scholarship Fund.

**THOMAS MACDONALD**
VICE PRESIDENT, ACQUISITIONS
Tom oversees NNEHIF’s acquisition of investments and coordinates the activities of HIF Consulting. He draws upon his past experience as owner of MacDonald Associates, an affordable housing due diligence and LIHTC consulting firm.

**JAN MCCORMICK**
VICE PRESIDENT, ASSET MANAGEMENT
Jan directs the company’s asset management department, which oversees performance of the investment portfolio. In addition, she coordinates NNEHIF’s third-party asset management consulting services. She has extensive experience as an income property mortgage lender, asset manager, and bond trader.

**LISA MERCHANT**
ACQUISITIONS SPECIALIST
Lisa is responsible for guiding transactions from the development process through approval, closing, and post-closing. She brings almost twenty years of real estate development to her role, including work as a legal associate and development officer.

**CONNIE ONOS**
ADMINISTRATIVE & ACCOUNTING ASSISTANT
Connie supports the staff through day-to-day operations of the office. She also assists the VP, Finance and Administration with accounting and financial tasks. Prior to NNEHIF, Connie worked for Maine Health in the Behavioral Healthcare division and has many years of experience working in banking and insurance.

**PAUL OTTOSON**
SENIOR ASSET MANAGEMENT OFFICER
Paul is responsible for the disposition of matured real estate investments, structuring workouts or similar transactions related to troubled assets, and conducting feasibility analyses of contractual consent and waiver requests.
**STEVE SCHUSTER**  
**SENIOR ACQUISITIONS OFFICER**  
Steve’s role is to assess the feasibility of investment opportunities and provide construction oversight for projects. In addition, he manages HIF Consulting projects in Maine and New Hampshire and specializes in development capacity building for affordable housing initiatives.

**BILL SHANAHAN**  
**PRESIDENT**  
Bill brings a career of real estate finance and development to his work at NNEHIF. His primary roles are to establish NNEHIF’s strategy and vision, as well as to lead the senior management team. Bill serves on a number of boards, including the Maine Affordable Housing Coalition (MAHC), Housing Action New Hampshire (HANH), Maine Real Estate Development Association (MEREDA), the Genesis Community Loan Fund, and the Park Danforth.

**MIKE SPRAGUE**  
**ASSET MANAGER**  
Mike contributes to the corporate oversight of portfolio performance and investment return through regulatory compliance monitoring and provision of technical assistance related to affordable housing property management.

**SHERRIN VAIL**  
**DIRECTOR, ASSET MANAGEMENT OPERATIONS**  
Sherrin is responsible for leading all routine asset management functions from construction and lease-up through and during stabilization. She also oversees asset analysis and quarterly reporting, compliance monitoring and reserves usage. Sherrin currently serves as the President for Maine Real Estate Managers Association (MREMA).

**CAMERON WOODFORD**  
**ACQUISITIONS ANALYST**  
Cam is responsible for assisting the acquisitions team in underwriting and structuring investments, as well as providing support to HIF Consulting. Prior to joining NNEHIF, Cam was an Associate Broker at SVN and Commercial Properties Inc. where he specialized in investment sales, acquisitions, leasing, and development in the retail sector. He serves as the Chair of DevelopME, a group for rising leaders in Maine’s real estate industry, and is an active member of MEREDA’s Events Committee.
OUR INVESTOR PARTNERS

We partner with investors who share our belief that safe, affordable homes are the cornerstone of a thriving community.

OUR AGENCY PARTNERS

We are grateful for our ongoing partnerships with MaineHousing and New Hampshire Housing. Our efforts to create affordable housing only succeed because of the steadfast work of these agencies.
These financials include consolidated operations for NNEHIF, HIF Consulting, LLC, and HIF Historic Affordability, LLC.

**INCOME**
- Fee Income: $2,912,672
- Interest: $398,874
- Membership Dues: $2,000
- Miscellaneous: $638

**EXPENSES**
- Expenses: $1,481,421
- Management: $879,208

**NET INCOME**
$953,555

**ASSETS**
- Cash & Cash Equivalents: $6,099,913
- Other Current Assets: $7,343,861
- Other Assets: $1,689,474
- Property & Equipment (Net Depreciation): $133,019
- Total Assets: $15,266,267

**LIABILITIES & NET ASSETS**
- Current Liabilities: $1,418,397
- Long-Term Liabilities: $6,137,527
- Temporarily Restricted Assets: $1,125,000
- Unrestricted Net Assets: $6,585,343
- Total Liabilities & Net Assets: $15,266,267

_Audited Financial Statements for NNEHIF can be provided upon request._
ABOUT NNEHIF

The Northern New England Housing Investment Fund is a private, nonprofit 501(c)(3) corporation that promotes housing and community development by providing equity capital, technical assistance and consulting to affordable housing developers throughout Maine and New Hampshire.

NNEHIF remains committed to our core business and mission, even in this dynamic economic environment. While some challenges and opportunities have changed, our commitment to our vision is steadfast: affordable, secure housing for all individuals is the cornerstone of community life. We will continue to forge new paths while maintaining our vision, mission, and principles to strengthen our position as a leader in affordable housing.

Since 1993, the corporation has raised over $600 million in equity capital, investing it in the development of 3,220 units of affordable housing in New Hampshire and 3,376 units in Maine, for a total of 6,596 units of affordable housing across the two states. NNEHIF currently manages 20 Equity Funds (17 multi-investor funds and three proprietary funds) that invest in affordable housing developments receiving federal Housing Credits.

75 Market Street, Suite 201
Portland, ME 04101

www.nnehif.org