

Connecticut Housing Finance Authority 2009 Annual Report



Created in 1969 by the state legislature, the Connecticut Housing Finance Authority's purpose is to help alleviate the shortage of affordable housing for low- and moderate-income families and persons in Connecticut, and when appropriate, to promote or maintain the economic development of the state through employer-assisted housing efforts.

Table of Contents

| | |
|--|-------------|
| The Purpose of the Authority | Front Cover |
| A Letter from the Governor of the State of Connecticut | 3 |
| A Letter from the Chairperson of the Board of Directors of CHFA | 5 |
| Board of Directors | 8 |
| Overview | 11 |
| Historical Data | 12 |
| American Recovery and Reinvestment Act of 2009 | 13 |
| Single Family Homes | 15 |
| Providing New Affordable Rental Homes | 20 |
| Maintaining Affordable Rental Homes | 23 |
| Supporting Special Needs Housing | 25 |
| Managing Affordable Rental Housing | 26 |
| Tax Credit Allocations | 28 |
| Housing and Community Development | 30 |
| Supporting Business Operations | 34 |
| A Look to the Future | 36 |
| Firms Receiving in Excess of \$5,000 for Services | 38 |
| Participating Lenders | 40 |
| Financial, Professional, and Legal Services | 42 |
| Connecticut Housing Finance Authority Bond Issues | 43 |
| Connecticut Housing Finance Authority 2009 Audited Financial Statement | 44 |

Development photos on cover: Amston Village, Colchester; Armory (The), Windham; Avery Heights, Groton; Berry Patch I, South Windsor; Berry Patch II, South Windsor; Clocktower Mill, Manchester; Colony (The), Stamford; Crescent Building (The), Bridgeport; Elm Commons, Rocky Hill; First Church Village, Wethersfield; Josephine Towers, Waterbury; Orchard Ridge, Berlin; Stonebridge I, Berlin

A Letter from the Governor of the State of Connecticut

WORKING TOGETHER TO PROVIDE A STABLE AND AFFORDABLE PLACE TO CALL HOME

A clean, safe and affordable place to call home – whether owned or rented – provides the nucleus around which our communities grow, the setting in which our families thrive and the fundamental building block our economy needs to once again flourish. Permanent affordable homes in Connecticut mean that our children perform better in school and that young workers have a solid basis to start their careers as employees of the growing Connecticut businesses that will assure the continued economic recovery and future economic strength of our state.

The national recession of 2009 challenged the State of Connecticut and our efforts to support these outcomes. Rising unemployment drastically reduced family incomes and led to a wave of home foreclosures, bringing uncertainty and anxiety to what had been stable and secure places to call home. Investor skepticism clouded the nation's financial markets, restricting the availability of credit and bringing many residential construction projects to a halt, depriving Connecticut's workforce of jobs and Connecticut's families of housing choices.

In this bleak environment, the accomplishments of the Connecticut Housing Finance Authority (CHFA) stand out sharply. While some housing finance authorities in other states had to drastically cut back or even suspend their lending programs, CHFA's doors remained wide open and its lending remained robust. As a result, in 2009, Connecticut families once again were able to turn to CHFA for the emergency aid necessary to avoid foreclosure and for the mortgage loans to support a first time home purchase.

At my direction, the Authority worked with the Connecticut General Assembly to expand eligibility for two important programs designed to help Connecticut families avoid foreclosure and remain in their homes, the Connecticut Fair Alternative Mortgage Lending Initiative and Education Services program (CT FAMILIES) and Emergency Mortgage Assistance Program (EMAP). In addition to helping many remain in their homes, CHFA provided affordable mortgages for first-time homes purchases to just over 1,900 households.

Builders also continued to find in CHFA a willing lender for the development of affordable apartment homes. Working hand-in-hand with the Connecticut Department of Housing and Community Development (DECD), CHFA leveraged state and CHFA investments with federal dollars available through the American Recovery and Reinvestment Act (ARRA) and tax credits to finance projects that will result in over a thousand new apartment homes when they are completed. More immediately, the projects that CHFA and DECD are financing will generate an estimated \$443 million in total economic activity and 3,400 jobs across our state.

I am pleased to accept the 2009 Annual Report of the Connecticut Housing Finance Authority. On behalf of the people of Connecticut, let me express our gratitude for the Authority's efforts over the past year, and let me extend my personal thanks for the support the CHFA Board and staff have provided to the administration's affordable and special needs housing efforts through the years.

M. JODI RELL
GOVERNOR OF THE STATE OF CONNECTICUT

A Letter from the Chairperson of CHFA

PROVIDING STRENGTH AND VALUE

During 2009 the Connecticut Housing Finance Authority (CHFA) once again demonstrated its strength and value by playing an important role in financing development of the affordable housing Connecticut needs to create jobs today and to support economic growth into the future. In a time of challenge and change, CHFA focused with renewed dedication on doing “whatever it takes” to realize its promise to the residents of Connecticut, a promise to reduce the shortage of affordable housing in our state by at all times acting with integrity, innovation and commitment.

Throughout 2009, national housing finance market conditions made it more difficult than in the past to generate the resources necessary to fund affordable housing. Navigating this environment required persistence and innovation. Through it all, CHFA maintained its financial strength and capacity, overcoming the market conditions that stalled other organizations to emerge with its AAA bond rating intact, thereby keeping borrowing costs down and lending programs open.

The downturn in the national economy added to the affordable housing challenges facing Connecticut’s residents. Increased unemployment placed more families at risk of losing their homes. The downturn in construction idled skilled builders and workers across the state, while the inventory of subsidized housing continued to age, resulting in more developments in need of financing to maintain the quality of the housing stock available to lower income families and individuals. CHFA was able to be a part of the solution to each of these challenges.

When Governor Rell called for an expansion of the Emergency Mortgage Assistance Program (EMAP) and the legislature passed program revisions, CHFA immediately implemented the changes, providing the seamless path to the expanded program that helped many more families avoid foreclosure and remain in their homes. CHFA also increased its foreclosure prevention marketing efforts to support a range of information and counseling activities designed to help those facing foreclosure make informed choices. And, while combating foreclosure, CHFA also helped over 1,900 Connecticut families to acquire their first homes by providing \$320,000,000 in low cost, long-term, fixed-rate mortgages and down payment assistance.

The Authority also played an important role, working alongside the Department of Economic and Community Development (DECD), in taking advantage of just over \$80,000,000 in federal stimulus funding that became available in 2009 to finance affordable rental housing construction and redevelopment.

\$26,200,000 in federal funds flowed through the Tax Credit Assistance Program (TCAP) authorized by the American Recovery and Reinvestment Act (ARRA), allowing CHFA to leverage its own Investment Trust Account (ITA) investments, state funding and federal tax credits to finance nine developments comprising 837 affordable rental homes. This was about half again greater than the number of developments approved in previous

years. The total investment in these developments -- \$188,900,000 from public and private sources, including critical resources through the DECD -- will produce an estimated \$274,000,000 in total economic activity, generating 2,100 jobs and \$24,300,000 in net revenue to Connecticut's General Fund.

The Tax Credit Exchange Program (TCEP), also authorized by ARRA, allowed CHFA to deploy another \$55,600,000 to revive six housing developments first approved in 2007 and 2008 that had stalled due to lack of private investment. These developments, totaling an additional 307 apartments, will generate an estimated \$169,000,000 in total economic activity, over 1,200 more jobs, and \$14,000,000 in state revenue.

As a result of the joint efforts by CHFA and DECD to utilize federal funds newly available in 2009, thousands of Connecticut residents who would otherwise not be employed are now working. When construction on the projects funded with federal dollars is complete, hundreds of Connecticut families will have safe, clean and affordable places to live and to call home.

While finding innovative ways to create new homes, CHFA also began a new initiative to preserve Connecticut's existing affordable rental housing inventory, providing \$58,500,000 in financing to preserve 1,611 private apartments as affordable housing for the next 40 years. Additionally, on short notice and again working closely with DECD, CHFA assisted nine local housing authorities in their efforts to move 610 state funded public housing units to the federal public housing portfolio, in an effort to take advantage of a narrow, one-time opportunity under ARRA to obtain federal capital and operating support.

CHFA also focused intensely on internal operations and procedures during 2009, launching a program of constant self-examination and improvement created with the single-minded goal of positioning the organization to be nimble in avoiding the risks and seizing the opportunities presented by the turbulent housing and finance markets. The Authority consolidated administrative functions and restructured housing finance and asset management operations under dedicated and able leaders and forged working partnerships with the development community to ensure that constructive change and positive engagement remain at the core of CHFA's approach to housing finance.

All of the work begun in 2009 has positioned CHFA well for the still daunting work that lies ahead in 2010 and beyond. Bolstered by focused commitment, fueled by innovation, and facilitated by streamlined design, CHFA is ready to play an important role in Connecticut's continuing economic recovery, creating the jobs we need today and fulfilling the promise of affordable housing for the future.

As Chairperson of the Connecticut Housing Finance Authority, I am proud of what we accomplished in 2009 and even prouder that we are now positioned to accomplish still more in the years ahead. I want to thank our Board for its wisdom and guidance and CHFA's dedicated and professional staff for its work each day to meet the housing needs of Connecticut's citizens. On behalf of both Board and staff, let me also express our deepest gratitude to Governor Rell, the Connecticut General Assembly and Connecticut's

congressional delegation for their unwavering support and understanding as we have worked together during the past year to create not just housing, but real homes.

ROLAN JONI YOUNG
CHAIRPERSON OF THE BOARD

Board of Directors



Rolan Joni Young
Chairperson of the Board
Principal, Berchem, Moses & Devlin, P.C.
Served with the Authority since 2006



Orest T. Dubno
Vice Chairman of the Board
Chief Financial Officer, Lex Atlantic Corporation
Served with the Authority since 1996



Jeffrey Freiser
Executive Director, Connecticut Housing Coalition
Served with the Authority since 2005



Robert L. Genuario
Secretary of the Office of Policy and Management
Served with the Authority since 2005



J. Scott Guilmartin
Principal, Envirocycle, LLC
Served with the Authority since 2004



Paul L. Jones *
Vice President, Shoff Darby Companies
Served with the Authority from 2007 – November 2009



Michael Lyons **
Associate General Counsel for Covidien Corporation
Served with the Authority since March 2010



* Mr. Jones passed away on November 12, 2009

** Mr. Lyons succeeded Mr. Jones in March 2010



Megan K. Lowney
Founder/Principal, Ripple Effect Consulting
Served with the Authority since 2007

Board of Directors



Joan McDonald
State Department of Economic and Community Development
Served with the Authority since 2007



Michael P. Meotti
Commissioner of Higher Education **Served**
with the Authority since 2007



Denise L. Nappier
Treasurer of the State of Connecticut
Served with the Authority since 1999



Kimberly Nielson
Senior Vice President, McCue Mortgage
Served with the Authority since 2006



Howard Pitkin
Commissioner of the State Department of Banking
Served with the Authority since 2006



Kevin H. Loveland
Director, State Department of Social Services
Department of Social Services
Served with the Authority since 2007



Diane Randall
Director, Partnership for Strong
Communities
Served with the Authority since 2004

Dedication

PAUL L. JONES

The Board of Directors of the Connecticut Housing Finance Authority recognize the service of Paul Jones and hold him in the highest esteem as a member of the Board of Directors of the Connecticut Housing Finance Authority from August 15, 2007 until his death on November 10, 2009.

