

Alabama Housing Finance Authority

2005 Annual Report





Our Creation

IT IS HEREBY FOUND AND DECLARED that from time to time there has existed and at the present time there exists an inadequate supply of funds at interest rates sufficiently low to enable the financing of safe and sanitary multi-family dwelling units for citizens of this state and single family dwelling units for citizens of this state with low and moderate income; that the inability to finance such single and multi-family dwelling units results in an inability of builders to construct such housing, causing unemployment or underemployment in the housing construction and related businesses and causes a lack of safe and sanitary housing to be available to the citizens of this state; that such unemployment or underemployment in the housing construction and related businesses and an inadequate supply of safe and sanitary housing wastes human resources, increases the public assistance burden of the state, impairs the security of family life, impedes the economic and physical development of the state, adversely affects the welfare and

prosperity of all of the people of the state and accordingly creates and fosters conditions adverse to the general health and welfare of the citizens of the state, that the making available in the manner provided in this chapter of a more adequate supply of funds at interest rates sufficiently low to enable the financing of safe and sanitary multi-family dwelling units for citizens of this state and single family dwelling units for citizens of low and moderate income will result in the alleviation or reduction of the adverse consequences which have resulted and may result from continue unemployment and underemployment in the housing construction and related businesses and the inadequate supply of such housing for such persons.

— ALABAMA LEGISLATIVE ACT NO. 80-585; JULY 25, 1980



Our Perspective

Interest rates were sky high when the Alabama Housing Finance Authority began its service two and half decades ago. In fact, our first Mortgage Revenue Bond issue offered home buyers a then-competitive 11 percent rate — unthinkable in today's market.

Those rates may have dropped, but challenges continue to emerge. Preserving or replacing aging multifamily housing, opening doors to minority and under-served populations, and contributing to disaster relief efforts in the wake of Katrina and other storms all pose new opportunities to offer our assistance.

Alabama remains one of most affordable housing markets in the United States, with one of the nation's highest homeownership rates. And we'd like to think that our programs are helping to keep it that way.

This year's annual report highlights a few of the households we helped in 2005 and recounts some of AHFA's most significant accomplishments since its creation in 1980. These efforts have led to better housing for more than 83,000 Alabama families, yet we know there is more to be done. We sincerely hope you will continue to work with us as we strive to serve above and beyond all expectations.



Dr. Shelton E. Allred, Chairman



Robert Strickland, Executive Director

*“These efforts
have led
to better housing
for more than
83,000 Alabama
families ...”*

• The Alabama Housing Finance Authority is established by an act of the Alabama Legislature as a public corporation to create housing opportunities for low- and moderate-income citizens.

1980

• AHFA issues its first tax-exempt mortgage revenue bonds, providing \$150 million in financing at 11 percent interest for 3,036 first-time home buyers.

• AHFA completes its first multifamily bond issue, financing 416 units at an approximate cost of \$13 million.

1983

Table of Contents

4 **STEP UP HOME LOANS**
Long-time renters Kevin and Amy Osborne build equity with down payment assistance homeownership loan in Wetumpka

6 **HABITAT FOR HUMANITY LOAN PURCHASE PROGRAM**
Wendy and Josh Brown enjoy their new affordable, wheelchair-accessible home, thanks to AHFA and Habitat for Humanity of Cullman County

8 **MORTGAGE CREDIT CERTIFICATES**
Federal tax credit has first-time home buyer Amber Mitchell seeing green in Millbrook

10 **AMERICAN DREAM DOWNPAYMENT INITIATIVE**
Bridgett Henderson escapes six years of noisy public housing for peace and quiet in Jasper

12 **RURAL ALABAMA MORTGAGE PROGRAM**
Marian Ross of Selma eagerly anticipates hosting three generations for the holidays in her first home

14 **HOUSING CREDITS**
Jan McMunn enjoys freedom and convenience of renting in Athens' Windscape Apartments

16 **HOME FUNDS**
Rose Coleman plans to stay put at Saddle Ridge, AHFA's new apartment complex in Andalusia

18 **MULTIFAMILY MORTGAGE REVENUE BONDS**
Renting at Hunter Ridge enables David, Nerisa, Nikita and David Parrish to maintain active lifestyle in Birmingham

20 **BOARD OF DIRECTORS AND STAFF**
By statute, AHFA is governed by a Board of Directors which provides policy direction, authorizes bond issues and program development, and evaluates AHFA efforts. AHFA also has a 51-member staff comprising five divisions and managed by the executive director.

