

# A Change of Place

Stories of Transformation



West Virginia Housing  
Development Fund



2015 Annual Report



The Honorable  
Earl Ray Tomblin  
West Virginia Governor  
Chairman of the Board, WVHDF

Thank you for taking time to read The Fiscal Year 2015 Annual Report for the West Virginia Housing Development Fund. This was an exciting year for the Fund. It continued its important work of making certain that West Virginia residents have access to safe, decent and affordable housing.

This year, the Fund offered the lowest interest rate in the history of the organization. Because the program was tailored to moderate-income buyers, many who might not have otherwise had the chance were able to turn their dream of homeownership into a reality. That historically low interest rate came on the heels of our state being named the best in the country for first-time homebuyers by the Huffington Post. The Huffington Post, one of the Internet's highest traffic sites and the first digital media enterprise to win a Pulitzer Prize, specifically cited Fund programs as a reason the state received this honor.

The Housing Development Fund continues to maintain a "AAA" general obligation debt rating, the only state housing agency in the nation to achieve this rating. This distinction is a direct result of a devotion to making quality mortgage loans and customers' commitment to what is often their biggest investment. Both Standard & Poor's and Moody's, the country's most respected rating services, noted the extremely high credit quality of the Fund's asset base, its ability to meet its legislative mandate, the dedication of the talented management team and a smart investment philosophy.

Community efforts extended beyond homeownership. The West Virginia Property Rescue Initiative, which I signed into law this year, mandates that the Fund allocate an additional \$1 million per fiscal year over the next five years for a revolving loan program available to counties and municipalities that want to rid their communities of blighted, dangerous properties. The program provides cities and counties with resources to acquire and/or remove dilapidated properties from their communities. We've already started our outreach efforts for this and we're excited about moving forward.

I truly appreciate the continued commitment of the Board of Directors and the Fund's staff to work diligently to provide West Virginians with safe, decent and affordable housing.

*Earl Ray Tomblin*





## Vacant Lots Transformed

CHARLESTON - Open fields and vacant lots are often seen as a detriment to a neighborhood. However, we see opportunity and a chance to do something great.

Working with our dedicated partners from across the housing spectrum, we were proud to help transform two vacant lots in Charleston and turn them into housing for those who truly need it.

At one corner of Lewis and Shrewsbury streets on the city's East End is Shrewsbury Village. Developed with the assistance of our Low-Income Housing Tax Credit Program, Shrewsbury Village is a gleaming, modern apartment building.

"Working with the Fund to develop this property meets a critical affordable-housing need in this area," said Bill Turner with Pison Development, the property developers and recipients of the tax credits.

The tax credit program, which has been used to develop more than 14,000 housing units in the state, generates low-income residential rental units by encouraging private investment through federal tax credits.



**BEFORE**

### Shrewsbury Village:

- 17 one-bedroom apartments
- 15 two-bedroom apartments

### Thomas Patrick Maroney Unity Apartments:

- 13 one-bedroom apartments
- Every apartment is wheelchair accessible
- Housing for individuals with physical or mental impairments
- Special Assistance Lending Program (SALP) funding of \$125,000



At the other corner stands the Thomas Patrick Maroney Unity Apartments. The units were developed by Human Resource Development and Employment, Inc., the AFL-CIO's housing arm. They utilized the Fund's Special Assistance Lending Program.

The Special Assistance Lending Program (SALP) is designed to provide construction and rehabilitation financial assistance to organizations that improve housing opportunities of special needs populations or low and, very-low income populations in West Virginia.

"The Fund's main concern is like ours," said Don Savage, Vice President of Human Resource Development and Employment, Inc. "They're concerned about the low-income people in this state and they want to do everything they can legally to provide them assistance in housing."

Housing developments like this are important in so many ways. Not only have we been part of the transformation of a city block, the people and families who live in these units have access to shops, restaurants and world-class medical care.

Thomas Patrick Maroney Unity Apartments and Shrewsbury Village are further proof that housing can transform lives.