Overview

A FOUNDATION FOR GROWTH AND STRENGTH

The Connecticut Housing Finance Authority understands the importance of a place to call home. A home is not just shelter, but a foundation for our families, our neighborhoods and our communities. Safe and affordable homes benefit not only individual owners and renters, but also support the economic growth and vitality of the State.

In 2009, the national recession had a significant impact in Connecticut. The distress in the housing market that began with the sub-prime mortgage crisis in 2008 was magnified by higher unemployment and resulting delinquency and foreclosure. Conditions in the nation's financial markets restricted credit. The slowing economy limited residential and commercial construction idling thousands of workers.

During this time, the Connecticut Housing Finance Authority (CHFA) worked hard to maintain its financial strength and capacity. This enabled CHFA to continue its mortgage programs and take advantage of opportunities to support housing development and economic recovery in our State.

CHFA continued to offer its low cost home mortgage programs throughout 2009, helping first-time buyers to purchase when the home sales market was struggling. Its down-payment assistance continued to help homebuyers overcome one of the largest hurdles to homeownership -- obtaining the down-payment needed to purchase.

To provide greater assistance to homeowners struggling with delinquency and foreclosure, the State of Connecticut expanded its Emergency Mortgage Assistance Program (EMAP). The Connecticut Housing Finance Authority also modified the Connecticut Fair Alternative Mortgage Lending Initiative and Education Service Program (CT FAMLIES) so that more homeowners in Connecticut could stay in their homes.

To support needed affordable rental development CHFA worked closely with the Department of Economic and Community Development to maximize the impact of stimulus funding provided to Connecticut through the American Recovery and Reinvestment Act (ARRA). Leveraging CHFA mortgage funding, State capital funding, tax credits and stimulus dollars the development of over 1,000 affordable rental homes was funded, with development activity supporting needed jobs and tax revenue.

CHFA has worked over the past four decades to further its mission to alleviate the shortage of affordable housing for low and moderate-income individuals and families in Connecticut. In 2009, the Authority worked hard to fulfill its commitment to the people of the State of Connecticut, supporting homeownership, rental housing development and economic growth.

Historical Data

HELPING CONNECTICUT RESIDENTS OBTAIN AFFORDABLE HOUSING SINCE 1969

The breadth of the Connecticut Housing Finance Authority's lending activities is evident. The following chart shows the number of loans made to support the Authority's affordable housing efforts. Figures reflect both the 2009 totals and the cumulative totals for the period 1969 through 2008.

Historical Statewide Distribution of Loans and Tax Credits

| | Number of Mortgages/Rental Homes | | Funding Dollar Amount | |
|----------------------------------|----------------------------------|-------------|-----------------------|-----------------|
| | 2009 | 1969 - 2008 | 2009 | 1969 - 2008 |
| Home mortgages | 1,976 | 123,138 | \$308.5 million | \$11.2 billion |
| Downpayment Assistance Mortgages | 1,198 | 26,777 | \$12.2 million | \$215.7 million |
| New Rental Homes (1) | 1,371 | 33,411 | \$187.9 million | \$2.7 billion |

(1) Includes rental homes financed with Private Activity Bonds, Investment Trust Account Funds, Taxable Bonds, Community Investment Account Funds, CT Housing Tax Credit Contribution (HTCC) and the 4% Low-Income Housing Tax Credit Proceeds (LIHTC) and the Federal Tax Credit Exchange Funds (TCEP), as well as supportive housing units financed under both the Supportive Housing PILOTS Initiative and the Next Steps Initiatives.

The American Recovery and Reinvestment Act of 2009 (ARRA)

A NEW FEDERAL OPPORTUNITY

The American Recovery and Reinvestment Act of 2009 (ARRA) signed by President Barack Obama on February 17, 2009, presented several unique opportunities to the Connecticut Housing Finance Authority (CHFA) during a time of economic distress and uncertainty. CHFA worked throughout the year to take advantage of these new opportunities for homeownership, new rental development, and state public housing. In doing so, CHFA was able to leverage federal resources to finance housing that otherwise would have been stalled or lost completely. This in turn led to the creation of jobs and economic activity benefiting Connecticut and its residents.

HOMEOWNERSHIP

In 2009, ARRA made an \$8,000 tax credit available to first-time homebuyers. This tax credit was originally set to expire on November 30, 2009. Congress extended the credit to April 30, 2010 and expanded a borrower's eligible income. An implemented \$6,500 tax credit for existing homeowners who have lived in their home for at least five years was also included as part of this legislation. The federal tax credit, coupled with CHFA's low-interest rate mortgage financing, made homeownership an achievable goal for many of Connecticut's first-time homebuyers and existing homeowners wishing to purchase a home.

AFFORDABLE RENTAL DEVELOPMENT

ARRA provided CHFA with two new tools to assist in the development of affordable rental housing through the Federal Low-Income Housing Tax Credit (LIHTC) Program which is administered by CHFA. These tools included the Tax Credit Assistance Program (TCAP), which provides direct funding to CHFA through the Federal Department of Housing and Urban Development (HUD), and the Section 1602 Tax Credit Exchange Program (TCEP) that allows CHFA to return unused low-income housing tax credits to the U.S. Treasury in exchange for cash grants.

TAX CREDIT ASSISTANCE PROGRAM

CHFA received an allocation of \$26.2 million from HUD for investment in projects awarded low-income housing tax credits in federal fiscal years 2007, 2008, and 2009. ARRA required CHFA to distribute these funds competitively and to give priority to projects that are expected to be completed by February 2012.

In December 2009, CHFA provided authorization for allocation of all of the \$26.2 million available through TCAP to fund six (6) developments leveraging \$128.2 million in total investment and generating an estimated 1,544 total jobs in the economy. These developments will provide 547 apartment homes in Meriden, New London, Stamford, and Willimantic.

At the close of the year, CHFA was working with all of the development teams to finalize their funding agreements and expedite their progress toward construction.

SECTION 1602 TAX CREDIT EXCHANGE PROGRAM

ARRA also provided CHFA with the ability to exchange returned all unused federal low-income housing tax credits with the U.S. Treasury for a grant at a fixed price. All unused or returned credit allocations from 2007 and 2008 were eligible to be exchanged, as was up to 40% of CHFA's 2009 credit allocation.

Through December 31, 2009, CHFA received approval from the Treasury for \$55.6 million in exchange funds for the return of unused 2008 tax credits. CHFA provided initial authorization assistance to six (6) developments needing \$54.5 million in funding to enable the development of 307 apartments leveraging \$111.7 million in total investment and generating an estimated 1,296 total jobs in the economy.

By year-end CHFA was working with all of the development teams in Hamden, Manchester, New Britain, Norwich, Stamford and Westport to finalize their funding agreements and expedite their progress. Two of these developments were under construction by the close of 2009.

FEDERALIZATION OF STATE PROPERTIES

The American Recovery and Reinvestment Act also provided an opportunity for the State's housing authorities to transfer state public housing apartments to their federal public housing portfolio. By federalizing the properties, housing authorities have the ability to receive federal funds for capital repairs. Moreover, federalization directly benefits the lowest-income residents at these properties by reducing their required rent contribution. In addition, this will reduce the funds needed by the State for capital improvements on these rental properties.

CHFA assisted the housing authorities during this tight timeframe, acting as an informational liaison between the State's housing authorities and the Department of Housing and Urban Development. In addition, after reviewing the benefits of the transfers, CHFA agreed with the housing authorities' decision that it was in the best interest of the residents and property to release certain developments from their liens and encumbrances so they could be accepted into the federal program. By year's end, nine housing authorities with 16 developments comprised of 610 apartment homes had applied to federalize their properties.

MORTGAGE REVENUE BOND PROGRAM

The U.S. Treasury Department announced in 2009 a New Issue Bond Program (NIBP) through which \$219.3 million was allocated to CHFA (\$191.7 million for single family and \$27.6 million for multifamily) under the Housing and Economic Recovery Act of 2008 (HERA). Treasury, working through the government sponsored entities Fannie Mae and Freddie Mac, will purchase up to \$219.3 million of CHFA's bonds. The bonds were issued in 2009 as taxable floating rate bonds. During 2010, these escrow bonds may be converted to thirty-year, tax-exempt fixed-rate bonds at a pre-determined rate. The proceeds from these bonds will be used to finance affordable mortgages for homebuyers and to create or rehabilitate affordable rental homes across Connecticut.

Promoting Single Family Homeownership

MAKING HOMEOWNERSHIP A REALITY

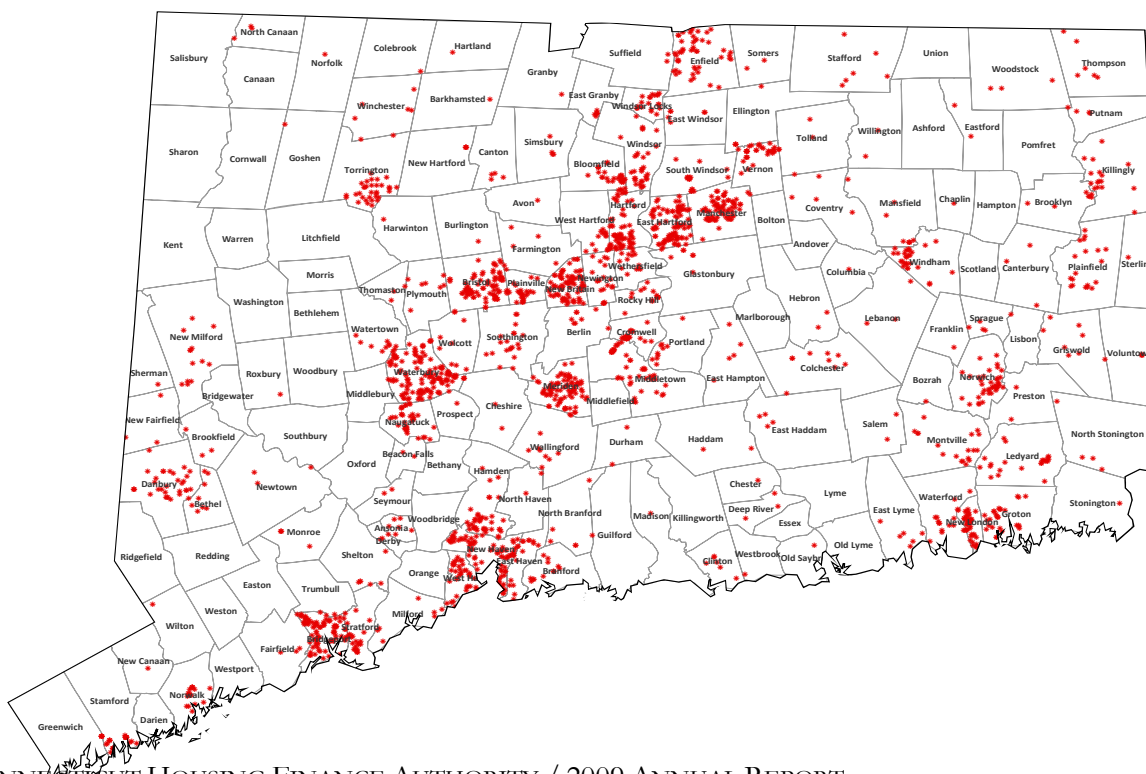
Promoting homeownership for low and moderate-income Connecticut households in all areas of the state, thereby building more stable communities and promoting economic growth, is a major objective of the Authority.