• Transition is made to in-state single-family loan administration.

• AHFA surpasses \$1 billion mark in single-family mortgage revenue bonds issued.

• AHFA's Board of Directors hires an executive director.

• Accounting division is created.

1984

1985

1987



StepUp

The Step Up program is Alabama's first down payment assistance package designed specifically for moderate-income home buyers. AHFA provides up to 6 percent of the home's sales price for down payment and entry costs through this program, allowing 100 percent financing for eligible buyers using FHA or Rural Development loans.

In conjunction with the up-front funds, AHFA offers a 30-year, fixed-rate first mortgage with an interest rate which may be just slightly higher than the current market rate. The down payment funds are a 20-year second mortgage. The loans are blended together, so homeowners have only one check to write each month.

To help prepare them for the responsibilities of homeownership, program participants also must complete a home buyer education workbook.

Since its creation, nearly 1,400 families have received \$127 million in Step Up home financing.

*“Step Up made it
a lot more realistic.
We didn't have
the money
to put down.”*

4

• AHFA establishes compliance program for multifamily projects.

1987

• AHFA begins administration of federal Low-Income Housing Tax Credit (LIHTC) program and finances first developments, housing almost 20,000 families over the next 12 years.

• Single-family division is created.

1988

• All accounting and investment functions are brought in-house.



The Disappearing Down Payment

When North Carolina natives Kevin and Amy Osborne moved to Alabama in 2004, they started their new life off in a rented apartment. But with the housing market booming, they quickly tired of renting and started investigating other options.

“We just didn’t want to pay rent,” said Kevin, a computer technician. “We wanted to build equity. A house is only a couple hundred dollars more a month.”

They centered their search for a home in Wetumpka, a growing Montgomery suburb where their investment could continue to appreciate and they both would be convenient to coworkers for carpooling. After choosing a three-bedroom, two-bath brick house in the Emerald Mountain subdivision, the Osbornes funded their purchase with 100 percent financing through AHFA’s Step Up program — ideal for borrowers like Kevin and Amy, whose income could sustain a mortgage payment but whose savings were insufficient for the down payment.

“Step Up made it a lot more realistic,” said Kevin. “We didn’t have the money to put down.” Amy added, “We would have been waiting a couple more years without it.”

Long-time renters, the Osbornes are reveling in the independence of homeownership. “You have the freedom to do what you want,” said Amy, an accountant. Kevin added, laughing, “You don’t have to smell the neighbors cooking.”



- AHFA institutes the Mortgage Credit Certificate (MCC) program to provide federal tax credits to qualified homeowners, issuing \$203 million in credits over the next six years and providing assistance to nearly 3,000 families.

1989

- Multifamily division is created.

- AHFA creates the Down Payment Assistance Program to provide interest-free loans to families who earn less than the state’s median income.

1990

Habitat for Humanity

AHFA's partnership with Habitat for Humanity was the first of its kind nationwide. AHFA purchases mortgage loans from Alabama's 32 Habitat affiliates, allowing the affiliates to receive the loan amount up front in a lump sum while AHFA receives the monthly payments for the life of the loan. The affiliate then uses the up-front funds to build more housing for low-income families.

Because AHFA's enabling legislation prohibits the purchase of mortgages from entities other than financial institutions, the Habitat affiliate solicits the assistance of a local lender to serve as a conduit for the sale of the loan. The affiliate sells the mortgage at par to the local bank, which then sells the loan at par to AHFA. Through this process, the affiliate also is able to nurture a relationship with the local lender and lay the groundwork for future financial aid. This productive cycle unites the local Habitat affiliates, the lending community and AHFA to give Alabama's less fortunate families a hand up into homeownership.

This partnership helps home buyers overcome seemingly insurmountable odds. Households with annual incomes as low as \$4,462 now live in homes financed through the program. Half have monthly mortgage payments less than \$153. And the average AHFA-Habitat borrower's income is \$17,708, or 47 percent of the state's median income.

Since 1992, AHFA has purchased 322 loans totalling \$12 million statewide through the Habitat for Humanity Loan Purchase Program.

"The doorway to the bathroom was too narrow for Josh's wheelchair to fit through, so I had to carry him."