## From Erica Boggess Fund Acting Executive Director



At the Fund, we are always striving for new, innovative ways to make sure West Virginia residents have access to affordable housing.

We know homeownership is not right for everyone, that's why we do all we can to work with our partners across the entire housing industry to make certain everyone has a safe place to call home.

In downtown Charleston, we are excited to work with developers to do just that. What were once vacant lots have now been transformed. Our dedicated staff works every day to make sure we are doing all we can to help the people of our state.



We are excited about the third full year of our Movin' Up Program. This program has been designed to help moderate-income home buyers purchase a new residence. Movin' Up does not have a first-time home buyer requirement and is geared toward those who might have outgrown their current residence, want to downsize or just want to make a change. Our loan origination team has worked diligently to move this program forward. This year, we financed over 218 homes for state residents totaling \$27,352,538.

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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. 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 program assisted 24 families, totaling \$195,840 in funding.

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The Low-Income Housing Tax Credit Program (LIHTCP) is a federal tax incentive program to encourage private equity investments, rather than 100 percent federal government financing, for the production of affordable, low-income residential rental housing. The LIHTCP provides a federal tax credit for a period of ten years to the owners of qualified low-income residential rental housing. The LIHTCP provides rental housing to residents whose annual gross income is at or below 60 percent of the area median gross income. In 2015, 13 properties located in 8 counties received Low-Income Housing Tax Credits, producing 428 units.

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Buying a home is expensive. It's often our biggest investment. To help our customers, the Fund established the Down Payment/Closing Cost Assistance Program. This year, we provided \$4,299,077 in closing cost assistance to home buyers in the Mountain State.

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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 nonprofit housing groups to expand their abilities to provide homes for those who need them the most. The program allows participating nonprofit 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 construct more homes. This year, the Fund devoted \$404,249 in LAMP funds to help families in need.

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The Special Assistance Lending Program (SALP) is designed to provide construction and rehabilitation financial assistance to organizations that improve housing opportunities of special needs populations or low and, very-low income populations in West Virginia. The SALP works with organizations that provide non-traditional group housing to special needs populations such as homeless individuals and families, victims of domestic violence, neglected and abused children, the elderly, low and very low income residents, individuals with HIV, persons recovering from alcoholism or drug abuse, disabled Veterans, and families in transition from shelters to traditional housing. Among the projects funded this year were Nelson Apartments in Huntington, which provides permanent housing for the homeless. The Fund provided \$103,520 to help finance the development.

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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. Working with lending partners from across the state, we financed the purchase of over 308 homes for state residents totaling \$25,640,667 in 2015.

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# Old School Transformed into New Housing Units

WAYNE – Katherine Damron had trouble getting around in her old apartment. The place was tiny. Making a cup of coffee proved to be a challenge.

“In my old place, when I entered the kitchen, I had to back out,” said Damron, who uses a motorized wheelchair. “It was very small. The counters were very high. I didn’t have access into the kitchen. I had a very hard time.”

Those struggles are no longer an issue. In June, Damron moved into the James H. Booton Memorial Apartments. Her new apartment is wheelchair accessible and offers plenty of room. The kitchen is spacious, with lower appliances and countertops. Flooded with natural light, her combined living and dining room is airy and open.

Damron says the best part about her new apartment is that it allows her the space to keep up with her favorite hobby: quilting. She needs the room. Damron has five sons and eight grandchildren and each family gets a quilt for Christmas.

Developers utilized three Fund programs to finance the development, including the Low-Income Housing Tax Credit Program, the Leveraged Loan Program\* and the Special Assistance Lending Program.

“The Booton Apartments are just the latest example of developers transforming an old building and creating something fresh and needed,” said Erica Boggess, the Fund’s Acting Executive Director. “We’re happy this development is up and running and we’re delighted for Katherine and all the residents who now call Booton home.”

The building features 19 residential units, a recreational room and a large television lounge. The Wayne County Senior Center rents space on the bottom floor, offering meals and a gathering space for the area’s older residents.