PROVIDING HOMEBUYING OPPORTUNITIES

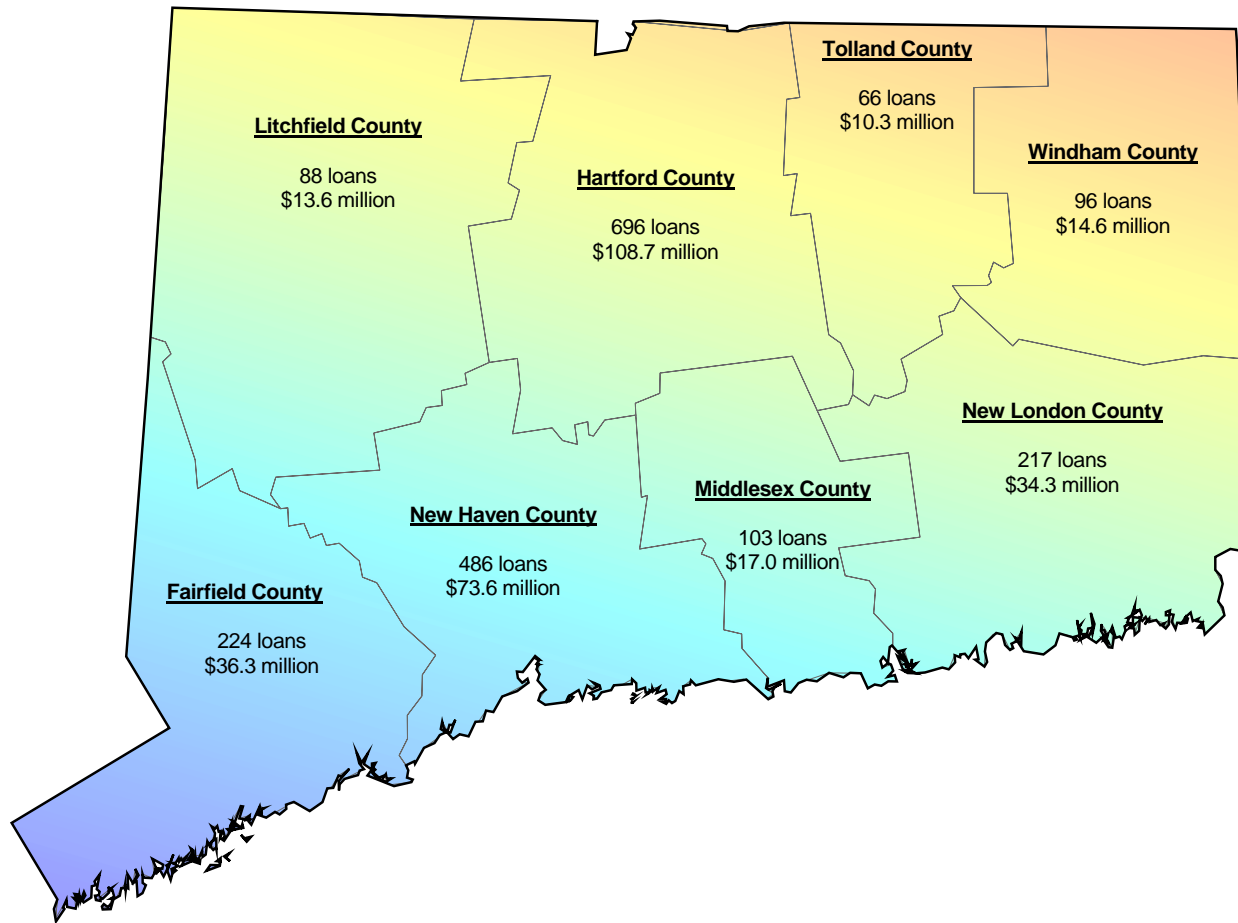
CHFA made homeownership a reality for 1,976 low- and moderate-income borrowers during 2009. These loans totaled \$308.46 million.

- The average amount of mortgage financing provided was \$156,102.
- Borrowers had an average annual income of \$62,849.
- The average monthly mortgage payment was \$844.
- 61% of borrowers (1,198) obtained a Downpayment Assistance Program second mortgage.
- 46% of borrowers (912) were female heads of households
- 37% (725) were minority borrowers.
- The average age of these borrowers was 34.
- 29% of CHFA's loans (570 loans) were made in the 18 federally targeted areas within targeted communities, and 71% (1,394 loans) were made in the 33 communities identified by the CT Conservation and Development Policy Plan as being regional, urban center communities.

2009 Single Family Loan Activity



First-time Homebuyer Loan Program



DOWNPAYMENT ASSISTANCE

Often the largest obstacle for homeowners to overcome is achieving the funds necessary for a downpayment. Through CHFA's Downpayment Assistance Program 1,198 borrowers were able to obtain second mortgages, totaling \$12.2 million in statewide assistance.

CHFA sponsored 93, 3-hour homebuyer education classes for CHFA borrowers receiving downpayment assistance. These classes, with 1,021 attendees, focused on the fundamentals of successful homeownership.

TARGETED PROGRAMS

CHFA continued to focus on increasing homeownership through its Homebuyer Programs among police officers, teachers, military personnel, and public housing tenants.

- During 2009, CHFA continued to offer programs that allow police officers and teachers to live in the towns where they work. CHFA also offered a special program for military personnel wishing to purchase a home. Throughout the year, 3 Police Homeownership, 42 Teacher Mortgage Assistance, and 19 Military Homeownership loans were purchased, totaling \$11 million.
- CHFA collaborated with local housing counseling agencies to provide 8-hour counseling classes to 1,063 prospective homebuyers. During 2009, the Authority sponsored 107, 8-hour classes across the state, several of which were offered in Spanish. These classes educated prospective homeowners about the home buying process. In addition, 788 individual financial and credit counseling classes were offered.
- A Homeownership loan totaling \$155,000 was made to one person with disabilities, allowing this individual to live an independent lifestyle.
- Section 8 Homeownership loans totaling \$635,850 were made to four borrowers residing in publicly assisted housing, allowing them to move into a home of their own.
- CHFA purchased 53 Rural Housing loans originated in conjunction with RDA single-family mortgage programs. These loans, totaling \$8.78 million, supported homeowners who wished to purchase a home in Connecticut's rural areas.

URBAN REHABILITATION HOMEOWNERSHIP (UR HOME) PROGRAM

In 2006, CHFA reactivated the Urban Rehabilitation Homeownership (UR Home) Program utilizing \$1 million of Ameriquest settlement funds, which are provided to CHFA as part of a settlement agreement between the Department of Banking and the Ameriquest Corporation. This unique program is aimed at revitalizing urban communities in Connecticut. The funds are used for forgivable loans for rehabilitation in conjunction with a CHFA first mortgage. The loans are available to state, municipal, and private sector employees purchasing a home in one of six targeted communities where they work. The six communities include: Bridgeport, Hartford, New Haven, New London, Waterbury and the Town of Windham, City of Willimantic (selected census tracts). In 2009, CHFA provided 53 UR Home first mortgages totaling \$7.24 million, and provided \$1.11 million of forgivable loans for rehabilitation using the Ameriquest funds.

MANCHESTER PILOT HOMEOWNERSHIP AND DOWNPAYMENT ASSISTANCE PROGRAM

This program assisted first-time homebuyers looking to purchase a home in specified areas of Manchester. Under this program, borrowers are eligible for a reduced first mortgage interest rate $\frac{1}{4}\%$ below CHFA's regular Homebuyer Mortgage Program rate. Borrowers were also eligible for a forgivable loan to assist with downpayment and closing costs. Forgivable downpayment loans were offered at a 0% interest rate, forgiven at 20%

per year for five years. In 2009, 12 loans were made with \$119,113 of downpayment assistance funding and \$1.80 million of first mortgage financing. Forgivable loan funding in the amount of \$300,000 was exhausted in November 2009; consequently the program was no longer available at the close of the year.

MORTGAGE RELIEF AND REFINANCING FOR HOMEOWNERS

In response to the mortgage and financial crisis the General Assembly passed, and Governor Rell signed into law, Public Act 08-176 “An Act Concerning Responsible Lending and Economic Security” during its 2008 legislative session. The law took effect on July 1, 2008 and included several components to assist borrowers who are delinquent and facing foreclosure, including continuing the CT FAMLIES Program and expanding the Emergency Mortgage Assistance Program (EMAP). In 2009, the General Assembly passed, and Governor Rell signed into law, Public Act 09-209, “An Act Concerning Implementation of the S.A.F.E. Mortgage Licensing Act, the Emergency Mortgage Assistance Program, Foreclosure Procedures and Technical Revisions to the Banking Statutes.” This legislation further modified CT FAMLIES and EMAP by expanding eligibility for the programs.

The following activity resulted from the CT FAMLIES Program and EMAP:

- CHFA continued the CT Fair Alternative Mortgage Lending Initiative and Education Services (CT FAMLIES) Program which offers refinancing to a 30-year fixed-rate mortgage for homeowners who are delinquent on their adjustable-rate or fixed-rate mortgage. These loans were previously insured by the FHASecure Program established by the Department of Housing and Urban Development, which ended on December 31, 2008. In April 2009, the CT FAMLIES Program was reinstated with loans insured by CHFA through its insurance program.
- In 2009, 13 CT FAMLIES loans were purchased totaling \$2.70 million. Since the program’s inception, a total of 75 loans have been purchased totaling \$16.96 million.
- Under the modified program 145 EMAP loans were approved. These borrowers may receive monthly mortgage assistance and/or funds to bring their mortgages current.
- CHFA’s call-center responded to 18,926 calls throughout the year. Over 32,000 homeowners have called for information on state and federal foreclosure assistance programs since the call center’s opening on July 1, 2008.
- CHFA participated in 36 foreclosure prevention outreach events in 2009. Over 2,800 homeowners attended these events that provided information on CHFA’s foreclosure prevention programs.
- Additionally, 57 financial fitness classes with 261 attendees for participants in the Mortgage Crisis Job Training Program and CT FAMLIES borrowers were conducted this year.