6

• AHFA begins in-house arbitrage rebate calculations and administration of whole loan issues.

1990

• AHFA assumes responsibility for writing the state's first Comprehensive Housing Affordability Strategy (CHAS) and developing a five-year plan to address Alabama's housing needs.

1991

• First "Building Blocks to Homeownership" seminars are offered, providing new and prospective home buyers with information on money management, financing tools and other topics.



Mobility Matters

In his old home, Joshua Brown of Cullman, who has spina bifida and uses a wheelchair, could not maneuver like he needed to.

"Our apartment was just real small," said mother Wendy. "He could go from the kitchen to the living room. But, the doorway to the bathroom was too narrow for Josh's wheelchair to fit through, so I had to carry him."

Hope came in the form of Habitat for Humanity of Cullman County. Wendy was referred to the organization by a friend and Habitat homeowner who also has a child with spina bifida.

Six months after applying, the Browns were approved and the hard work began. Friends, relatives and the local Lions Club pitched in to help. "I painted on the weekends," said Wendy.

Today, with a handicapped-accessible bathroom and kitchen and a concrete drive and walkway that are wheelchair and scooter friendly, Josh's mobility is no longer impaired by his surroundings.

"Josh is free to roam around," said Wendy. "We were real pleased when we got this house. It feels good. It will feel better when it's paid!"



- AHFA begins developing the HOME Investment Partnerships Program, a new federally funded housing program, for the state of Alabama.

- AHFA's accounting division becomes first in the nation to submit quarterly disclosure reports to various rating agencies.

- AHFA develops the Habitat for Humanity Loan Purchase Program, the first of its kind in the nation, and dedicates \$1 million to the project.

Mortgage Credit Certificates

In light of rising interest rates, AHFA revived the Mortgage Credit Certificate (MCC) program in 2004 to give Alabama's low- to moderate-income families another homeownership option. MCCs reduce the amount of federal income tax that first-time home buyers pay, giving them more available income to qualify for a mortgage loan.

MCCs provide a direct dollar-for-dollar reduction in federal taxes worth 20 percent of the mortgage interest paid each year. The remaining 80 percent of the interest still can be claimed as a tax deduction. Combining the MCC's tax credit with AHFA's Step Up down payment assistance makes homeownership even more affordable.

Participants must meet federally established income and sales price limits and have modest personal assets. Nearly 3,900 households have benefited from this program since it was first offered in 1989.

*"With the MCC,
I'm getting
about \$80 back
each month."*

8

• AHFA participates in nationwide campaign to win permanent federal extension of MRB and LIHTC programs.

1993

• Research and planning division is created.

• Accounting division receives awards of merit presented by the National Council of State Housing Agencies recognizing its quarterly disclosure reports for single- and multifamily bond issues.

1994

• AHFA offers \$40 million in mortgage revenue bond loans at its lowest interest rate ever: 5.79%.



Growth Potential

Amber Mitchell is putting down roots on Honeysuckle Drive after the purchase of her home was made possible by an AHFA-administered Mortgage Credit Certificate.

“With the MCC, I’m getting about \$80 back each month, so I’m paying about the same as I was before for a one-bedroom apartment,” she said. “I like building equity — and I can paint the walls and have space to decorate here.”

The federal tax credit provided by the MCC allows first-time home buyers like Amber to adjust their withholdings, effectively increasing their take-home pay. They know they’ll be receiving a dollar-for-dollar tax credit worth 20 percent of the mortgage interest they’ve paid during the year.

The 21-year-old administrative clerk for the Alabama Department of Transportation enjoys the outdoors, saying that the large backyard is her favorite feature of her new home.

“Having that much room and privacy is great,” she said. “I have a Christmas tree up for the first time and the yard is decorated.”

Her three-bedroom, two-bath house has the added advantage of keeping her close to family. “It’s really nice,” she said. “I’ve lived here in Millbrook all my life.”



- AHFA becomes one of the first state housing finance authorities to earn a general obligation rating, obtaining an “A” rating from Moody’s Investors Services for overall creditworthiness.

- Communications department brings production of all publications in-house and earns top award for program excellence from the National Council of State Housing Agencies for AHFA’s quarterly newsletter, Thresholds.

