

ALABAMA HOUSING
ANNUAL
REPORT
2017
FINANCE AUTHORITY



MISSION

The Alabama Housing Finance Authority provides homeowner and rental opportunities for Alabamians.

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 of the Alabama Legislature.

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.

View the 2017 financial statements at: www.ahfa.com/financials



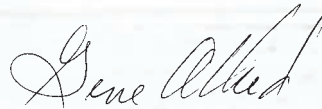
Creating affordable housing opportunities improves the quality of life for all Alabamians. Giving people access to safe, secure, quality affordable housing strengthens our communities and provides a foundation for economic and social growth.



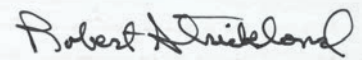
For more than 37 years, AHFA has been at the forefront of advancing affordable housing in Alabama. FY17 was no different. AHFA continued to help make homeownership possible by providing more than \$163 million in financing to help more than 1,250 Alabamians purchase a home. Likewise, we administered just over \$26 million in funding to help build or preserve more than 1,130 affordable rental units. In addition, at the close of FY17, our ServiSolutions® division was servicing more than 92,000 mortgage loans comprising a \$7.8 billion portfolio.

These and many other accomplishments reflected in this Annual Report are the results of our effective collaboration with a vast network of housing partners, as well as the hard work, dedication, and wisdom of our board and employees.

We appreciate the opportunity to serve the state's affordable housing needs, and we look forward to meeting the challenges in FY18 and beyond.



Dr. Shelton E. Allred
Chairman



Robert Strickland
Executive Director





#OURALABAMAHOME

#OurAlabamaHome was AHFA's theme for FY17. We regularly travel to visit with customers who bought their home or found affordable housing through AHFA programs. As we traveled to visit these customers in FY17, we also highlighted their city or town to celebrate Alabama and to illustrate how AHFA's programs reach all across the state.

We also carried the #OurAlabamaHome theme forward by asking customers to tell us what their Alabama home means to them. In addition, we hosted a #MyAlabamaHome Selfie Contest that coincided with National Homeownership Month.

Together, these customer Success Stories, quotes, and contest entries bring #OurAlabamaHome to life.

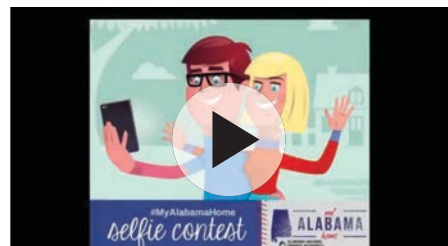


"My Alabama home means a blessing, a new start, a place for my kids to grow up."

- Aleece Brazier, homeowner, Huntsville

"My Alabama home means the world to me. I'm out on my own. I'm not living with someone else, and I have my privacy. I've made this my home. It's perfect for me, and I'm very proud of what I've done. I just love everything about it – I really do."

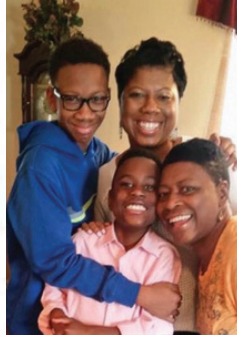
- Janet, resident of Hummingbird Landing, Andalusia



A SELECTION OF #MYALABAMAHOME SELFIE CONTEST ENTRIES

"Thanks to Alabama Housing Finance Authority for giving me the opportunity to provide a stable home for my family. It has been the center of so many memories and dreams accomplished! Our family was blessed 10 years ago with payments that were affordable and continues to be a blessing for us! June is the 10 year anniversary of us owning our home! Without AHFA assistance programs, none of this would have been possible."

- Latrice Paster



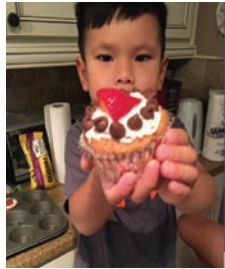
"We have been in our home for 2 ½ years, and we could not have gotten our home without the help of the Alabama Housing Finance Authority! We brought one child home from the hospital here, and have watched our two children grow up in our amazing community! Thank you for everything that you do to help!!!!"

- Bobbi Hyde Scruggs



"What I love about my home are the screened-in porch area and the fireplace in the master bedroom."