COUNSELING

CHFA continued to offer free three- and eight-hour counseling classes to prospective homebuyers and those receiving DAP loans.

- Conducted 93, 3-hour classes with 1,021 attendees.
- Conducted 107, 8-hour classes, 1,063 attendees and 788 individual sessions.

In conjunction with CHFA's foreclosure prevention programs, CHFA offers Financial Fitness classes for participants in the Mortgage Crisis Job Training Program and CT FAMLIES borrowers. In 2009, 57 classes were held with 261 attendees.

Counseling agencies also held 120 sessions of foreclosure prevention counseling sessions for CHFA clients during the year and since June, offered 42 foreclosure prevention clinics.

Providing New Affordable Rental Housing

FINANCING RENTAL HOMES THAT OFFER AFFORDABLE CHOICE

Providing affordable multifamily housing for Connecticut households in need, as well as promoting neighborhood revitalization and the preservation of federal, state and locally assisted affordable rental housing stock is a main goal for CHFA.

During 2009, CHFA authorized the following mortgage financing for the construction and/or acquisition/rehabilitation of affordable multifamily rental developments.



DYE HOUSE APARTMENTS, MANCHESTER

CHFA committed construction financing in the approximate amount of \$2,596,685, to be paid down to permanent mortgage financing in the amount of \$1,450,000 for the adaptive reuse of this vacant, historical mill building. This development also received financing from the Connecticut Department of Economic and Community Development (DECD) and state and federal Historic Tax Credits, as well as funding under ARRA. When complete, Dye House will consist

of 57 new affordable apartments for families in Manchester. The newly rehabilitated building will consist of one-, two- and three-bedroom rental homes. The building is located on over two acres in a neighborhood consisting of both residential and commercial buildings. The neighborhood is adjacent to downtown Manchester, and provides access to community and public facilities and services, including public transportation. Rent and income limits will apply to all 57 apartments.

THE VILLAGE AT HALES COURT, WESTPORT

CHFA approved \$7,790,000 from its Investment Trust Account (ITA) for construction and permanent mortgage financing to create 78 new affordable apartment homes. Low-income housing tax credits were also awarded to this development, as were resources from ARRA. When complete, the development will consist of 39 New-England style duplexes and a community building on the approximately 13-acre site. The development will contain one-, two-, three- and four-bedroom apartment homes. Twenty of the apartments will be targeted to those aged 62 and older, ten to homeless individuals and families, with the rest targeted to families. These homes will be affordable to those earning 60% or less of Area Median Income (AMI).

BATES WOODS APARTMENTS, NEW LONDON



CHFA provided construction and permanent mortgage financing to Bates Woods Apartments in New London. Approximately \$5,450,000 in ITA proceeds was approved to acquire and rehabilitate 126 family apartments in 23 buildings. Low-income housing tax credits were also awarded to this development, as were resources from ARRA. The two-story townhouse-style buildings are located on 34 acres in a residential area within a half mile of shopping, schools, recreation and a public bus line.

BRIARCLIFF APARTMENTS, NEW LONDON

Construction and permanent financing was also approved for Briarcliff Apartments. Approximately \$4,320,000 of ITA financing was approved to acquire and rehabilitate 106 family apartments in 21 two-story townhouse-style buildings. Low-income housing tax credits were also awarded to this development, as were resources from ARRA. The Briarcliff Apartments are centrally located in a residential area within a half mile of shopping, schools, recreation and a public bus line.



SHEPHERD PARK, HARTFORD

Construction and permanent mortgage financing from tax-exempt bond proceeds in the approximate amount of \$23,900,000 was approved for this development. The loan proceeds will be used to acquire and rehabilitate 373 elderly apartments in seven buildings in order to preserve it as affordable rental housing. An additional \$7.2 million in 4% low-income housing tax credits was also provided to this development. Shepherd Park is located on roughly 14.6 acres in an urban neighborhood adjacent to restaurants, commercial and residential buildings, and is within walking distance to a city bus stop. The development contains a range of housing including studio, one- and two-bedroom apartments. All 373 rental homes will be targeted to individuals and families at or below 60% AMI and will continue to receive project-based Section 8 vouchers for the next 20 years.



FAIR STREET APARTMENTS, NORWALK



CHFA approved construction financing in the approximate amount of \$6,850,000, to be paid down to permanent financing in the amount of \$3,885,000 for Fair Street Apartments. This development was also provided 4% low-income housing tax credits. The 57 apartment homes, community room and office space are located in a four-story apartment building on over 2 acres of land in Norwalk. The one- and two-bedroom homes will be rented to families at or

below 60% AMI. There will also be a limited amount of rental subsidies and supportive services for military veterans.

WILLIAM T. ROWE APARTMENTS, NEW HAVEN



CHFA approved \$18,500,000 in first mortgage construction financing which, upon completion, will be paid down to a \$4,790,000 permanent first mortgage loan. When complete, the nine-story apartment building will contain 104 apartments with additional first floor space for supportive services, resident and community meetings, a management office and approximately 2,000 square feet of retail space.

Of the total 104 apartments, 78 will have rents affordable to residents with incomes not to exceed 60% AMI, while the remaining 26 “work force” rental homes will be priced to be affordable to hospital-area neighborhood residents. This development is part of a downtown New Haven neighborhood and community revitalization commitment among the City of New Haven, the New Haven Housing Authority and Yale-New Haven Hospital.

Maintaining Affordable Rental Housing

PRESERVING QUALITY HOUSING THROUGH IMPROVEMENTS

In 2009, CHFA also provided additional financing for the maintenance of several developments in its multifamily housing loan portfolio.

BATES WOODS APARTMENTS AND BRIARCLIFF APARTMENTS, NEW LONDON

In January, CHFA provided \$1,993,000 from ITA funds to restructure debts, perform capital improvements and rehabilitate 49 vacant apartments at these developments. Bates Woods is comprised of 160 apartments in 29, two-story buildings while Briarcliff comprises 142 apartments in 28, two-story buildings. The 49 vacant apartments will be renovated and rented as affordable two- and three-bedroom rental homes.

SOUTHWEST TERRACE, WINDSOR LOCKS

Financing in the amount of \$250,000 was provided from ITA funds for this development comprised of 40 rental homes. Originally an elementary school, the building was converted to elderly housing. The ITA loan will be used to convert a section of an underutilized community room into office space, which can also be used by the residents for social activities.

LAUREL COMMONS, WINSTED

CHFA provided ITA funds in the amount of \$100,000 for this complex comprised of 44 apartments for the elderly. These funds will be used to partially replenish the property's operating reserve and repay a construction loan.

95 VINE STREET, HARTFORD

CHFA provided co-first mortgage financing of up to \$674,000 from ITA proceeds for this moderate-income rental property. These funds will be used for capital spending, payment of outstanding payables, establishment of an operating reserve escrow, and to bring the loan current. This financing will help stabilize the 31-apartment development, leading to increased income for the property and extending its affordability.

HORACE BUSHNELL APARTMENTS, HARTFORD

Investment Trust Account funds in the amount of \$485,000 were approved for this development. Horace Bushnell Apartments consists of 89 low-income apartments in nine buildings. The approved mortgage financing will be used to rehabilitate vacant apartments and common areas in four buildings to increase occupancy.

MYSTIC RIVER HOMES CONGREGATE, NOANK

In 2007, CHFA provided mortgage financing from ITA funds in the amount of \$475,000 for this development. The loan funded capital improvements to the roof and replacement of windows. In 2009, CHFA provided additional financing of \$213,500 to complete repairs to the fire/sprinkler system, as well as replace an alarm panel and patio doors at this 51-apartment congregate living facility.

Financing in the amount of \$1,500,000 in ITA funds was approved for these moderate rental developments. These funds will be used to rehabilitate 85 vacant apartments. The loan proceeds will also fund site improvements at the two developments and open a marketing office at Westbrook Village. This investment will lower vacancy rates which will provide the revenue needed to fund the operation of the development.

Investment Trust Account financing in the approximate amount of \$500,000 was approved for this development that provides 180 apartment homes for families. The ITA funds will be used to fund capital improvements for attic insulation, storm drainage improvement, asphalt and concrete repairs to walkways and parking lots, kitchen and bath renovations, and improvements to the laundry room and playground.

In 2001, CHFA provided loan financing to this multifamily rental housing development with a parking garage and commercial/retail space in Hartford. In 2009, CHFA authorized additional financing of \$513,500 to fund anticipated 2010 operating deficits. Trumbull Centre is a mixed-use, market-rate development consisting of 100 residential apartments, 7,500 square feet of retail space on the first floor and a 600+ space parking garage. The development was part of the “Six Pillars” initiative to generate development activity in downtown Hartford.

A map of Connecticut showing its 169 towns. Six real estate listings are highlighted with red stars and red text:

- Laurel Commons** (Winchester)
- Southwest Terrace** (Windsor Locks)
- Bowles Park** (West Hartford)
- Westbrook Village** (West Hartford)
- Horace Bushnell Apts** (West Hartford)
- 95 Vine St** (West Hartford)
- Trumbull Centre** (Trumbull)
- Bates Woods** (Lyme)
- Briarcliff Apts** (Essex)
- Rolling Ridge Apts** (Orange)
- Mystic River Homes** (Stonington)

Supporting Special Needs Housing

COLLABORATING TO ASSIST THOSE IN NEED

SUPPORTIVE HOUSING

Supportive housing creates permanent, affordable service-supported housing opportunities for very-low income homeless individuals and families with severe and prolonged mental illness and/or chronic chemical dependency, and those who are homeless or at risk of becoming homeless, particularly those experiencing repeated or persistent homelessness.

Since 1993, the State of Connecticut has been active in implementing supportive housing through a unique collaboration of public and private organizations including the Office of Policy and Management (OPM), the Connecticut Housing Finance Authority (CHFA), the Department of Economic and Community Development (DECD), the Department of Mental Health and Addiction Services (DMHAS), the Department of Social Services (DSS), and the Corporation for Supportive Housing(CHS). Most recently, the Department of Children and Families (DCF) joined this collaborative effort to address the needs of homeless youth and young adults including those aging out of state care or transitioning out of youth systems such as foster care or residential programs.

