

VHDA Update: Addressing Virginia's Affordable Housing Challenges

Governor's Housing Conference

November 12, 2008

Susan F. Dewey

VHDA Executive Director



Challenges of the Past Year

- I. **Maintaining our programs in light of market challenges**
- II. **Staying focused on our core mission during a time of market crisis**
- III. **Addressing Virginia's foreclosure problem**

**Currently, VHDA is
operating in a difficult
market environment**



Housing and Economic Recovery Act of 2008

VHDA lending has continued even with poor market conditions

- **VHDA has maintained high levels of program lending under difficult market conditions**
- **In FY 08, VHDA provided:**
 - **Nearly \$1.1 billion in financing to first-time homebuyers**
 - **Nearly \$180 million in financing for multi-family development**
- **Shifted home purchase lending from PMI to government-backed programs to maintain flexible underwriting standards and down payment assistance**

The municipal bond market freeze is now the biggest threat we are facing

- Since late summer, the municipal bond markets have ceased to operate normally
- We are actively pursuing new financing structures
- A principal reason we can continue our loan production is due to our financial stability

VHDA is continuing to help 1st time homebuyers purchase homes

- FHA insurance provides flexible underwriting**
- Downpayment assistance is offered through VHDA's FHA Plus loan program**

**VHDA continues to support the
feasibility of multifamily
development under difficult
market conditions through gap
financing with SPARC**

Staying Focused on our Core Mission



VHDA's Goals

- 1. Addressing the housing needs of underserved households**
- 2. Addressing the needs of communities**
- 3. Sustaining organizational capacity**

Goal 1: Addressing the housing needs of underserved households

Assistance to Homebuyers:

- Outreach to Underserved Minorities
- Assisting Disabled Veterans through “Granting Freedom”
- EasyLiving Home Program
- Expanded priority on homeownership education and loss mitigation

Goal 1 (cont.): Addressing the housing needs of underserved households

Assistance for low income renters:

- Expanded Housing Choice Voucher assistance
- Continued interest in tax credits

Goal 2: Addressing the needs of communities

- **VHDA's Community Transformation Initiative**
- **Green Building Incentive Program**
- **Community Outreach**
- **Certified Management Agent Program**

Goal 3: Sustaining organizational capacity

- **Maintaining financial stability and investor confidence**
- **Using our staff capacity in support of key state initiatives**
- **Expanding our facilities to enhance collaboration with and support of our stakeholders**

VHDA's Key Challenges for 2009

- 1. Helping to implement the Housing & Economic Recovery Act of 2008**
- 2. Maintaining our financing of affordable single family and multifamily housing**
- 3. Working with stakeholders to ensure that Virginia is positioned to address critical housing needs**

1. Helping implement the Housing and Economic Recovery Act of 2008

2. Maintaining financing of affordable single and multifamily housing

3. Working with stakeholders to ensure that Virginia is positioned to address critical housing needs

Thank You for Your Continued Input and Support!

- **Contact VHDA toll-free at
1-877-VHDA-123**

www.vhda.com