Royale Singleton, Montgomery
Selfie Contest Winner



"We love our home! My two boys love the view and peaceful neighborhood that we live in." - Terri Jacob Preston



"What we love most about our home is welcoming everyone, even if they're with the wrong team! Lol"
- Juan D. Irby II

"My Alabama home is a gift. I wouldn't have ever dreamed three years ago, when I thought our world was falling apart, of where we are today. Now, we have a completely different future and we can't wait to see what else is in store." - Charlie Duffield, homeowner, Birmingham



SINGLE-FAMILY FINANCING

BY THE NUMBERS

ONE THOUSAND
TWO HUNDRED
FIFTY-SIX

HOMES PURCHASED BY
ALABAMA FAMILIES

HOME BUYER
PROFILE

MALE HEAD
OF HOUSEHOLD

59%

FEMALE HEAD
OF HOUSEHOLD

41%

\$163.7
MILLION

IN FINANCING PROVIDED

AVERAGE
AGE

35

AVERAGE
INCOME

\$63,132

AVERAGE PURCHASE PRICE

\$133,080

PERCENTAGE
OF LOANS TO
MILLENNIALS

62%

COUNTIES
IMPACTED

49

93%

FIRST-TIME
HOMEBUYERS

PARTICIPATING LENDERS

SEVENTY-SIX

SUCCESS STORY

CHARLIE DUFFIELD

BIRMINGHAM - STEP UP PROGRAM



After moving to Birmingham with her young daughter Evalynn, Charlie Duffield finished classes at Auburn University and completed the paralegal certificate program one week before giving birth to Evalynn's little sister, Scarlett. After securing a job as a paralegal, the next phase of Duffield's journey introduced her to AHFA and the Step Up program.

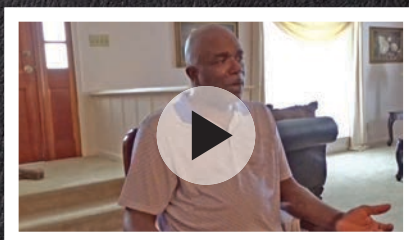
While she knew what she was looking for in a home, her mortgage lender, Ben Crew with InterLinc Mortgage Services in Birmingham, was the one who told Duffield about the Step Up program and how it could make her homeownership dream a reality.

Today the Duffield "Three Musketeers," as Duffield refers to herself and the girls, are building a life in a three-bedroom home, located in a quiet and convenient cul-de-sac.

SUCCESS STORY

ROLLIE McCALL

DEMOPOLIS - STEP UP PROGRAM



After years of renting, Demopolis Middle School assistant principal Rollie McCall Jr. was ready to buy a home. His real estate agent referred him to a Step Up participating lender to talk about financing. The lender told him about AHFA's Step Up program that provided McCall with vital down payment assistance and an affordable interest rate. Searching for a house was a long process for McCall, but he said when he saw the house he ultimately bought, "When I came here, I knew this was home."



REALTOR SPOTLIGHT

BONNIE MURRAY

CENTURY 21 GATEWAY
REALTY OF OZARK

"AHFA programs make it really easy for someone to become a homeowner with very little stress."

LENDER
SPOTLIGHT



DEBRA ALFORD
FIRST FEDERAL MORTGAGE,
TUSCALOOSA

"The Step Up program helps customers who don't qualify for some of the other 100% down payment programs. It accounts for about 65% of my monthly production."