ARCH STREET HOUSING, NEW BRITAIN

In 2008, CHFA approved commitments of financial assistance and mortgage funding under the Next Steps Supportive Housing Initiative including first mortgage financing in the approximate amount of \$6,066,395 for the construction and rehabilitation of 21 supportive housing rental homes at Arch Street Housing. In 2009, CHFA approved an amendment to the financing allowing Next Steps funding in the amount of \$800,000 to be substituted for other financing. The financing will be used for the construction of a three-story building consisting of 12 apartments and the rehabilitation of a vacant three-story building containing nine rental homes. Both buildings will be located on Arch Street in New Britain. All of the apartment homes will be marketed to adults and families with special needs earning no more than 50% AMI. The developments' location on a public bus line provides convenient access to shopping, churches and health services. The first floor of each building will be used for commercial and retail space.

NEXT STEPS, ROUND III

In 2009, seven applicants submitted revised responses to the 2008 Request for Proposals for approximately \$15 million in available funding at the invitation of the Interagency Committee for Supportive Housing. These applications were rated and ranked and three were approved for financing by year's end.

Managing Affordable Rental Housing

PRESERVING QUALITY HOUSING THROUGH MANAGEMENT AND OVERSIGHT

CHFA MULTIFAMILY PORTFOLIO

CHFA continued its ongoing portfolio management oversight which included budgeting of capital needs and the risk management of its portfolio coordinating 277 developments and 21,746 apartments, which includes Real Estate Owned (REO) properties held by subsidiaries of the Authority. In 2009 CHFA:

- Financed nine Investment Trust Account loans totaling \$4.2 million for 722 apartments. These funds will be used for capital needs and operating deficits.
- Acted as contract administrator for 74 developments, including the review and approval of \$65.2 million in subsidy payments for 6,800 project-based Section 8 apartments. Also sub-contracted to oversee 155 Section 8 apartments.
- Monitored low-income housing tax credit compliance of 11,452 apartments for 177 properties.
- Closed on the sale of five REO properties consisting of 434 apartments for a total of \$45.8 million while maintaining affordability restrictions.
- Restructured five loans that were either delinquent or troubled assets in the amount of \$13.3 million.

In addition to preserving or extending affordability requirements, CHFA also works to combat the physical deterioration of the developments in its portfolio, many of which are decades old. In 2009, CHFA approved a mortgage modification that resulted in the preserved affordability of over 1,600 apartments, as described below.

SUBSIDIZED HOUSING PARTNERS, LLC

The Subsidized Housing Partners, LLC (SHP) portfolio comprises 14 properties across the State with 1,611 Section 8 subsidized rental homes. Of these, 1,520 are apartments for the elderly and 91 are family apartments. The properties, which were financed by CHFA tax-exempt bonds between 1978 and 1984, were subject to first mortgages, capitalization and preservation loans in the approximate amount of \$37.4 million. These mortgages were set to expire between 2011 and 2019.

In 2009, CHFA approved a \$58.5 million in new mortgage financing to restructure the mortgages on these properties. By providing this financing, CHFA was able to ensure these properties will remain affordable for an additional 40 years while also providing adequate reserves for capital improvements needed to keep the property at CHFA's quality standards. The most critical needs, such as boilers, roofs, windows and pavements, will be remedied in the first three years.

CHFA STATE HOUSING PORTFOLIO

CHFA continued to address the financial and physical needs of the State Housing Portfolio of 17,000 apartments which were transferred to CHFA with outstanding capital needs. Site visits were performed to assess financial, physical and management needs, as well as review local plans regarding affordable housing preservation and development. In 2009 CHFA:

- Reviewed and approved operating budgets for 321 developments within the portfolio.
- Closed five ITA loans for five developments for capital improvements, totaling \$1.2 million. Processed an additional ITA loan in the amount of \$1.5 million.
- Preserved affordable housing by transferring ownership of five properties with non-performing loans.
- Restructured one delinquent loan in the amount of \$674,000.
- Provided additional \$2.5 million of funding to restructure three owners that were on moratorium for the past several years.
- Provided training to public housing authorities in areas of Tenant Selection and Tenant Recertification of Income Process.

Tax Credit Allocations

UTILIZING TAX CREDIT EQUITY TO PRODUCE AFFORDABLE HOUSING

HOUSING TAX CREDIT CONTRIBUTION (HTCC) PROGRAM

CHFA issues tax credit vouchers to business firms that make cash contributions to qualified non-profits who develop affordable housing. The total amount available under the HTCC program is \$10 million annually. There is a \$2 million set-aside priority for supportive housing and a workforce housing set-aside of \$1 million.

CHFA allocated the full \$10 million under the Housing Tax Credit Contribution Program to the non-profit organizations listed below, who in turn will develop a total of 713 affordable homes and apartments.

NON-PROFIT ORGANIZATIONS RECEIVING CASH CONTRIBUTIONS

| Developer | Total Units | Total HTCCs | Set Aside |
|--|-------------|---------------------|-----------|
| Housing Development Fund, Inc. | N/A | \$500,000 | W |
| Friendship Service Center of New Britain, Inc. | 21 | \$200,000 | S |
| Women's Institute Realty of Connecticut, Inc. | 48 | \$500,000 | S |
| Cathedral Green, Inc. | 28 | \$339,444 | S |
| Housing Operations Management Enterprises, Inc. | 20 | \$418,390 | S |
| F.O.H. Inc. | 10 | \$500,000 | G |
| Edgewood Elm Housing, Inc. | 10 | \$500,000 | G |
| HOPE, Inc. | 3 | \$500,000 | G |
| Bridgeport Neighborhood Trust, Inc. | 12 | \$300,000 | G |
| Ripowam Corporation | 88 | \$500,000 | G |
| The Glendower Group, Inc. | 101 | \$500,000 | G |
| Prudence Crandall Center, Inc. | 18 | \$500,000 | G |
| Corporation for Urban Homeownership | 17 | \$500,000 | G |
| Neighborhood Housing Services of New Haven, Inc. | 8 | \$500,000 | G |
| My Sister's Place | 30 | \$495,925 | G |
| Continuum of Care, Inc. | 10 | \$400,000 | G |
| CIL Realty Incorporated | 10 | \$492,911 | G |
| Continuum of Care, Inc. | 10 | \$100,000 | G |
| Bridgeport Neighborhood Trust, Inc. | 10 | \$200,000 | G |
| Harboursite Senior Housing, LP | 77 | \$500,000 | G |
| Eastern Connecticut Housing Opportunities, Inc. | 3 | \$303,300 | G |
| Mutual Housing Association of Southwestern Connecticut | 6 | \$500,000 | G |
| Housing Authority of the Town of Ridgefield | 132 | \$500,000 | G |
| Grace Development Corporation of Waterbury, Inc. | 41 | \$250,030 | G |
| | | | |
| Total | 713 | \$10,000,000 | |

S = Supportive Housing Set Aside, W=Workforce Housing Set Aside, G=General Affordable Housing

LOW-INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM

Debt financing for the development of multifamily housing, such as mortgage loans, must be supplemented or augmented in order to balance the development budget and achieve development feasibility while servicing low-income households. Low-income housing tax credits are a critical source of equity for developers, and they continue to be highly sought in a time when subsidy dollars are limited. Below is a listing of LIHTC Program activity for the past calendar year.

In 2009, CHFA was able to take advantage of a federal program that resulted from the American Recovery and Reinvestment Act. Leveraging the funds available from the Tax Credit Assistance Program, CHFA was able to provide low-income housing tax credits to an unprecedented nine developments.

LOW-INCOME HOUSING TAX CREDIT PROGRAM ACTIVITY FOR 2009

| Tax Credit Reservations Authorized in 2009 | | | | | |
|--|-----------------------------------|-----------------|------------|-----------------|-------------------|
| City/Town | Project Name | Type of Housing | # of Units | Qualified Units | Tax Credit Amount |
| *Stamford | 58 Progress Drive | Family | 95 | 57 | \$1,949,149 |
| *New Britain | New Royal Bride(add'l credits) | Elderly | 28 | 22 | \$95,689 |
| New London | Briarcliff Apartments | Family | 106 | 95 | \$1,060,000 |
| New London | Bates Woods Apartments | Family | 126 | 107 | \$1,070,000 |
| Meriden | Chamberlain Heights | Family | 124 | 124 | \$1,220,000 |
| Stamford | Palmers Hill | Family | 85 | 51 | \$510,000 |
| Willimantic | Cedarwoods | Family | 56 | 56 | \$560,000 |
| Stamford | Ludlow Place | Family | 50 | 50 | \$1,807,772 |
| Avon | Peachtree Village | Senior | 103 | 72 | \$720,000 |
| Avon | Peachtree Village (add'l credits) | Senior | 103 | 78 | \$60,000 |
| Stamford | Metro Green Apartments II | Family | 50 | 40 | \$1,811,264 |
| West Hartford | Alfred E. Plant | Senior | 137 | 137 | \$1,370,000 |
| * Applied in 2008 and received 2009 Credits | | | | | |
| Low-Income Housing Tax Credit Allocation Certifications Issued in 2009 | | | | | |
| City/Town | Project Name | Type of Housing | # of Units | Qualified Units | Tax Credit Amount |
| Berlin | Stonebridge II | Elderly | 84 | 67 | \$682,080 |
| Trumbull | Huntington Senior Housing | Elderly | 40 | 40 | \$482,385 |
| North Haven | Parnell Brook Senior Housing | Elderly | 103 | 103 | \$895,383 |
| New Haven | Quinnipiac Terrace II | Family | 79 | 79 | \$2,198,511 |
| Stamford | Clinton Avenue | Family | 60 | 60 | \$1,578,854 |
| Hartford | Dutch Point II | Family | 54 | 54 | \$1,221,396 |
| Hartford | Zion Street Mutual Housing | Family | 24 | 24 | \$283,781 |
| Branford | Kirkham Mutual Housing | Elderly | 17 | 17 | \$232,150 |
| Middletown | Middlesex Supportive Housing | Supportive | 21 | 21 | \$338,507 |
| Colchester | Amston Village | Elderly | 32 | 32 | \$202,176 |
| Dayville | Dayville Affordable Housing | Family | 116 | 112 | \$494,272 |
| Hartford | Northend Gateway | Family | 57 | 45 | \$1,101,262 |

Housing and Community Development

STRENGTHENING COMMUNITIES

CHFA is committed to strengthening neighborhoods through helping to integrate housing within overall community development efforts. During 2009, CHFA continued its important collaborative investments with others active in this field and through direct program investments.

