



“The Board of Directors and the Fund's staff will continue to work diligently to provide the citizens of West Virginia with safe, decent and affordable housing.”

Erica L. Boggess  
Acting Executive Director  
West Virginia Housing  
Development Fund

Annual Report  
Fiscal Year  
**2013**  
July 2012—June 2013





**W**

*est Virginia has the highest rate of homeownership in the country. Our clients understand the importance of homeownership and what it means for our communities.*



Erica L. Boggess  
Acting Executive Director  
West Virginia Housing  
Development Fund



Dear Reader,

Thank you for taking the time to read the Fund's Annual Report for Fiscal Year 2013. This was an exhilarating year for our state and our agency. To better serve homebuyers, we developed a new, exciting option for residents and those looking to relocate to our beautiful state. The Movin' Up Program was designed to help moderate-income homebuyers purchase a new residence. Unlike our more commonly known homebuyer programs, Movin' Up does not have a first-time homebuyer requirement and is geared to those who might have outgrown their current residence or just want to make a change. The Movin' Up Program is a very innovative program and one we are very proud of. The Fund developed this program through a self-sustained, revolving loan pool. This pool is the first of its kind for a housing agency.



Our work with non-profit housing agencies and community development organizations remained strong. Our mission dictates that we do all we can to strengthen the supply of safe, affordable housing for individuals and families. This year we helped establish housing in Elkins, Terra Alta, Man, Welch and many other communities across our state.

The Fund continues to maintain its "AAA" general obligation debt rating. This is the highest rating that can be achieved and the Fund is the only state housing finance agency to receive a "AAA" rating. The rating service lauded the extremely high credit quality of our asset base, our ability to successfully meet our legislative mandate, the extensive experience of our management team, our conservative philosophy and the state's stable economic base.

The Board of Directors and the Fund's staff will continue to work diligently to provide the citizens of West Virginia with safe, decent and affordable housing.

Erica L. Boggess  
Acting Executive Director  
West Virginia Housing Development Fund



 *The West Virginia Housing Development Fund is the only state housing finance agency to receive a "AAA" rating.* 

Erica L. Boggess  
Acting Executive Director  
West Virginia Housing  
Development Fund





“It's a good place  
to raise kids!”

Rocmond Lewis

Rocmond Lewis and his young family love their brand new home in Fairmont. They've been in the unit for a few months, but Lewis has been watching the progress of the building for over a year.

“As soon as I found out this was going to be our home, I would come out and watch the construction,” he said. “I just couldn't wait to move in.”

The three bedroom, two-bath home was built by the Fairmont Community Development Partnership and funded through the Fund's HOME Program.

Lewis and his 6-year-old daughter, Kymora, and 4-year-old son, Rocmond Jr., are renting one of the three units that were constructed at 2 Spence Street. The three-unit development is located at the intersection of Spence Street and Maple Avenue near Woodlawn Cemetery. The organization tore down three dilapidated properties and built affordable housing in their place. Construction on the triplex unit began in July of 2012. Lewis said his new home is ideal because it's close to his kids' schools and a number of parks.

“They have room to play and both kids are excited about finally having their own bedrooms.”

His previous place was a two-room apartment that had seen better days. It was on a side of town that wasn't ideal for families. His kids were forced to share a room and Lewis knew he had to find something better.

Working through Fairmont Community Development Partnership, one of the Fund's many community housing partners, Lewis learned of the new development on Spence Street.

“We're excited to be here,” Lewis said. “It's just big, beautiful and spacious.”

Lewis, who is originally from New Jersey, moved to Fairmont four years ago. He said he likes the community and plans to stay in the Friendly City for a while.





“Every little girl wants to paint her room and make it her own. You just can't do that in a rental.”

Tiffany Bajus



Tiffany Bajus was tired of renting. Bajus, a recent graduate of Marshall University and communication specialist, wanted to find a permanent place for her family. She wanted a home where they could play games in the backyard, enjoy a sunny afternoon on the front porch and go for leisurely strolls through Huntington's gorgeous Ritter Park. She and her Realtor searched for over a year before finding the perfect house.