SUCCESS STORY

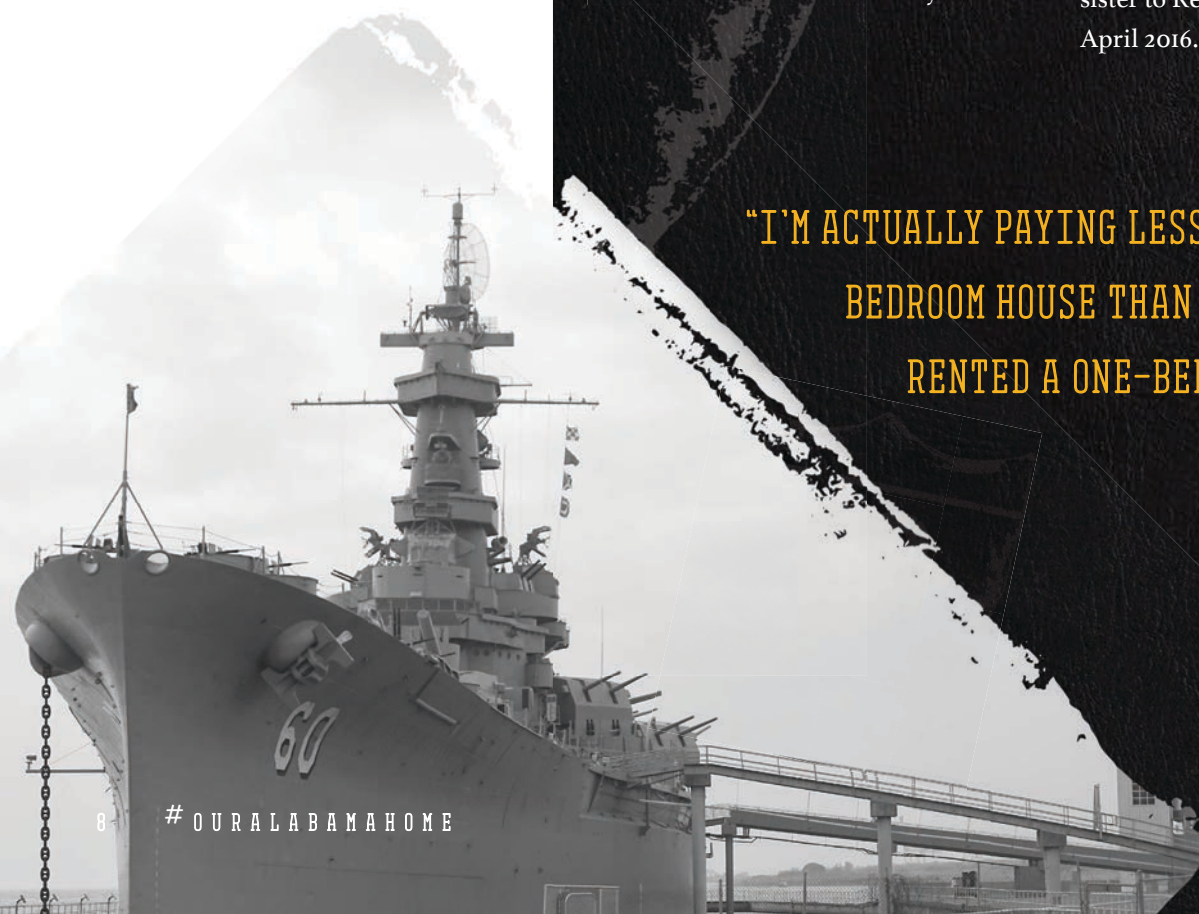
AFI ADJESSOM

MOBILE - HABITAT FOR HUMANITY
AHFA LOAN PURCHASE PROGRAM

The journey to homeownership for Afi Adjessom started when she moved to Mobile from Togo, Africa, in 2009. She moved to the United States to be with her father, and after living with him for a while, began renting her own apartment. Once she had her first child, Mary, things became cramped in their one-bedroom apartment. That's when a co-worker told her about Habitat for Humanity.

Since moving in, Adjessom said, "I'm actually paying less now for a three-bedroom house than what I was when I rented a one-bedroom apartment." She also said, "I have a lot of space for me and my children. I have a room for them now, where before I didn't." The new home and space came right in time, as Adjessom's daughter Mary became big sister to Rebecca, who joined the family in April 2016.

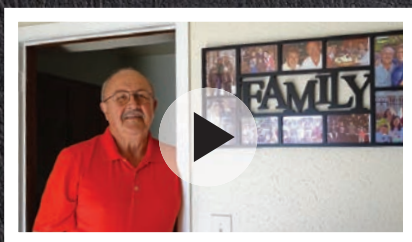
"I'M ACTUALLY PAYING LESS NOW FOR A THREE-BEDROOM HOUSE THAN WHAT I WAS WHEN I RENTED A ONE-BEDROOM APARTMENT."



SUCCESS STORY

LYNN STAUCH

MONTGOMERY - STEP UP PROGRAM



For more than 27 years, Lynn and his wife Annette were dorm parents at Faulkner University. They met at Faulkner 48 years earlier and later married. Stauch says, “We both felt because of what the school had done for us that we wanted to give back to the school. When the opportunity arose we jumped at the chance. We knew it would be a challenge but we were up to it. Over the years it proved to be one of the best decisions we ever made.”