The managing members of the ownership entity are Wayne County Community Services Organization and Pison KVA. The building was named in honor of James Booton. Booton was a member of the Wayne County Commission and also served as Wayne County Clerk.

\*The LEVERAGED LOAN PROGRAM provides construction and/or permanent financing for new multifamily rental developments or those requiring acquisition and rehabilitation.



*“We are encouraged that the developers leased space in this development to the Wayne County Senior Center. This has helped to create a real sense of community.”*

Erica Boggess  
Fund Acting Executive Director

*"We are proud to partner with Golden Girls. An investment in these young ladies is an investment in the future of our community and our state."*

Erica Boggess  
Fund Acting Executive Director

## Golden Girls Transforms Lives



WAYNE – As a young girl, Kimberly Adkins was removed from her home in Greenbrier County.

"I didn't have very good living conditions, so I was brought here in the late 1990s," Adkins said.

Here was the Golden Girl Group Home. Founded in 1983, the home is devoted to working with dependent, neglected and predelinquent girls who have difficulty adjusting to their natural or foster care homes.

"I was here for two years. It's an amazing place and they point you in the right direction so you can go out and be successful," Adkins said.

Adkins did just that. She works at a local hospital, studies nursing at Marshall University and recently opened a catering business with her husband.



Tonya Vanscoy came to Golden Girls from Switchback in McDowell County when she was 14.

"They welcomed me with open arms and they taught me what it felt like to be loved and have a true family."

Vascoy also learned the value of hard work. She went on to raise a family of her own and now works as a nurse at Southern Ohio Medical Center.

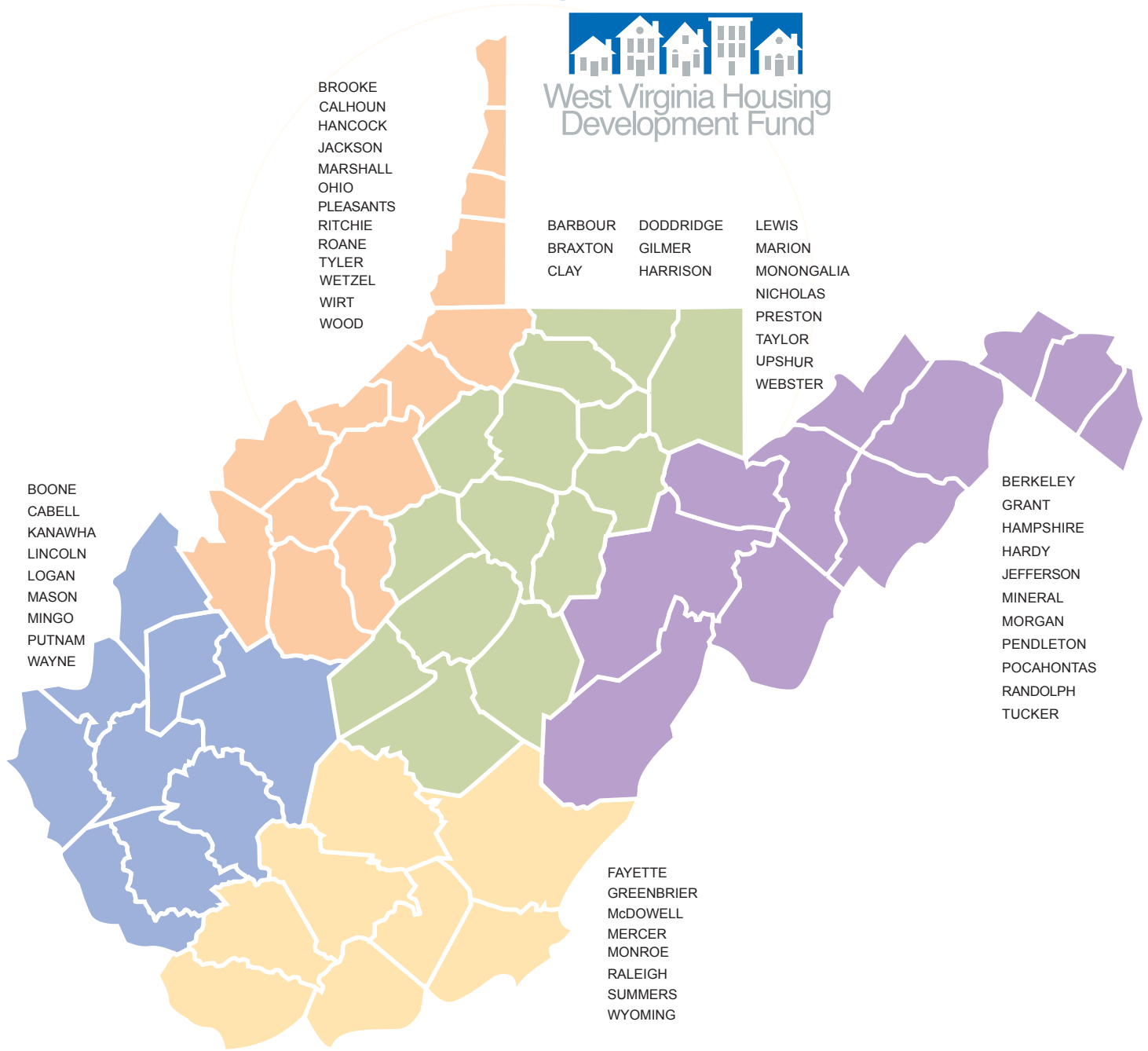
Thanks to a partnership with the Fund, Golden Girls can now help even more at-risk girls. The group home was able to utilize Fund programs to build a new, two-story residence hall. The cozy, well-appointed building features 10 bedrooms. Each floor has a full bathroom and living and study areas. It's a secure facility, but also has a large, inviting back patio.