ADDI

Through the federal American Dream Downpayment Initiative (ADDI), AHFA offers first-time home buyers with lower incomes \$10,000 in interest-free mortgage funds to reduce out-of-pocket expenses.

AHFA's ADDI assistance is a 0% interest, five-year, forgivable, subordinate mortgage. The \$10,000 is used to reduce the first mortgage loan's principal balance. For example, a home buyer who meets the ADDI guidelines and purchases a \$90,000 home would need a first mortgage loan of only \$80,000.

Participants must live in the home and make the mortgage payments for at least five years. They cannot have owned a home in the past three years and must meet federal guidelines for household income, and the home's sales price must be less than \$160,176. They also learn the basic responsibilities of buying and maintaining a home through a homeownership education course.

In the past two years, AHFA has distributed \$1.8 million to 179 households in ADDI loans.

"I only had to pay \$24 out of my own pocket at closing."

10

- Funding and delivery of closed loans is brought in-house.

1994

- AHFA participates in the development of Alabama's first Consolidated Plan, which provides a comprehensive look at affordable housing and community development needs, priorities and strategies.

1995

- First combined application cycle for HOME and housing credit funds is held.



No More Noisy Neighbors

Every night as Bridgett Henderson sat in her apartment in Jasper and listened to the noise from the neighboring nightclubs, she longed for a quiet place to call home.

“From age 19 and until the time I bought my house, I lived in government housing,” said the 25-year-old. “I was directly across the street from two nightclubs. I very rarely had a night’s sleep when I wasn’t woken up by loud music or a crowd of people. It made living absolutely miserable. It made me mad enough to want to talk to somebody about getting a house.”

Her needs and wants were simple. “I was looking for quiet. I wanted somewhere close to work,” said Bridgett. “I wanted a yard. All growing up, I had this huge yard to play in.”

A two-bedroom house on Jasper’s Delaware Drive, only minutes from her job with the City of Jasper, fit the bill perfectly. The next step was financing. Bridgett was able to secure a \$10,000 grant through the new American Dream Downpayment Initiative.

“The benefit from ADDI was huge,” said Bridgett. “When I first talked to the loan officer I was completely and 100 percent clueless about closing costs and prepaid items or just how much money you had to have to get a loan for a house. ADDI paid for everything. I only had to pay \$24 out of my own pocket at closing.”



- Communications department earns top award from the National Council of State Housing Agencies for AHFA’s MRB brochures targeting potential home buyers.

- AHFA leads coalition to create the Access Alabama program, making homeownership an option for lower-income people with disabilities.

- Alabama Home Builders’ “Little House Under Construction” exhibit, sponsored by AHFA, begins traveling the state to teach children about the construction industry.

Rural Alabama Mortgage Program

The Rural Alabama Mortgage Program (RAMP) is a partnership of AHFA and USDA Rural Development (RD). It is designed to increase homeownership in the state's rural areas, where access to 30-year, fixed-rate mortgage lending is limited.

AHFA and RD each finance half of the RAMP mortgage, combining their tools to offer the lowest rate available. AHFA also provides up to \$2,000 in interest-free entry cost assistance to reduce home buyers' up-front, out-of-pocket expenses. RAMP participants learn the basic responsibilities of buying and maintaining a home through a homeownership education course.

RAMP covers rural areas across Alabama. Residents of several entire counties are eligible, while in other counties only specific areas are considered rural. RAMP's income limits are set by RD and range from \$13,800 to \$64,000, depending on family size and location. Maximum sales prices range from \$94,000 to \$110,000.

To date, RAMP has funded \$2.1 million in mortgages for 65 families in Alabama's rural areas.

*"I'm very excited
about our first
Christmas here.
I'm even more
excited than
the kids are!"*

12

- AHFA and the Alabama Bankers Association unite to create the Alabama Multifamily Loan Consortium.

- AHFA offers no-down-payment mortgages to storm victims in 39 counties in the aftermath of spring tornadoes and Hurricane Opal.

- AHFA employees participate in week-long "Blitz Build" of 10 Habitat homes.

- State's homeownership rate hits a 12-year high, due in part to AHFA's affordable housing programs.

1996



The First Noel

Marian Ross of Selma had a special reason to celebrate the holidays this year: She was spending her first Christmas ever in a home of her own.

“I’m very excited about our first Christmas here,” she said. “I’m even more excited than the kids are!”