When Annette passed away in 2014, Stauch went to live with his oldest daughter and her family. He said, “They always made me feel welcome and wanted, but I felt like I needed my space and they needed theirs.” That’s when he began his homebuying journey and first heard about AHFA’s Step Up program.

LENDER

SPOTLIGHT



BEN CREW

INTERLINQ MORTGAGE SERVICES,
BIRMINGHAM

“AHFA provides opportunities for families that might not have a down payment to become homeowners earlier. I had a young lawyer and his wife who was a retail associate. They were expecting a child and wanted to buy a home with a baby’s room. They were so excited about not having to sink all their savings into the down payment and being able to decorate the baby’s room. Now that is what it is all about.”



HARDEST HIT ALABAMA

BY THE NUMBERS

\$14.4 MILLION
IN ASSISTANCE PROVIDED

64

COUNTIES IMPACTED

FOUR HUNDRED
TWENTY-SIX
PARTICIPATING SERVICERS

1,665

HOMEOWNERS
ASSISTED

Hardest Hit Alabama (HHA) is a foreclosure prevention program that helps eligible homeowners facing temporary financial hardships keep their home. Sometimes through no fault of their own, homeowners run into financial difficulty – a lost job or unexpected medical expense happens – and they find themselves struggling to make their mortgage payment.

The U.S. Department of Treasury's Hardest Hit Fund, authorized under the Emergency Economic Stabilization Act of 2008, allocated approximately \$162 million to Alabama to provide assistance for financially distressed homeowners.

HHA offers several different programs to help Alabamians keep their home. Assistance is available statewide to qualified homeowners.



SERVISOLUTIONS®

\$7.8 Billion

MORTGAGE PORTFOLIO

ServiSolutions® is the mortgage servicing division of AHFA that services loans funded by AHFA as well as community banks in Alabama. ServiSolutions also services loans for the housing finance agencies in Mississippi, Missouri, North Carolina and Washington.

Servicing many different types of mortgages including FHA, VA, Rural Development, conventional uninsured and conventional insured loans, ServiSolutions is the largest mortgage loan servicer located in Alabama.

92,612
LOANS

Number of loans year
over year production
from FY16:

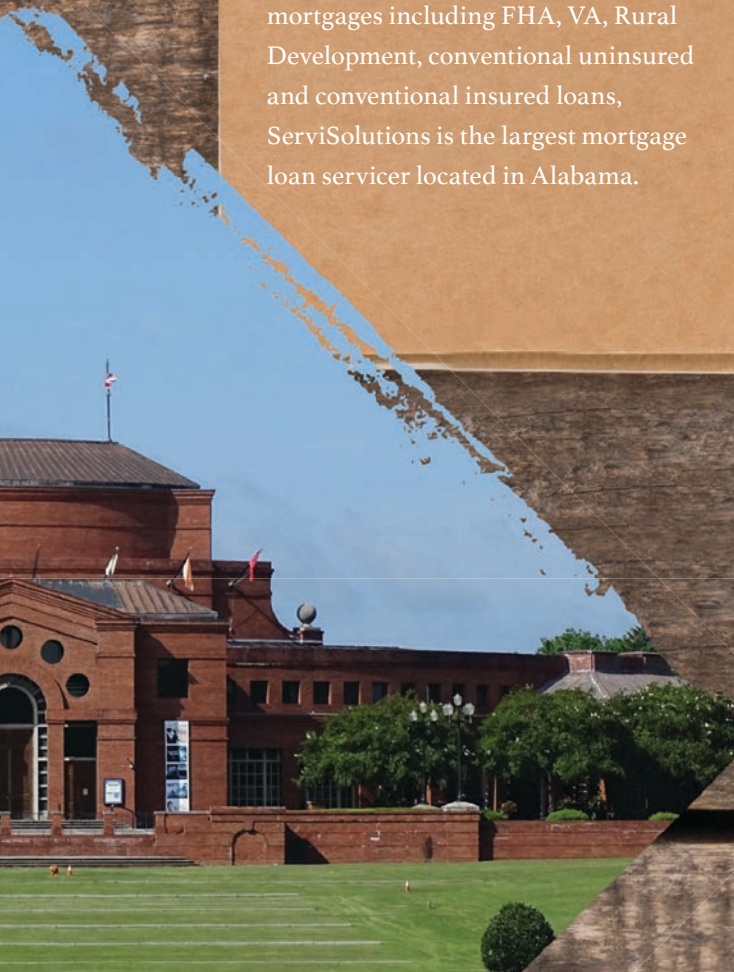
26%

INCREASE

Total \$ loan volume year
over year production
from FY16:

29%

INCREASE

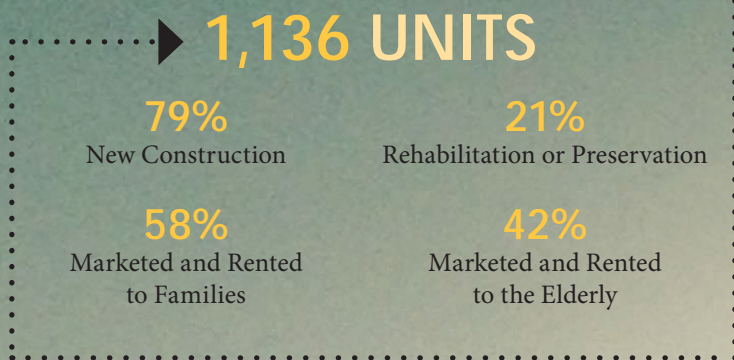


MULTIFAMILY FINANCING

BY THE NUMBERS

\$26.3 MILLION

Housing Credits and/or HOME funds provided in FY17



FOUR HUNDRED THIRTY-ONE properties inspected for compliance in FY17

EIGHTEEN DEVELOPMENTS IN 18 COUNTIES

754 DEVELOPMENTS
41,128 UNITS

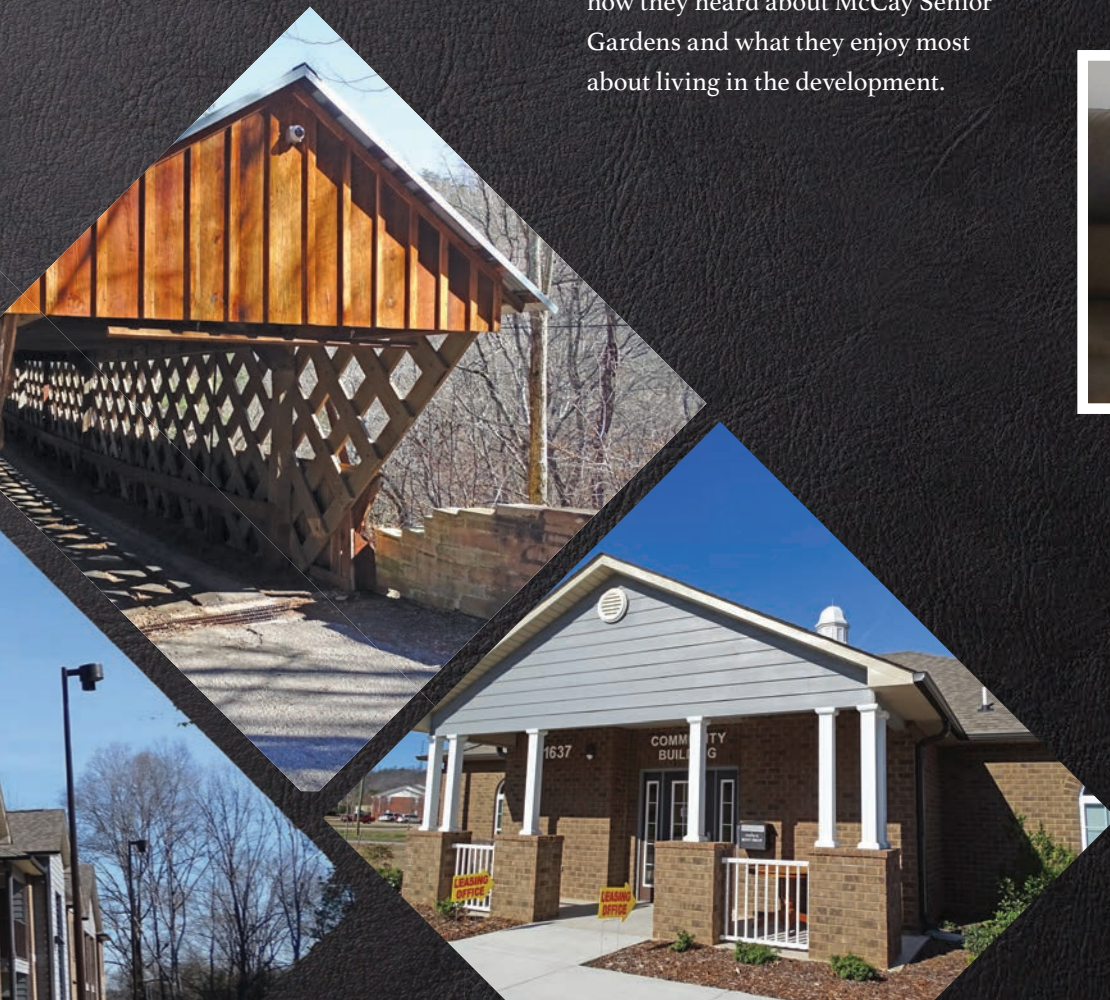
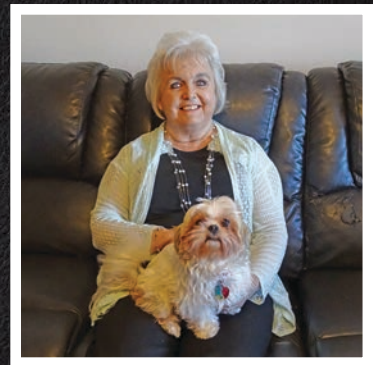
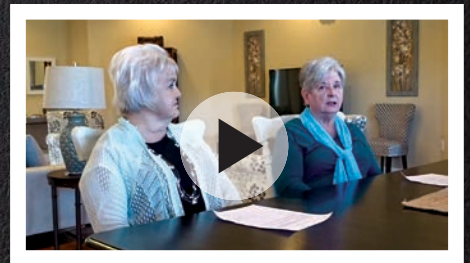
since inception have received \$927.4 million in funding and tax incentives through AHFA's multifamily programs (*includes Housing Credits, HOME funds, bonds, and other programs*).