Through our Leverage Loan Program, Golden Girls was able to secure \$234,810 to help build the new addition. Via the Fund's Special Assistance Lending Program, they received an additional \$120,453.

# Investment in West Virginia Fiscal Year 2015



West Virginia Housing  
Development Fund



REGION	HOUSING UNITS	AMOUNT FINANCED
Ohio Valley	342	\$24,177,812
Mountain & Lakes Country	399	\$30,932,475
Potomac Highlands	65	\$7,418,103
Greenbrier Valley	59	\$13,253,454
Metro Valley	475	\$40,685,130
<b>Total</b>	<b>1,340</b>	<b>\$116,466,974</b>



# Housing Unit Production Report

## For Fiscal Year Ending June 30, 2015

PROGRAM	NET UNITS* July 2014 - June 2015	TOTAL Net Units*
<b>Homeownership Programs</b>		
Bond	526	44,447
Secondary Market	244	12,748
Other Current Programs	-	4,653
Inactive	n/a	6,588
<b>Rental Programs</b>		
Development Financing Programs	10	5,006
Low-Income Housing Tax Credit	416	11,655
Other Current Programs	1	1,340
Inactive	n/a	10,057
<b>Special Programs</b>	<b>119</b>	<b>12,696</b>
<b>HOME</b>		
HOME Program	36	1,367
HOMERent	(20**)	358
CHDO	8	817
Other HOME Programs	-	154
Inactive	n/a	303
<b>Land Development</b>	<b>-</b>	<b>5,919</b>
<b>Total Net Units*</b>	<b>1,340</b>	<b>118,108</b>

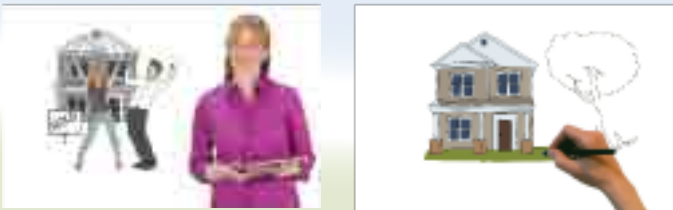
\* Net units are units that are counted only once, even if they have more than one source of program financing.