REAL ESTATE HOLDINGS

WINDHAM PROPERTIES

In 2004, CHFA acquired the Windham House and former YMCA properties in Willimantic. The YMCA building has remained vacant since acquisition and CHFA has taken the necessary steps to secure and maintain the property for future disposition. At the Windham House, which continued to function as a single room occupancy style building for about 60 residents, CHFA worked to improve conditions at the property and ensure appropriate services and support to address the needs of the residents.

In August of 2009, it was determined the Windham House was no longer safe for continued occupancy. CHFA undertook structural repairs to stabilize and secure the building and relocated the residents to temporary housing while assisting residents with relocating to permanent alternative affordable housing. At the close of the year, CHFA had authorized advertisement for the sale of the Windham House, hoping to sell the property in 2010 to support downtown development in Willimantic.

NEW BRITAIN PROPERTIES

In 2007, Richman Konover (“Konover”) was approved as the developer for the revitalization of Corbin Heights and Pinnacle Heights Extension, New Britain. In 2008, the local planning committee met throughout the year to provide feedback on plans for the property which included affordable rental homes. In 2009, Konover finalized a housing revitalization plan, prepared design plans, specifications and project cost estimates, and submitted separate 9% tax credit financing proposals for Corbin Heights and Pinnacle Heights Extension. Also in 2009, a Memorandum of Understanding with Konover was signed. In accordance with state statutory requirements, a public hearing was held on the housing revitalization plan in June 2009. Along with enlisting community support for the redevelopment, the Konover development team is making ongoing efforts to seek out capital and operating funding to enhance the financing structure for the housing revitalization plan. Meanwhile, to better identify uncertain project infrastructure costs and evaluate overall construction costs, CPS Properties, Inc. (CHFA’s subsidiary that holds title to the New Britain properties) conducted a Request For Proposal process and engaged a third party consultant at year-end to conduct a subsurface infrastructure investigation, review the original housing revitalization plans and specifications, and prepare an independent overall construction cost estimate for the housing revitalization plan.

Also in 2009, CHFA approved \$1,500,000 in mortgage financing for CPS Properties, Inc. from Investment Trust Account proceeds to fund an anticipated operating deficit and make capital and emergency repairs at these properties. These repairs include the repair/replacement of furnaces, hot water heaters, roofs, driveways and sidewalks and other immediate health and safety concerns and standard maintenance functions. Some of these funds will also be used for consulting services for the development to identify infrastructure costs.

COMMUNITY INVESTMENTS

CHFA Partnership with GE Money Bank in Support of Bridgeport Revitalization

CHFA and GE Money Bank, the consumer and small business financial services unit of General Electric, entered into a partnership in 2007 to make low-cost financing available to developments that support and encourage downtown stabilization and revitalization in the City of Bridgeport. GE Money Bank saw Bridgeport's draft master plan, "*Re-imagining Downtown Bridgeport*," as an opportunity to invest in a distressed urban area that had a clear path to successful community and economic revitalization. GE Money Bank committed to invest up to \$25 million in Bridgeport and sought a strong partner to design and implement the financing strategy. CHFA offered a partnership opportunity whereby GE Money Bank purchased \$25 million of Authority-issued taxable bonds.

In 2008, CHFA and GE Money Bank announced the re-release of a Request for Proposal, soliciting responses for first mortgage construction and/or permanent financing for mixed-use and/or mixed income multifamily rental and/or homeownership developments in downtown Bridgeport. As a result, CHFA approved a proposal from 323 Fairfield Avenue, LLC to partially finance construction of 323 Fairfield Avenue at Bijou Square in Bridgeport. This development is a five story elevator building with 84 residential homes and approximately 10,000 square feet of first floor commercial/retail space. In 2009, CHFA approved an increase in construction and permanent mortgage financing to \$14.2 million. Additionally, the Housing Development Fund (HDF) replaced the Community Preservation Corporation as lead lender.

As there were still funds available, CHFA re-issued the RFP in 2009, which was also expanded beyond the downtown area to include the entire City of Bridgeport. Subsequently, CHFA approved \$10.10 million financing for 333 State Street. When finished, 333 State Street will turn a vacant seven-story building into 65 apartment homes and commercial space. The development will contain 59 market-rate and six workforce apartments. The six rent-restricted workforce apartments will be available to people earning 80% of area median income (AMI) who also work in Bridgeport.

At the close of the year, three applications remained under consideration pending the availability of uncommitted funds. Final decisions regarding these applications will be made in 2010.

COMMUNITY INVESTMENT ACT PROCEEDS

The Community Investment Act (CIA) was established through legislation which requires the collection of recording fees for all documents entered into the municipal land records. The proceeds of this account are distributed amongst CHFA, the Connecticut Commission on Culture and Tourism, the Connecticut Department of Environmental Protection and the Connecticut Department of Agriculture. This legislation allows CHFA to use the CIA proceeds to supplement new or existing affordable housing programs. CHFA has used CIA funds for initiatives supporting programs that provide financing for mixed-use properties, technical assistance and training for non-profit developers, second mortgage financing for homebuyers in selected areas, and selected multifamily developments. With regard to multifamily developments, the CIA funding has provided much-needed, flexible gap financing for shovel-ready developments that had already received CHFA Board approval for financing and/or tax credits. This will have an immediate, positive impact on the economy as jobs are created.

- **PILOT SUBURBAN AND RURAL AFFORDABLE HOUSING TECHNICAL ASSISTANCE PROGRAM**

In July 2006, the Connecticut Housing Finance Authority (CHFA) issued a Request for Proposals from qualified organizations to administer a pilot program to provide technical assistance to help suburban and rural communities with the development of affordable housing. The Local Initiatives Support Corporation (LISC) was selected as the program's administrator and LISC launched the pilot program in early 2007. The Authority approved \$275,000 of CIA proceeds to continue funding for this program into 2010.

- **CONNECTICUT HOUSING INVESTMENT FUND (CHIF) PERMANENT FINANCING PROGRAM**

CHIF has identified a supportive development in Bridgeport to which it will provide permanent financing utilizing \$712,000 of CIA funds. This development will renovate two blighted buildings and create 12 affordable supportive housing apartments.

- **THE CONNECTICUT TRUST FOR HISTORIC PRESERVATION**

The Trust utilized Community Investment Act funds to support its Historic Building Financing Fund which provides forgivable loans for houses being restored in urban areas. CHFA provided \$261,681 of CIA funds to invest in the rehabilitation of three sites in two of Hartford's historic neighborhoods, Asylum Hill and Upper Albany. All three sites contain blighted, vacant buildings and will create affordable homeownership. The total development cost for the ten homes is \$2,677,137. The funding provided by CHFA will allow the developers, the Christian Activities Council (CAC) and the Northside Investment Neighborhood Alliance (NINA), to complete the restoration of the buildings.

- **THE NEW ROYAL BRIDE, NEW BRITAIN**

In 2008, CHFA approved permanent mortgage financing for the adaptive reuse and rehabilitation of an existing historic seven-story building. In 2009, CHFA allocated \$2.0 million of CIA funds to this development that, when complete, will consist of commercial space on the first and second floors with 28 one- and two-bedroom units for the elderly on the upper floors.

- **323 FAIRFIELD AVENUE AT BIJOU SQUARE, BRIDGEPORT**

As noted above, this development is a five-story elevator building with 84 residential homes and approximately 10,000 square feet of first floor commercial/retail space. In 2009, the Authority approved an increase in construction and permanent mortgage financing to \$14.2 million, utilizing \$2.2 million of CIA funds.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

CHFA invests in Community Economic Development Financial Institutions (CDFIs) to provide technical assistance to non-profit developers, provide financing associated with community development, and assist in the coordination of comprehensive community development in urban areas of the State. In 2009, CHFA continued its partnerships with the Local Initiative Support Corporation, the Connecticut Housing Investment Fund, the Greater New Haven Community Loan Fund (GNHCLF) and the Community Economic Development Fund (CEDF). CHFA partners with these organizations through the capitalization of their lending programs.

- CHFA extended its partnership with CEDF by providing an investment of up to \$600,000 over three years.
- CHFA extended its \$1 million partnership investment with CHIF for an additional three-year term.

Supporting Business Operations

COMMITTED TO ALLEVIATING THE SHORTAGE OF AFFORDABLE HOUSING IN CONNECTICUT

CHFA would like to thank the following staff members for providing the business support necessary to achieve the Authority's goals.

EXECUTIVE

Timothy F. Bannon
Mary Bryant
Peg M. Fitzgerald
Christine A. Schilke
Susan Whetstone

HUMAN RESOURCES

Brenda M. Crosby
Louis G. Daevis*
Patricia A. Ignatowicz
Cheryl J. Rinaldi
Wanda D. Smith

INTERNAL AUDIT

Joyce M. Ciampi
Mahjabeen Kabir
Susan M. McCarron

FINANCE & ADMINISTRATIVE SERVICES

John K. Craford
Edward G. Myskowski
Carleen M. Roy

FINANCE

Elizabeth M. Vallera
Katherine Balesano
Shelby H. Campbell
Jerry Carriera
Mark Conte
Trisha Copeland
Joseph A. DePaolo
Arlene Dossat
Joseph D. Geremia
Chris Jasse
Elizabeth C. Kaminski*
Nancy L. Klukas
Beatriz S. Lee
Gin-a Lee
Kelly A. Long
Thomas J. Mangiafico
Dawn N. Popolizio
Lorane Rinaldi
Nancy Rodriguez
Laura J. Stanton
John C. Thayer

Kathy M. Tomazic
Lauren E. Vaz

ADMINISTRATIVE SERVICES

Janice H. MacLean
Jose I. Lopez
Francisco Saez

BUDGET, PLANNING, RESEARCH

Michael J. Ward
Sherry Lambert
Barbara Taylor
Laura Zajac

INFORMATION SYSTEMS

Suresh S. Menon
Michael R. Abdullah
Scott S. Blankenburg
Gerald F. DePalma
Janne G. Gauthier
Chetna D. Pattani
Dmitriy Vakhman
Robyn Wayland

LEGAL

William A. Dickerson
Tina O. Brockett
Susan Hackett
Janet P. Harrison
Edward J. Howley
Patricia L. Lazeren
Michelle Madore
Mark P. McGuire
Tracy L. Morse
Lawrence C. Pilcher
Rebekah L. Rolle

MULTIFAMILY HOUSING

Gregory J. Wentworth*
Annette B. Warden

ASSET MANAGEMENT

Patricia A. Gribko
Richard L. Nordmann
Osita Obuekwe
Martha J. Walker

Jessica D. Witkowski

ASSET MANAGEMENT

Michelle O. DeRosa
Mary Anne Hermanson
Patricia T. Johnson
Claudette C. Mertens
Wendy W. Moores
Brenda L. Morris
John R. Peterson
Elizabeth A. Phillips*
Geraldyn A. Prescott
Robin J. Salafia
Barry S. Wilcock
Arlevia T. Williams