“The kids” include her daughters, Victoria and Monay, and her 4-year-old grandson, Kendorian. An added bonus is the extra room for company during her adult son’s frequent visits from Atlanta.

As a participant in AHFA’s RAMP partnership with USDA Rural Development, Marian’s financing package included a low 5 percent mortgage interest rate, a home buyer education course and \$2,000 in interest-free entry cost assistance.

“I cannot say how blessed I am,” she said. “I’d been praying for this for a long time, and I give God all the glory. I have enjoyed my house and I’m very happy with it.”

Marian was hard-pressed to say which feature she enjoys most in the three-bedroom, two-bath Stonewall Terrace home, but did say the sunroom is especially popular with her family. “We have weights in there, and we use it as a workout room,” she said. “But I really I like all of it — I love the whole house.”



- AHFA begins sponsoring a “School-to-Work” program with Montgomery Public Schools, training high school students in vocational skills through construction of Habitat homes.

- AHFA institutes annual “Manager of the Year” award to recognize outstanding service at its multifamily developments.

- Communications department recognized by the National Council of State Housing Agencies for its federal legislative campaign to adjust MRB and housing credit caps.

Housing Credits

Through the Low-Income Housing Tax Credit program, AHFA helps developers and property owners buy land or buildings and build or repair housing to be rented to low-income families at affordable rates. This financial incentive, created by Congress in the Tax Reform Act of 1986, encourages business interests to increase the supply of rental housing for economically disadvantaged families.

The housing credits provide a dollar-for-dollar reduction in federal tax liability for developers of income-restricted housing. In exchange for the credits, the developer must reserve either 20 percent of the units for residents who earn 50 percent or less of the median income or 40 percent of the units for residents who earn 60 percent or less of the median income. As administrator of the program, AHFA directs a competitive application process to ensure the credits are distributed throughout the state to areas with the greatest needs.

Since the program's inception, AHFA has issued more than \$102 million in Low-Income Housing Tax Credits to build or repair 604 apartment complexes housing more than 26,575 families. In FY 2005, AHFA used its \$11.2 million allocation to fund the construction or renovation of 24 developments comprising 1,485 apartments.

*“I got it
for convenience,
but it’s more
than that.
I love it.
I really do.”*

14

• Now 42 members and \$21.2 million strong, the AHFA-led Alabama Multifamily Loan Consortium closes its first loan for affordable apartments.

1999

• Moody's Investors Service upgrades AHFA's general obligation rating to Aa3.

• AHFA institutes "Processor of the Year" program to recognize top single-family loan processing performance.

2000



Location, Location, Location

When Jan McMunn moved into Athens' Windscape Apartments in June 2004, she was primarily interested in the neighborhood, which provided easy access to her job as a district circulation manager for a local newspaper and near her mother whose health was rapidly deteriorating.

"I got it for convenience, but it's more than that," said Jan. "I love it. I really do."

She was pleasantly surprised by what she found. Windscape's 84 units were financed in part by AHFA-administered Housing Credits and feature washer/dryer connections, garbage disposals, and ice makers. In addition, residents have use of a clubhouse, community laundry, a playground and gazebo.

"I've lived in other apartment complexes here in town," said Jan, a mother of four and grandmother of seven. "The floor plan here is so roomy. Also, we don't have any loud noise. There's nothing that I'm uneasy about."

With a demanding job and her mother's health issues constantly on her mind, Jan is enjoying the freedom that renting allows.

"One day, I'd still like to buy," she said. "But for now, I don't have anything I have to maintain. I've got all I need here."



- Communications department earns fourth award from the National Council of State Housing Agencies for AHFA's quarterly newsletter, Thresholds.

- The new Rehab Assistance Partnership (RAP) offers interest-free loans up to \$10,000 to low-income homeowners for basic renovations through local home builders associations. The AHFA-led initiative was named "Best Community Service Project" by the Executive Officers Council of the National Association of Home Builders.

HOME Funds

HOME, a federally funded program, was created in 1990 as part of the Cranston-Gonzalez National Affordable Housing Act (NAHA). It provides participating jurisdictions like Alabama with annual allocations which may be used by developers to buy, build or repair affordable housing.

AHFA has been designated to administer the HOME program for the state of Alabama. Its responsibilities include developing a regular, comprehensive demographic survey and long-range strategy to address affordable housing needs.