"I knew the minute we walked in the front door that I loved it," she said of her cozy, well-appointed brick one-story on Huntington's West End. "I don't know what it was, but it just had so much character."

Bajus worked diligently with her mortgage loan officer at Huntington Bank. They decided her best option was a Homeownership Program Loan through the Fund. A short time later, she was unpacking boxes in her new house.

Painting, scraping and sanding are now done, and Bajus said making the house her own and letting her daughter decorate her room has been the most rewarding part of the experience.

"The house is wonderful," Bajus says, "but the location is what truly makes it great."

Her new home is close to Ritter Park and a short stroll from downtown. Sunny days mean playing at the park's playground, lingering at the railroad museum or admiring the rose garden at what has been recognized as one of the nation's premier outdoor spaces by the American Planning Association. A short walk in the other direction gives Bajus and her daughter a chance to explore historic downtown Huntington. They can watch a movie, stop by the bookstore or catch some live music at Pullman Square.

"We really like being here," she said.



## Homeownership Program

Owning a home is a vital part of the American dream. Homeowners understand the importance of community and what it means to be part of something larger than themselves. We're proud to help so many West Virginians turn their dream of owning a home into a reality. The Fund was able to offer some of the lowest rates in our history during this year. Working with lending partners from across the state, we provided over 400 homes for state residents totaling \$42,747,682.

Because rates were at historic lows this year, we were able to help many customers refinance their home at a much lower interest rate. We helped just over 800 West Virginia homeowners make their mortgage more affordable, closing \$111,613,592 in loans this year.



## Down Payment/Closing Cost Assistance Program

We know that buying a home is expensive. It's oftentimes our biggest investment. To help our customers, the Fund established our Down Payment/Closing Cost Assistance Program to remove obstacles to homeownership that applicants might encounter. This year, the Fund provided \$3,212,065 in closing cost assistance to homebuyers in the Mountain State.



## The Special Assistance Lending Program

The Special Assistance Lending Program (SALP) works with a coordinated system of state and local organizations that provide non-traditional group housing and/or critically-needed services to our state's special needs population. Homeless individuals and families, victims of domestic violence, neglected and abused children, elderly, individuals with HIV, those recovering from alcoholism or drug abuse, disabled Veterans and families in transition from shelters to traditional housing have all benefited from this program. Among the many projects we completed in this year were the Gertrude Flats Apartments in East Wheeling. Working with the Greater Wheeling Coalition For the Homeless, we provided just over \$125,000 to help with much-needed interior and exterior repairs. This year, the Fund completed \$1,225,306 in SALP funding.



## On-Site System Program

West Virginia's rural and remote nature sometimes means a lack of public infrastructure. To help our residents, the Fund has partnered with the West Virginia Department of Environmental Protection to develop the On-Site System Program. The program, which was recognized by the Environmental Protection Agency as a model for improving water quality protection, is designed to help eligible households install, repair or replace on-site septic systems or connect to a public treatment system. This year, the On-Site System Program assisted 20 families, totaling \$135,253 in funding.