\*\* Includes a correction to prior period of (123)

## Homebuyer Outreach

Buying a home can be a daunting endeavor. For many of our customers, it is often their first experience with such a complex, complicated process. This year, we continued our educational outreach efforts by developing a series of videos to help potential homebuyers better understand the home-buying process. The four-part series **“Getting Ready for Homeownership”** is currently posted on our website and is available on the Fund’s YouTube channel.

These videos provide viewers with step-by-step instruction on finding and financing a home. Topics include budgeting, shopping for a home, credit and qualifying for a home loan, and the mortgage process from application to close. The videos have been very well received and we are looking forward to developing new, creative ways to help our state’s residents find their way home.



## Professional Outreach

In 2015, we made a concerted effort to strengthen our already solid relationship with the state’s realty community. Presentations, sponsorships, office visits and more traditional outreach efforts have always been a part of the mix, but this year we took it a step further. We created a page on our website specifically for real estate agents. This page provides information, directories, tools and videos that can help real estate agents better understand and make use of our loan programs.

*“Our partners in the real estate community serve a vital role in our mission to help West Virginia families fulfill the American dream of homeownership. That’s why we’ve renewed our efforts to support these professionals with continuing education programs, workshops, office visits and improved online and personal communications.”*

Jon Rogers  
Senior Director of Single Family Loan Origination



# The Department of Fair Housing and Client Services

Our Department of Fair Housing and Client Services continues to review and approve all affirmative, fair-housing marketing plans and assist with the update and completion of annual reports to HUD. We also provide training for property owners, management companies, architecture firms and others throughout the state. In addition, this department tracks and supports the reporting and preparation of our annual affirmative action plan.



# Board of Directors



The Honorable  
Earl Ray Tomblin  
Governor  
Chairman of the Board



Robert "Bob" S. Kiss  
Governor's Designee  
Cabinet Secretary  
WV Dept. of Revenue



The Honorable  
John Perdue  
WV Treasurer



The Honorable  
Patrick Morrissey  
WV Attorney General



The Honorable  
Walt Helmick  
WV Commissioner of Agriculture



Everette Sullivan  
Retired  
WV Council of Carpenters



Sam Kapourales  
Kapourales Properties, LLC



Julia Elbon  
Prime Properties, Inc.



J.D. Stricklen  
Stricklen Properties

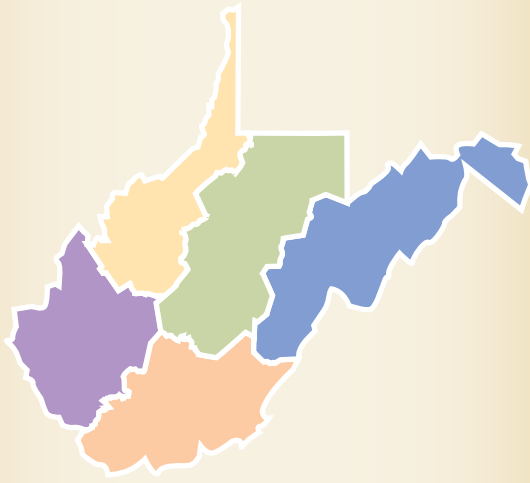


R. Fred Clark  
Retired  
Banker & Consultant



Jeff Borman  
Financial Advisor  
LOC Investment Advisers





*For more information about the Fund,  
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**304.391.8600 / 800.933.9843**  
**www.wvhdf.com**



## Executive Staff

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

**Kristin Shaffer** - Senior Legal Counsel

**Alicia Deline** - Legal Counsel - Compliance

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

**Adola Miller** - Senior Director - Human Resources & Communication

**Jon Rogers** - Senior Director - Single Family Loan Origination

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

**Julie Aliff** - Senior Director - Loan Servicing

**Chad Leport** - Managing Director - Internal Audit

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

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

**Joshua Brown** - Managing Director - Asset Management & Technical Services

**Cathy Colby** - Managing Director - HOME Program

**Patti Shamblin** - Director - Loan Origination

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

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