AHFA distributes HOME funds through a competitive and unbiased application process, and monitors the apartment complexes closely to ensure that they operate under the law, renting their units to low-income families at affordable rates.

Alabama is one of several states choosing to combine HOME funding with another multifamily housing program, the Housing Credit. This method of stretching scarce resources is just one example of the measures AHFA takes to ensure its programs benefit the greatest number of Alabamians possible.

Since the program's creation, Alabama has been awarded about \$191 million to build 7,603 apartments for Alabamians in need. More than 475 families and elderly and handicapped citizens will benefit from \$15.4 million in 2005 HOME funds AHFA committed to build 12 new complexes.

*"It's just
a nice little
community
here ...
Everything has
worked out
real well."*

16

- AHFA unveils the new Step Up program, making Alabama the first state to provide \$100 million in mortgage funds and down payment assistance for moderate-income home buyers.

2000

- In response to the state's settlement of the longstanding Wyatt v. Sawyer legal case, AHFA agrees to commit a major portion of its HOME and Housing Credit allocations for two years to building housing for more than 600 clients of the Department of Mental Health/Mental Retardation. These efforts were honored by the National Alliance for the Mentally Ill of Alabama.

2001



A Family Affair

Rose Coleman has her family to thank for helping her find a home at Saddle Ridge Apartments.

“My son first told me about it,” she said. “Two of my nephews were helping to build this complex.”

The disabled mother of two grown sons moved into her one-bedroom apartment in May. “I like it. It’s real quiet around here,” she said. “Everything has worked out real well. I’ve met most of the neighbors and everyone has been nice.”

AHFA’s HOME funds helped build the 45 units of Saddle Ridge for elderly residents, who enjoy a clubhouse and gazebo as well as access to emergency on-call assistance. Combining the HOME funds with AHFA-administered Housing Credits helped make the complex even more affordable, with monthly rents as low as \$228.

Rose left her hometown of Gantt years ago, moving eight miles down the road to Andalusia. She plans to stay at Saddle Ridge.

“I don’t like moving around much,” she said. “It’s just a nice little community here. The manager seems real nice. Everything is going real well.”



- AHFA institutes Lender Online, a web-based loan reservation and tracking system, and eliminates the need for phone-in loan reservations.

- AHFA and the Fannie Mae Foundation form the Homeownership Consortium of Alabama, a housing counseling collaborative focusing on standardization for housing counseling agencies.

Multifamily MRBs

AHFA provides financing for multifamily housing through Multifamily Mortgage Revenue Bonds, which offer developers lower-than-market interest rates in exchange for reserving a portion of their units for tenants earning less than the local median income. Multifamily bonds are issued on a project-specific basis.

Because most of these bonds are tax-exempt, developers receive more favorable interest rates, reducing their interest expense and allowing them to set lower rents. Taxable bonds may be issued as well to offer additional funds for the production of affordable rental housing.

Since the program's inception in 1983, AHFA has issued more than \$815 million in multifamily bonds to purchase, repair or build 108 apartment complexes with nearly 17,000 units throughout the state.

In FY 2005, three developments comprising 1,111 apartment units began construction or renovation thanks to \$42.2 million in multifamily bonds issued by AHFA.

*"I don't have
to worry about
a lawnmower —
no maintenance
for me!"*

18

- Sixteen AHFA employees participate in Habitat for Humanity's Jimmy Carter Work Project in Anniston, Ala., building 35 houses with the former U.S. president and thousands of volunteers.

- AHFA's efforts to resolve Alabama's Wyatt v. Sawyer lawsuit are honored by the National Council of State Housing Agencies and the National Alliance for the Mentally Ill of Alabama.

- AHFA and USDA Rural Development launch the Rural Alabama Mortgage Program to provide low-interest financing in Alabama's rural counties.

2003

2004



Comfort and Convenience

Long-time renter David Parrish is content with his situation, but he hasn't given up on the idea of homeownership.

David, wife Nerisa, 17-year-old daughter Nikita, and 9-year-old son David share a three-bedroom unit at Birmingham's Hunter Ridge Apartments, a 200-unit development financed in part by AHFA's Multifamily Bonds.

"Hunter Ridge is nice and quiet," said David, a labor supervisor for Jefferson County. "Plus, it's close to the school."

In addition to the washer/dryer connections and garbage disposals in each unit, Hunter Ridge residents enjoy a playground, pool and gazebo.