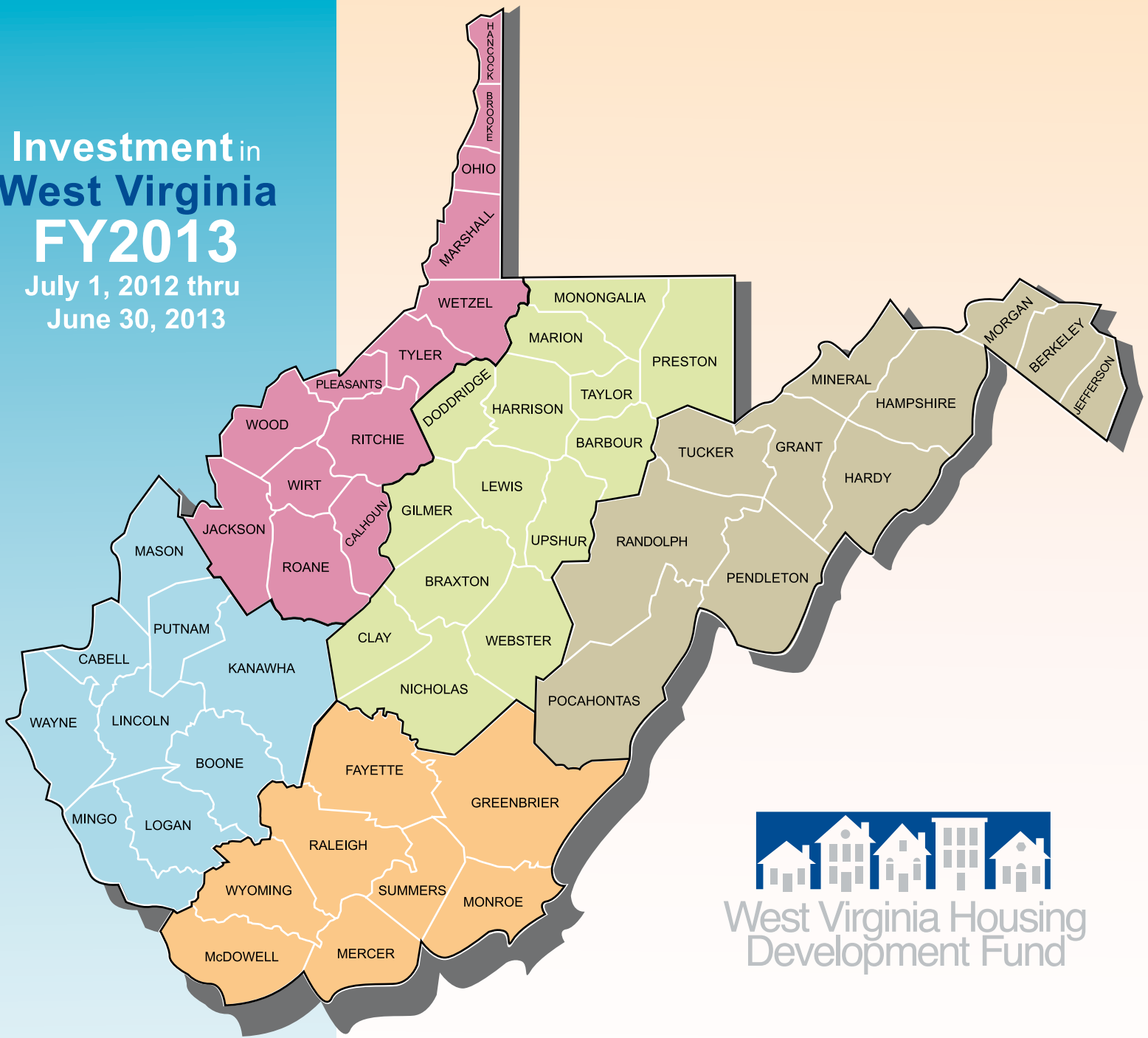


## Mini-Mod Rehabilitation Program

The Fund's Mini-Mod Rehabilitation Loan Program (MMRP) for rental property owners provides owners of rental housing units with affordable financing to rehabilitate existing units or assist with the completion of new rental units. We started a number of MMRP projects this year. The Fund loaned \$283,240 to help property owners complete a number of other interior and exterior improvements to 25 units.

# Investment in West Virginia FY2013

July 1, 2012 thru  
June 30, 2013



REGION	HOUSING UNITS	AMOUNT FINANCED
Ohio Valley	342	\$ 34,338,253
Mountain & Lakes Country	476	\$ 25,732,040
Potomac Highlands	207	\$ 25,806,974
Greenbrier Valley	153	\$ 17,668,260
Metro Valley	764	\$ 68,063,428
<b>TOTAL</b>	<b>1,942</b>	<b>\$ 171,608,955</b>