STATE HOUSING PORTFOLIO

Lynn G. Koroser-Crane
Mentor R. Ameti
John Boscarino
Thomas B. Bourque
Elizabeth M. Chasse
Suzanne M. Coughlin
Frederick A. Cover
Deborah L. Favreau
Cathy K. Forcier*

Cheryl A. Good
Corinne Nocida
Debra A. Olson
Wilma C. Ramos
Orhan Vardar

HOUSING DEVELOPMENT

Timothy Coppage
Michele LaPila

SINGLE FAMILY UNDERWRITING

Carol A. DeRosa
Antoinette Y. Dellert
Wyolene Haslam
Rose Holbrook
Nanci Johnson
Terry P. Knott
Mary Jane Kononchik
Kimberly Misenti
Diane Smith

Valencia Taft-Jackson
Denise E. Warmley

UNDERWRITING & TECHNICAL SERVICE

Nancy I. O'Brien
Deborah J. Alter
Kim F. Black
Ellen M. Flanagan
Hillary R. Grande
Robert L. Johnson
Joseph L. Marsan
Terry G. Nash
Robert S. Ottiano
Peter D. Simoncelli
Delbe J. Spath, Jr.
Carl F. Stenman
Sheila G. Stone
Margaret M. Swiconek
Cristina Tsombanos
Doris M. Vitali

TECHNICAL SERVICE

Mark D. Hirsch
Charles J. Emerson
August P. Sarno

2009 RETIREES

Janice B. Alexander
Edmund M. Campion, Jr.
Linda M. Iglesias
Judith L. Walter
William S. Zmijewski

* Resigned in 2009

OCCUPATIONAL CATEGORIES

| | Grand Total | Total Male | Total Female | White Male | Black Male | Hispanic Male | Other Male | White Female | Black Female | Hispanic Female | Other Female |
|--------------------------|----------------|---------------|-----------------|---------------|---------------|------------------|---------------|-----------------|-----------------|--------------------|-----------------|
| Administrators/Officials | 14 | 7 | 7 | 6 | 0 | 0 | 1 | 5 | 2 | 0 | 0 |
| Senior Managers | 7 | 3 | 4 | 3 | 0 | 0 | 0 | 3 | 1 | 0 | 0 |
| Professional | 58 | 24 | 34 | 22 | 2 | 0 | 0 | 23 | 6 | 3 | 2 |
| Para-Professional | 23 | 2 | 21 | 2 | 0 | 0 | 0 | 15 | 4 | 0 | 2 |
| Technicians | 4 | 2 | 2 | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 0 |
| Office/Clerical | 19 | 2 | 17 | 1 | 0 | 1 | 0 | 14 | 2 | 0 | 1 |
| | | | | | | | | | | | |
| TOTAL | 125 | 40 | 85 | 35 | 2 | 2 | 1 | 61 | 16 | 3 | 5 |

Affirmative Action Statement

The Connecticut Housing Finance Authority is committed to equal employment in all phases of our operation. Annually, CHFA adopts an Affirmative Action Plan that establishes policies for equal employment opportunity for all employees and applicants for employment. CHFA treats all applicants and employees in a non-discriminatory manner.

A Look to the Future

CHFA IN 2010

The Connecticut Housing Finance Authority (CHFA) plans the following housing and organizational activities in 2010:

Developing and Preserving Affordable Rental Homes

Rental Housing Development: CHFA will have \$206 million available to fund affordable rental housing developments in 2010, with about \$110 million reserved against current applications pending at year end and the balance available for commitment to new mortgage applications. A public Notice of Funding Availability (NOFA) for this tax-exempt financing will be issued in the spring. CHFA will also be able to provide taxable bond financing that may be required.

Tax Credits and Federal Stimulus: CHFA will be working to make sure that over 1,000 new and rehabilitated apartment units funded in 2009 through CHFA, State and Federal Stimulus dollars will initiate construction to provide needed housing and jobs. CHFA anticipates making available at least \$3.3 million in Federal Low Income Housing Tax Credits for additional housing developments in 2010, to be allocated using a fully revised Qualified Allocation Plan. In addition, \$10 million in State Housing Tax Credit Contribution Program credits will also be available to fund housing in 2010.

Preservation of Existing Affordable Rental Homes: CHFA will continue and intensify its efforts to preserve existing assisted rental homes for long-term service to low income residents. Staffing has been focused to provide additional capacity. CHFA anticipates additional taxable bond financing in 2010, building on 2009 activity that resulted in the preservation of 1,600 affordable apartments.

Current Housing Portfolio Investment: CHFA will make available \$12.5 million in low cost financing to fund capital improvements in the CHFA and State housing portfolios.

Supporting Homeownership

First-time Homebuyers: CHFA will continue to support home purchases by first-time homebuyers, an increasingly important factor in residential sales, making available up to \$444 million in bond financing to fund low cost 1st mortgages. An estimated \$20 million in associated down-payment assistance 2nd mortgages will also be available.

Mortgage Assistance: CHFA will continue to assist distressed homeowners that may be at risk of losing their homes through default and foreclosure. It will make available up to \$51,900,000 in mortgage funding to support the CT FAMILIES and HERO Programs to refinance or restructure existing mortgages. It will also implement an expanded State of Connecticut Emergency Mortgage Assistance Program (EMAP) with up to approximately \$30 million available for this effort, funded with CHFA taxable bonds supported by the State of Connecticut debt service payments.

Counseling, Education and Outreach: CHFA will continue its support for home-buyer education and pre-purchase counseling as well as delinquency and foreclosure provided through local housing counseling agencies across the State. These activities are playing an increasingly important role in assuring sustainable homeownership at the time of initial purchase and helping distressed homeowners assess their options when faced with possible loss of their home through default and foreclosure.

Funding Special Needs Housing

State of Connecticut Next Steps Supportive Housing: CHFA will be working to complete implementation of the Round III of this initiative to develop supportive housing for those individuals and families with special needs who are homeless or at risk of homelessness, completing processing on and funding three developments selected in late 2009. These developments comprise 64 additional apartments using an estimated \$15 million in CHFA bond funding supported by the State of Connecticut.

Group Homes: CHFA will continue to support State of Connecticut efforts to provide community based living for the developmentally disabled through low-cost long-term bond financing for group homes. These homes are licensed by the Department of Developmental Services and supported through the Department of Social Services. A bond issue to fund additional homes is expected in late 2010.

Strengthening and Improving the Organization

During 2010 CHFA will continue its financial and debt management efforts to sustain the financial strength that makes possible its low-cost mortgage financing programs for the development and preservation of affordable rental housing, and home purchases by first-time homebuyers.

Activity to strengthen the organization will focus on working with business partners on process improvements in major lending program areas, implementation of new information systems in multifamily housing management, a new CHFA website, new document and workflow management tools, as well as initiating an improved employee evaluation system.

Firms Receiving in Excess of \$5,000 for Services in 2009

ENABLING THE AUTHORITY TO PURSUE ITS MISSION

During 2009, the following firms provided services that enabled the Authority to pursue its mission:

| | |
|---|---|
| Acorn Housing Corporation | Crosskey Architects LLC |
| Dan Anderson Design | Databank IMX LLC |
| Advanced & Effective Carpet & Upholstery Cleaning | The Day Publishing Co. |
| Andrea's Limousine Service | DeRosa Associates, Inc. |
| Angellino's Restaurant | RA Eick Quality Bookbinding LLC |
| Associated Architects PC | Environmental Systems Research Institute Inc. |
| A T & T | Feld Kaminetzky & Cohen PC |
| David W. Bearce, Sr. | Foundation Systems Group LLC |
| Joseph Bergin Architect PC | Friar Associates Inc |
| Best Western Regent Inn | GeoQuest, Inc. |
| Between Rounds Rocky Hill LLC | G L Capasso Inc |
| Bloomberg Finance LP | Gilley Design Associates Architects, LLC |
| Bloomfield Electric Co | GM2 Associates Inc |
| Board of Water Commissioners | Harrington Engineering, Inc. |
| Bounds Kalberer Engineers LLC | Hartford Areas Rally Together |
| Bridgeport Neighborhood Trust Inc | The Hartford Courant |
| Buckley Energy Group Ltd | Hispanic Communications LLC |
| Business Electronics Inc | Hop River Motel LLC |
| Catholic Charities & Family Services | Horizon Services Company |
| Diocese of Norwich, Inc. | Housing & Development Software LLC |
| CB Richard Ellis NE Partners | Housing Development Fund Inc. |
| CDW Government Inc | Housing Education Resource Center Inc. |
| Chapman & Cutler LLP | Housing In Transition Inc |
| Chozick Realty Inc | HRP Associates Inc |
| Christian Activities Council | Identidad Latina LLC |
| CL&P | Image Graphics, Inc. |
| Clarke Architects LLC | Iron Mountain Records Management, Inc. |
| Coffee Pause Company, Inc. | Italia & Lemp Inc. |
| CNG | Journal Register East Inc. |
| Community Renewal Team, Inc. | KForce.com |
| The Computer Company, Inc. | Kutak Rock LLP |
| Conn -Strux Inc | Lauren Staffing Services |
| Connecticut Coalition To End Homelessness | Leventi's Restaurant |
| The Connecticut Post | Local Initiatives Support Corporation |
| Consumer Credit Counseling Services | M&J Bus Inc |
| Co-Opportunity Inc. | Manning's Home Improvement LLC |
| Corporation For Supportive Housing | RP McDermott Associates, Inc. |
| John P. Cotter | McDermott Will & Emery LLP |
| | MCI Communications Services Inc |

The Metropolitan District
 Mintz Levin Cohn Ferris Glovsky and
 Popeo PC
 MNKS Lighthouse Restaurant LLC
 Shelly A Mondo
 Mutual Housing Association of Greater
 Hartford Inc
 Mutual Housing Association of South
 Central Ct Inc
 Mutual Housing Association of
 Southwestern CT Inc.
 National Council For Community
 Development
 Natixis Financial Products Inc.
 Neighborhood Housing Services of New
 Britain, Inc.
 Neighborhood Housing Services of New
 Haven, Inc.
 Neighborhood Housing Services of
 Waterbury, Inc.
 Northeast News Today Inc
 Office Team
 One Communications
 One Solution Services LLC
 Roy L. O'Neil, Jr.
 Opportunities Industrialization Center New
 London
 OR&L Appraisal & Consulting
 OR&L Commercial LLC
 Penfield Communications
 Primary Landscaping LLC
 Quality Roofing Systems Inc
 Republican American
 Resource Group Staffing
 RMI Associates LLC
 Roush & Associates Inc
 Saveway Petroleum Inc
 Allan L Schiffer
 Schindler Elevator Corp
 Securitas Security Services USA Inc
 Simplex Grinnell LP
 Solo Mechanical Maintenance Inc
 Spectrum Seminars Inc.
 Stewart Staffing Solutions LLC
 Strategic Information Resources Inc
 Streckfus Company, LLC

Success By Design 3D Seminars LLC
 Sun Services LLC
 TAB Computer Systems, Inc.
 Triton Environmental Inc.
 United Parcel Service Inc
 Urban League of Greater Hartford Inc.
 Urban League of Southern CT Inc
 Victor Advertising Service, LLC
 The Warren Group Inc
 Wellspeak, Dugas and Kane
 West Publishing Corp.
 Windham Regional Community Council
 Inc.
 Woodstock Inn Associates LP
 Yellow Book USA Inc

This list does not include Participating Lenders,
 Financial, Trustee, Professional or Legal Services.