SUCCESS STORY

MCCAY SENIOR GARDENS

ONEONTA - McCay Senior Gardens, which received more than \$460,000 in Housing Credits and \$1.3 million in HOME funds from AHFA, opened in 2016. This development represents the third of three phases of affordable housing developments in Oneonta. All three were built on land purchased from Herman and Delores McCay. Even though they had not originally planned to sell the property, Mr. McCay saw it as a way they could play a part in providing affordable housing to the people of the community where they had lived for years.

Residents Mavis and Christine share how they heard about McCay Senior Gardens and what they enjoy most about living in the development.





SUCCESS STORY

SHEPHERD'S COVE

AUBURN - Shepherd's Cove, a 72-unit development in Auburn targeted to families, originally received more than \$327,000 in Housing Credit allocations from AHFA in 1994. In 2012, AHFA allocated more than \$839,000 in Housing Credits to help fund a renovation.

Creshonta Key said, "I like the look of my apartment and my balcony, and I like that we have a pool. Management is great. My kids get to go outside and play now." Cherrica Jones added, "It's very affordable for something this gorgeous. I tell people all of the time they can stay somewhere that's comfortable and nice, and affordable at the same time. It's really an A+ for me. I want to be a homeowner one day, but Shepherd's Cove is the closest I've come to feeling at home."



STUDENT SPOTLIGHT

BLAKELY & MAGGIE LAVORGNA

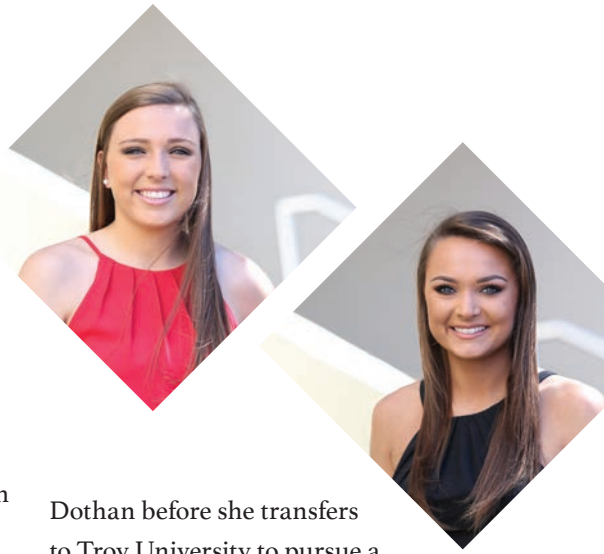
In 2000, the Alabama Affordable Housing Association (AAHA) created a scholarship program for residents of member-owned apartment properties. Since its inception, the AAHA resident scholarship fund has awarded more than \$500,000 in scholarships.