"Our son plays outside and we have no problems with that," he said.

With the active lifestyle of a typical family — Nikita's first job at a local restaurant, the younger David's after-school activities, and church commitments — renting suits the Parrish family's circumstances.

"If I get comfortable here, I will stay here," said the elder David. "But, I'm not putting the idea of a home out of my mind. Right now, however, I don't have to worry about a lawnmower — no maintenance for me!"



- AHFA begins offering the American Dream Downpayment Initiative (ADDI) to reduce the first mortgage loan's principal balance by \$10,000 for first-time, lower-income buyers.

- AHFA translates its single-family program brochures into Spanish and creates a Spanish-language section of its web site to meet the needs of this growing population.

Board of Directors and Staff

BOARD OF DIRECTORS

Shelton E. Allred, Chairman
Ted B. Watts, Vice Chairman
Gordon Henderson,
Secretary/Treasurer
E.T. Chambers
Thomas R. Doyal
Charles R. Hartsell
Bobby Hayes
John O. Moore
Carolyn Norman
Robert L. Smith
Dale Strong
Michael C. Toles

Ex Officio Members:
John D. Harrison
State Superintendent of Banks
Kay Ivey
State Treasurer
James Allen Main
State Finance Director

STAFF

Robert Strickland, Executive Director
Audrey Crowe
Vickie Wallace

ACCOUNTING DIVISION

Horace R. Theriot, Jr., Administrator
Tim Dyess
David Smith
Angie Tindol

LEGAL DIVISION

Neal Acker, General Counsel

RESEARCH & PLANNING DIVISION

Gary Donegan, Administrator
Carylee Cheatham
Coella Judkins
Shunta McKeithen
Amber Moore
Sherri Springer
Michael Wages

MULTIFAMILY DIVISION

Haywood M. Sport, Administrator
Cade Barrett
Tracy Gordon
Earlene Hayden
Chris Hert
Jeff Little
Tom Peaspanen
Pam Shedd
Barbara Wallace
Dennis Waters
Sabrina Wood

SINGLE-FAMILY DIVISION

Michael J. King, Administrator
Donna Allen
Dawn Bedford
Kathy Boston
Gail Caldwell
Candi Clapp
Crystal Clifford
Diane Cole

Gene Gant
Shereese George
Blair Hawthorne
Pat House
Cathy James
Paulette McGuire
Alvinia McKee
Greg McKitt
Angie Merkl
Kathy Mims
Mark Murphy
Steve Nesmith
Elaine Pennington
Sherry Pringle
Judy Ray
Angie Sexton
Lisa Treece
Terri Vance
Nichelle White
Elizabeth Wuokko

20

• In-house servicing department is created to manage a portfolio of AHFA loans formerly held by third-party servicers. Creation of this department, designed to keep AHFA loan servicing within the state, also saved 20 jobs for Alabamians.

• AHFA celebrates 25 years and more than 83,000 households served.

2005

The Alabama Housing Finance Authority is a public corporation and instrumentality of the State of Alabama created July 25, 1980, by Act No. 80-565. Additional information is furnished in the Audited Financial Statements which accompany the Alabama Housing Finance Authority's 2005 Annual Report.

The bonds of the Alabama Housing Finance Authority are not obligations of the State of Alabama and are not repaid with tax dollars. AHFA is a self-sustaining organization which pays all operating expenses from program revenues.

If you are an individual with a disability who needs assistance with this document, please contact the Alabama Housing Finance Authority in writing at www.ahfa.com or Post Office Box 230909, Montgomery, Alabama 36123-0909, or by calling (334) 244-9200 in Montgomery, (800) 325-2432 in Alabama, or (334) 271-6785 for TTY communications equipment.

All project management, typesetting and graphic design for this project were performed in-house by the communications department of the Alabama Housing Finance Authority. No taxpayer dollars were used to produce this document.



ALABAMA HOUSING FINANCE AUTHORITY

P.O. Box 230909
Montgomery, Alabama 36123-0909

2000 Interstate Park Drive, Suite 408
Montgomery, Alabama 36109

334/244-9200
334/271-6785 (TTY)
www.ahfa.com

PRSRT STD
U.S. POSTAGE
PAID
PERMIT NO. 77
MONTGOMERY,
ALABAMA