2009 Participating Lenders

PARTNERING TO PROVIDE SINGLE FAMILY MORTGAGE FINANCING

These lenders work with CHFA to provide mortgage financing for single family borrowers:

| | |
|---|--------------------------------------|
| 1 st American Home Loans, LLC | East Shore Mortgage, LLC |
| 1 st Alliance Lending, LLC | EPI Mortgage Center, Inc. |
| A.J. Romano Mortgage Company & Financial Services, Inc. | Excel Mortgage LLC |
| Absolute Mortgage Solutions, LLC | Fairfield County Bank Corp. |
| Access Mortgage Corp. | Family Choice Mortgage Corp. |
| Advanced Mortgage LLC, D/B/A Assured | Farmington Bank |
| Advisor One Mortgage | Fidelity Mortgage Services Inc. |
| Affordable Mortgage Company | First County Bank |
| Allied Mortgage Capital Corp. | First Horizon Home Loan Corp. |
| Amity Mortgage, LLC | First Liberty Mortgage Co., LLC |
| Atlantic Home Loans, Inc. | First World Mortgage Corp. |
| Bank of America FSB | Founders Home Capital Corp. |
| BBCP Holdings D/B/A Lending Direct | Franklin Mortgage |
| Home Funding | Franklin American Mortgage Company |
| BCA Loan LLC, D/B/A CTMove Mortgage | Freedom Mortgage Corp. |
| BCI Financial Mortgage Corp. | Gateway Home Loans LLC |
| Blake Financial, LLC | Global Mortgage, Inc. |
| Campbell Financial Services, Inc. | GMAC Mortgage LLC |
| Capital Mortgage Assoc. | Goodwill Mortgage Services LLC |
| CCO Mortgage Corp. | Govell Funding Group LLC, D/B/A CT |
| Chase Manhattan Mortgage Corp. | Great Harbor Financial Services Inc. |
| Chelsea Groton Savings Bank | Guilford Mortgage Services, LLC |
| Chrysalis Funding of CT LLC | Homestead Funding Corporation |
| Citibank, FSB | Horizon Home Mortgage LLC |
| CitiMortgage, Inc. | Key Lending, LLC |
| Citizens National Bank | Ladd Mortgage, LLC |
| Connecticut Home Mortgage, Inc. | Landmark Mortgage, LLC |
| Connecticut Housing Investment Fund | Lendia Inc. |
| Connecticut Mortgage Services, Inc. | Liberty Bank |
| Continental Home Loans, INC. | Lighthouse Point Lending LLC |
| Countrywide Home Loans, Inc. | M & G Mortgage Services Inc. |
| Creative Mortgage Financing, Inc. | M & T Bank |
| CTX Mortgage Company, LLC | Main Street Mortgage LLC |
| Diamond Associates Mortgage Service | McCue Mortgage Company |
| Dime Bank | Money Market Mortgage LLC |
| Eagle Mortgage Group LLC | Mortgage Access d/b/a M.A.C. |
| Eagle Nationwide Mortgage Company | Mortgage Access d/b/a Weichert |
| East Coast Financial Services LLC | Financial |
| | Mortgage Affiliates of America, Inc. |

Mortgage Assistance Company LLC
Mortgage Center of America, LP
Mortgage Master Inc.
Mortgage Matters LLC
Mortgage Services, Inc.
Mortgage Solutions, Inc.
Mortgage Supercenter, Inc. (The)
Mortgage Works LLC
Mutual Security Credit Union Inc.
NE Moves Mortgage Corp.
National City Mortgage Company
Naugatuck Valley Savings and Loan
Assoc.
New Alliance Bank
NewMil Bank
Newtown Savings Bank
NORCOM Mortgage
Northern States Mortgage, LLC
Northpoint Mortgage Inc.
Northwest Community Bank
Patriot Mortgage Company Inc.
Pegasus Investment Group LLC
Peoples United Bank
PHH Mortgage Corp.
Pioneer Mortgage, LLC
PMI Group LLC
Pryma Lending Group, LLC
Putnam Savings Bank
Quality Mortgage Services LLC
Rapid Response Mortgage Services LLC
Real Estate Mortgage Network Inc.
Right Trac Financial Group, Inc.
Rockville Bank
S B Mortgage Group Inc.
Savings Bank of Danbury
Savings Institute Bank and Trust
Scholastic Mortgage LLC
Society Financial Corporation
Southington Mortgage, LLC
Sovereign Bank
Spectra Funding Inc.
Stamford Mortgage Company
Sterling Lending Group, Inc.
Suntrust Mortgage, Inc.
TD Banknorth
The Diamond Mortgage Group, LLC

The New York Mortgage Company, LLC
Thomaston Savings Bank
Total Mortgage Services LLC
Traditional Mortgage of New England
Travis Mortgage, LLC
Tristate Mortgage Corporation
Ulster Savings Bank
United Mortgage Finance Group, Inc.
Value Mortgage, LP
Village Mortgage Company
Wachovia Mortgage Corporation
Washington Mutual Home Loans Inc.
Webster Bank
Welcome Home Mortgage
Wells Fargo Bank N.A.
Westerly Community Credit Union
William Raveis Mortgage, LLC
Windsor Federal Savings & Loan

2009 Financial, Professional and Legal Services

PROVIDING SERVICES THAT ENABLE CHFA TO PURSUE ITS MISSION

AUDITORS

Blum, Shapiro & Company, P.C.

BOND COUNSEL

Hawkins, Delafield & Wood, LLP
Edwards Angell Palmer & Dodge LLP
Lewis & Munday, A Professional Corporation

SINGLE FAMILY HOMEOWNERSHIP COUNSEL

Brown, Paindiris & Scott, LLP
Cicchetti, Tansley & McGrath, LLP
Melanson & Sparagna, LLC

SPECIAL COUNSEL

Halloran & Sage, LLP
Murtha Cullina, LLP
Pepe & Hazard, LLP
Pullman & Comley, LLC
Robinson & Cole, LLP
Shipman & Goodwin, LLP

BOND UNDERWRITERS

Cabrera Capital Markets
Citi
Goldman, Sachs & Co.
J.P. Morgan
Jefferies & Company
M.R. Beal & Company
Merrill Lynch & Co.
Morgan Stanley
Roosevelt & Cross, Inc.
Wachovia Bank, NA

FINANCIAL CONSULTANTS

cfX Incorporated
Lamont Financial Services Corporation

RATING AGENCIES

Moody's Investors Service
Standard & Poor's Financial Services, LLC

TRUSTEE

U.S. Bank NA

Connecticut Housing Finance Authority Bond Issues

| As of December 31, 2009 | |
|---|------------------|
| Cumulative value of all bonds issued under the Housing Mortgage Finance Program Bond Resolution | \$13,489,525,000 |
| Cumulative value of all bonds issued under the Single Family Special Obligation Bond Resolution | \$191,720,000 |
| Cumulative value of all bonds issued under the Multi Family Special Obligation Bond Resolution | \$27,610,000 |
| Cumulative value of all bonds issued under the Housing Draw Down Trust Indenture | \$420,682,000 |
| Cumulative value of all bonds issued under the Special Needs Housing Mortgage Finance Program Indenture | \$66,545,000 |

| | | | Issued During Calendar Year 2009 (1) | | |
|--|------------------------------|------------------------------|--|---|--|
| ISSUE | FACE AMOUNT | NET PROCEEDS(2) | UNDERWRITERS | UNDERWRITERS COUNSEL | BOND COUNSEL |
| HOUSING MORTGAGE FINANCE PROGRAM BONDS | | | | | |
| 2009 SERIES A SUBSERIES A-1, A-2 | \$180,000,000 | \$180,000,000 | J.P. Morgan | Orrick, Herrington & Sulcliffe LLP | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| 2009 SERIES B SUBSERIES B-1, B-2 | \$79,075,000 | \$76,003,418 | Citi, Goldman, Sachs & Co., Merrill Lynch & Co., Cabrera Capital Markets, J.P. Morgan, M.R. Beal & Company, Morgan Stanley, Roosevelt & Cross, Inc. Wachovia Bank, National Association | Tobin, Carberry, O'Malley, Riley & Selinger, P.C. | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| 2009 SERIES C SUBSERIES C-1, C-2 2009 SERIES D | \$80,910,000 \$60,700,000 | \$79,610,000 \$59,167,800 | Goldman, Sachs & Co., Citi, Merrill Lynch & Co., Cabrera Capital Markets, Jefferies & Company, J.P. Morgan, M.R. Beal & Company, Morgan Stanley, Roosevelt & Cross, Inc. Wachovia Bank, National Association | Tobin, Carberry, O'Malley, Riley & Selinger, P.C. | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| 2009 SERIES E | \$24,350,000 | \$24,350,000 | Citi | Tobin, Carberry, O'Malley, Riley & Selinger, P.C. | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| 2009 SERIES F | \$6,990,000 | \$6,850,200 | N/A | N/A | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| SINGLE FAMILY SPECIAL OBLIGATION BONDS | | | | | |
| SERIES 2009 | \$191,720,000 | \$191,500,780 | N/A | N/A | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| MULTI FAMILY SPECIAL OBLIGATION BONDS | | | | | |
| SERIES 2009 | \$27,610,000 | \$27,529,890 | N/A | N/A | Hawkins, Delafield & Wood LLP, Edwards Angell Palmer & Dodge LLP, Lewis & Munday |
| | | | | | |
| Total | \$651,355,000 | \$645,012,088 | | | |

(1) 2009 Series A, Series B, Series C, Series D and Series E were sold on a negotiated basis. 2009 Series F and the Single Family and Multifamily Special Obligation Bonds were directly or privately placed. The Single Family and Multifamily Special Obligation Bonds were issued under the Federal New Issue Bond Program authorized by the Housing Economic Recovery Act of 2008. The Financial Advisor for all issues was Lamont Financial Services Corporation.

(2) Net of accrued interest, original issue discount and costs of issuance.

Connecticut Housing Finance Authority
2009 Audit Financial Statement