West Virginia Housing  
Development Fund

## Housing Unit Production Report - FY2013 as of June 30, 2013



<b>PROGRAM</b>	<b>NET UNITS*</b> July 2012 - June 2013	<b>TOTAL</b> Net Units*
<b>Homeownership Programs</b>		
Bond	441	43,299
Secondary Market	801	12,265
Other Current Programs	—	4,652
Inactive	n/a	6,588
<b>Rental Programs</b>		
Development Financing Programs	—	4,996
Low-Income Housing Tax Credit	507	10,868
Other Current Programs	25	1,339
Inactive	n/a	10,057
<b>Special Programs</b>		
	114	12,453
<b>HOME</b>		
HOME Program	11	1,314
HOMERent	4	198
CHDO	39	790
Other Home Programs	—	154
Inactive	n/a	303
<b>Land Development</b>		
	—	5,919
<b>Total Net Units*</b>	<b>1,942</b>	<b>115,195</b>

\* Net units are units that are counted only once, even if they have more than one source of financing.



The HOME Program supports the development of decent, affordable single-family housing and rental housing for low-income families in the rural areas of West Virginia. The Fund is also responsible for the development of Community Housing Development Organizations (CHDOs). CHDOs are non-profit organizations capable of addressing the housing needs of low-income families in certain designated areas throughout the state. The HOME Program funds, which are awarded annually as a formula grant, are allocated to the various federal housing programs through the annual HOME Program Action Plan.

The Fund provides homeownership financial assistance to low-income families through the NewHOME Loan Program and the HOME Leverage Loan Program. These loan programs provide mid to long term, 0% interest rate, first mortgage loans or second mortgage loans to eligible low-income homebuyers. These loans are originated through a small network of qualified, licensed, non-profit organizations. Despite the recent changes in the federal and state lending laws, the Fund was able to finance 11 single-family loans in the amount of \$1,153,140 through these programs over the past year.

The Fund uses loan repayments from the NewHOME Loan Program and HOME Leverage Loan Program loans to maintain a revolving low-income loan fund. As of June 30, 2013, the NewHOME Loan Program and HOME Leverage Loan Program loan portfolio, which contained 1,128 loans, had a principal balance of \$45,357,173.

The Fund supports the development of rental housing for low-income families through the HOMErent Loan Program. The HOMErent Loan Program provides financing for both for-profit and non-profit organizations that are interested in the development of affordable rental housing. This year the Fund committed \$415,000 to finance the development of four HOMErent projects.



## Low-Income Housing Tax Credit Program

The Low-Income Housing Tax Credit Program (LIHTCP) is a federal tax incentive program to encourage private equity investment, rather than 100 percent federal government financing, for the creation of affordable low-income residential rental housing. In order to be eligible for participation in the LIHTCP, a qualified low-income residential rental housing property must be occupied by individuals whose annual gross income is at or below 60 percent of the area median income. To date, over 13,500 units in West Virginia have been developed using this program. Over the past year, 17 properties located in 12 counties received Low-Income Housing Tax Credits, producing 638 units.



## Low-Income Assisted Mortgage Program

The Low-Income Assisted Mortgage Program (LAMP) was developed in 1992 as a pilot program with Mountaineer Habitat for Humanity. The goal of the program was to enable those with very low incomes to become homeowners. The program was later honored by Harvard University's Ash Center for Democratic Governance and Innovation. Because of LAMP's success, other Habitats across the state were invited to participate. The premise is simple – to enable non-profit housing groups to expand their abilities to provide homes for those who need them the most. The program allows participating non-profit housing providers to sell their loan to the Fund. By selling the loan, they can use money they would have otherwise tied up in mortgages to finance and maintain homes. The Fund devoted \$1,103,488 to help non-profits do more to help West Virginia families in need.



## The Department of Fair Housing and Client Services

The Client and Community Services Department continued its work with the Southern WV Long Term Recovery Committee to support and partner with faith based organizations and volunteers throughout the state in flood recovery efforts. The department's efforts were primarily focused in Logan and Mingo counties where the Fund assisted 17 families with repairs needed due to flood damage and provided replacement housing for 3 families whose homes were damaged beyond repair.

The department has also provided training to over 200 HOME and Low-Income Housing Tax Credit Program participants on issues pertaining to Affirmative Marketing as well as compliance with the accessibility provisions of the Fair Housing Act, the ADA and Section 504 of the Rehabilitation Act of 1973. The department continues to review Fund practices and policies to ensure full compliance with Fair Housing as well as look for additional opportunities to affirmatively further fair housing through the Fund's programs.