Sisters Blakely and Maggie, along with mother Dixie Maxwell, are a tight-knit family. Maxwell, manager of AHFA-financed Beverley Crossings I in Dothan, has always emphasized the importance of a college education to her daughters. So she encouraged both of them to apply

for resident scholarships through AAHA when the time came.

Blakely, 20, is in her third year as a scholarship recipient. She attends Troy University and is pursuing a degree in elementary education. After graduation she hopes to teach kindergarten through second grade.

Eighteen-year-old Maggie, a dual enrollment student who is just five credits shy of being a sophomore, is charting a different course. Her scholarship will help pay for semesters at Wallace Community College in



Dothan before she transfers to Troy University to pursue a nursing degree. But first, inspired by a father with a military background, she will attend Army National Guard basic combat training at Fort Sill, Oklahoma.

DEVELOPMENT SPOTLIGHT

DEVELOPMENT INFO: 47 units, built in 1989 and renovated in 2008

SERVES: Elderly households, age 62 and over, the disabled, and the handicapped

AHFA FUNDING SOURCES:

Housing Credits: \$82,958 (2008) & \$78,000 (1989) Tax Credit Exchange funds: \$3.39 million (2009)

AMENITIES/TENANT SERVICES:

Canterbury Apartments offers services to help residents remain in an independent living environment. These services include social programs that contribute to the long-term health and welfare of the residents by keeping them engaged and active, thus allowing them to live longer, happier and healthier lives.

Canterbury plans many resident functions, including a popular game night on Wednesdays, potluck dinners

throughout the year, and ongoing holiday festivities. There is a large community garden, computer center, and exercise room on site, all of which are well utilized. A nutrition center is located at the property where affordable meals are served daily Monday through Friday. The nutrition center also coordinates resident services, such as home health services for blood pressure and diabetes screening along with nutrition monitoring. Homebound meals are provided to those persons who are mobility impaired. Public transportation is available for the residents to make trips to grocery stores, doctors, and other important places.

CANTERBURY APARTMENTS, GREENSBORO



2017 MANAGER OF THE YEAR

KIMYATTA BANKS



“I have this special love for children and the elderly. It’s a big part of why I love being a property manager.”

Kimyatta Banks of Olympia Management, manager of Evangeline Heights in Phenix City and Legacy Senior Village in Eufaula, was named this year’s Manager of the Year.

Banks’ nomination package was filled with letters from tenants supporting her nomination and noting her positive attitude and constant smile, fairness, and the way she consistently goes above and beyond the call of duty.

Moments after winning the 2017 MOTY award, Banks said, “It’s such a great honor.” She also called it an honor to work in affordable housing because, “We’re helping people truly make a home for themselves who wouldn’t be able to if they had to pay conventional rent.”

Banks has 2 daughters and 1 granddaughter, and enjoys writing, baking, grilling, and spending time with her family. When she does have free time, Banks often spends it with residents. She said, “I have this special love for children and the elderly. It’s a big part of why I love being a property manager.”

Now in its twentieth year, the MOTY award recognizes outstanding management staff at AHFA-funded developments.

AHFA received 10 nominations for this year’s Manager of the Year award. The other nominees were:

Arlean Alexander
New Haven Apartments in Birmingham

Linda Bonsell
Beaver Cove Apartments in Scottsboro

Barbara Butts
Shellbrooke Pointe in Fairhope

Malinda Herrod
Providence Place in Northport

Pam Hunley
Regency Pointe I & II in Foley

Holly Key
Ridgecrest Estates in Anniston

Tony Peterson
Annie Lee Gardens in Arab

Kimberly Randolph
High Forest I & II in Jasper

Eddie Williams
Magnolia Gardens I & II in Selma





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ALABAMA HOUSING FINANCE AUTHORITY

Come on home, Alabama.

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If you are an individual with a disability who needs assistance with this document, please contact AHFA in writing at AHFA.com or P.O. Box 242967, Montgomery, AL 36124-2967, or call 334.244.9200 or 800.325.2432.