**“** We're always looking forward and searching for new ways to engage with the communities we serve. **”**

We're always looking forward and searching for new ways to engage with the communities we serve. Southern West Virginia is growing in a number of different ways for a variety of positive economic reasons, and we want to be a part of that. Our new office in Beckley will be a resource for anyone who wants to utilize one of our mortgage products, invest in multifamily housing or just learn more about the Fund and what we do.

David Rinehart, the Fund's Southern West Virginia Area Manager, will use the office to help further the Fund's mission across his territory. Rinehart will represent the Fund in Boone, Cabell, Clay, Fayette, Jackson, Kanawha, Lincoln, Logan, Mason, McDowell, Mercer, Mingo, Monroe, Putnam, Raleigh, Summers, Wayne and Wyoming counties.

The Fund also has field offices in Clarksburg and Martinsburg.



**West Virginia Housing Development Fund  
Southern West Virginia Field Office  
202 Pinewood Drive  
Beckley, WV 25801  
304.731.4020**



**The Honorable Earl Ray Tomblin**  
Governor  
Chairman of the Board



**Robert "Bob" S. Kiss**  
Cabinet Secretary  
WV Dept. of Revenue



**John Perdue**  
West Virginia  
State Treasurer



**Patrick Morrissey**  
West Virginia  
Attorney General



**Walt Helmick**  
West Virginia  
Commissioner of  
Agriculture



**Everette Sullivan**  
West Virginia  
Council of Carpenters



**Sam Kapourales**  
Kapourales  
Properties, LLC



**Julia Elbon**  
Prime Properties, Inc.



**J.D. Stricklen**  
Stricklen Properties



**R. Fred Clark**  
Retired Banker and  
Consultant



# Board of Directors





## Executive Staff

**Erica L. Boggess** – Acting Executive Director

**Steve A. Fisher** – Deputy Director of Program Operations

**Kristin Shaffer** – Staff Counsel

**Alicia Deligne** – Staff Counsel – Compliance

**Sherry Bossie** – Senior Director – Tax Credit & Compliance

**Julie Davis** – Senior Director – Finance & Quality Control

**Adola S. Miller** – Senior Director – Human Resources & Communication

**Nancy F. Parsons** – Senior Director – Asset Management

**David Rathbun** – Senior Director – Single Family Loan Origination

**Crystal Toney** – Senior Director – Accounting & Administrative Services

**Julie Aliff** – Managing Director – Loan Servicing

**Robert F. Cary** – Managing Director – HOME Program

**Phyllis Jackson** – Managing Director – Loan Origination & Underwriting

**Chad Leport** – Managing Director – Internal Audit

**Dorothy White** – Managing Director – Section 8 Contract Administration

**Michelle Wilshere** – Managing Director – Low-Income Housing Tax Credits

**James Owrey** – Managing Director - Multifamily Programs

### **Financial Advisor**

Piper Jaffray & Co.  
612.303.6000  
800 Nicollet Mall, Suite 800  
Minneapolis, MN 55402

### **General Counsel**

Jackson Kelly, PLLC  
304.340.1000  
1600 Laidley Tower  
500 Lee St.  
P.O. Box 553  
Charleston, WV 25322

### **Auditors**

Gibson & Kawash, CPA  
304.345.8400  
300 Chase Tower  
707 Virginia St., E.  
Charleston, WV 25301

### **Bond Counsel**

Hawkins, Delafield & Wood, LLP  
212.820.9300  
One Chase Manhattan Plaza  
42nd & 43rd Floors  
New York, NY 10005



West Virginia Housing  
Development Fund

For more information contact:  
George Gannon  
Communication Manager  
304.391.8643  
ggannon@wvhdf.com



West Virginia Housing  
Development Fund

5710 MacCorkle Ave., SE, Charleston, WV 25304  
304.391.8600 / 800.933.9843 / [www.wvhdf.com](http://www.wvhdf.com)

The WVHDF is self-sustaining and receives no State appropriations. As such, no tax dollars were used in the production of this publication.



NMLS#198038