



NORTHERN NEW ENGLAND  
HOUSING INVESTMENT FUND

**2014**  
ANNUAL REPORT





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## **People at the Heart of a Private/Public Partnership**

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The Northern New England Housing Investment Fund staff, along with our partner investors, developers and government agencies, know that our combined efforts help to make other people's lives better. We work daily to bring down the walls that divide corporate and personal interests— and raise the ones that build a better future for us all.



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## LETTER FROM THE PRESIDENT

# Moving Work Leads to Giving Back

*President Bill Shanahan reflects  
on his year and career.*

As a young man, I held a summer job moving furniture in and out of apartments for residents of low-income housing. Each year, I'd help the same people shuffle their belongings from one location to another. Though I certainly remember the physical challenge of moving furniture up and down multi-story walkups in the middle of the summer, my lasting impression of that time is of the larger burden the tenants I worked for carried: the daily struggle to survive without a place they could call home.

Today, I'm fortunate to be part of an organization serving to put affordable housing within reach for people in Maine and New Hampshire. In 2014, that need was more critical than ever. Repercussions from a lingering financial crisis have led to an increasing number of people with fewer assets who face stricter credit requirements. For many, that formula



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## PRESIDENT'S LETTER (CONTINUED)

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*“National Housing Credit syndicators have increased competition but provide us an opportunity to showcase our business model.”*

makes renting housing at current rates particularly difficult. Demographic shifts and financial concerns have created unprecedented demand for rental housing. And for us in New England, we are seeking shelter in an environment with severe weather and an aging housing stock.

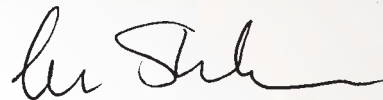
The Fund's performance in 2014 helped meet that demand, but none of our efforts could have borne fruit without the faith of our investors. We were happy to welcome the return of Citizens Bank to the Fund in 2014. They joined many of our regular contributors along with a number of new community bank investors. We see that mix of old and new investors as proof of the Fund's past performance, as well as a positive sign of continued growth.

Safeguarding that growth will be a continued focus for us in 2015. Tax reform continues to surface as a topic at the federal level, and New England's aging housing continues to present a resource problem. National Housing Credit syndicators in our market have increased competition but provides an opportunity for us to showcase our business model.

As always, we look forward to meeting these challenges with the same core competencies that have kept the Fund growing for the past nineteen years. The regional advocacy coalitions we support are more effective than ever in bringing Maine and New Hampshire's housing needs to the attention of state and federal legislators. Our focus on preservation continues to enable us to balance the high cost of new construction with low-cost (but high-quality) preservation projects. And we'll continue to distinguish ourselves from national competitors with our strong regional knowledge, local partnerships, and our support of efforts to house people that need affordable housing options.

It's been many years since I first hoisted the end of a couch to help move a family. Today, I'm lucky to have the help of a dedicated staff and broad network of colleagues committed to shoulder the responsibility of providing affordable housing. Like me, these partners have come to a place in their lives when they've realized that the best way to move forward is to start giving back. I look forward to continuing to work with them in the year ahead.

**Bill Shanahan**  
President, NNEHIF





# OUR STAFF

**We work as a team to do good work.**

*Northern New England Housing Investment Fund has  
a dedicated staff that is as compassionate as it is professional.  
We're proud of our efforts and their results in the community.*



## OUR STAFF

*While each of our employees contributes varied and valuable skills, they have one thing in common—a desire to serve both our clients and those in need.*

### **Patrick Brennick**

#### **Director of Information Services**

Patrick's accounting background has allowed him to shape NNEHIF's software systems to deliver the specific data required to meet the company's diverse reporting requirements. His instinct to seek out new knowledge to solve new problems has cultivated skills that grow in harmony with the company's evolving needs.

### **Holly Burbank**

#### **Director of Finance**

Holly reconciles much more than the multiple bank statements she's charged with reviewing. Her ability to manage fund transfers, review investor reports, analyze economic models, and more reflects the broad fiscal focus that keeps NNEHIF's books and business balanced.

### **Greg Connors**

#### **Sr. Asset Management Officer**

Greg's desire to see the story behind the numbers makes him the kind of keen analyst who meets NNEHIF's particular needs. His ability to evaluate original projections against actual returns helps to both quantify performance and increase future opportunities for robust fund growth.

### **Michelle Cyr**

#### **Office Coordinator**

Michelle's role is symbolic of the mutual support critical to the entire affordable housing industry. As office coordinator, she demonstrates the kind of responsive resourcefulness that aligns multiple efforts to achieve NNEHIF's common goal.

### **Alyssa Dean-Littlefield**

#### **Asset Manager**

Alyssa's role in compliance monitoring has given her the kind of "boots on the ground" view of NNEHIF's work that can only be gained by repeated visits to a wide variety of housing developments. After her fieldwork is done, Alyssa's sharp accounting skills allow her to share the financial overviews that complement her real world insights.

### **Maryanne Gotman**

#### **Asset Management Associate**

Maryanne's keen attention to detail allows her to stay abreast of the steady stream of information needed for the compilation of regular compliance reports. Her evolving role as site inspector is also fostering the technical skills and professional connections that bolster NNEHIF's network of partners.



# OUR STAFF

## **Tom MacDonald**

### **VP of Acquisitions**

Tom possesses the deep experience and sharp focus required to scout viable projects for development. His ability to evaluate the potential financial and social rewards of proposed deals and to share that vision with others is a key to the success of NNEHIF's private/public partnerships.

## **Jan McCormick**

### **VP of Asset Management**

Jan's ability to synthesize data from a variety of sources grants her the necessary perspective for the continual review of NNEHIF's broad asset portfolio. Her big-picture vision of long-term property health makes her a superior steward for fulfilling the company's 15-year commitment to its investor funds.

## **Lisa Merchant**

### **Senior Acquisitions Specialist**

Lisa shepherds proposed deals towards closing by addressing such complex issues as zoning regulations, title restrictions, and land use provisions. She draws daily inspiration for her work from her firsthand knowledge of the lives that have been transformed through access to affordable housing.

## **Steve Schuster**

### **Senior Acquisitions Officer**

Steve's role as an expert consultant on Housing Credits has an exponential impact on the development of the projects NNEHIF funds. His training of architects, lawyers, and developers in use of the program facilitates the projects they partner in while preparing them to take on future Housing Credit proposals.

## **Bill Shanahan**

### **President**

Bill's awareness of the need for low-income housing grew along with his career. His work in real estate finance and development prepared him to master the intricacies of the Housing Credit Program, applying that expertise to the creation of homes for people in need.

## **Jackie Weigleb**

### **Acquisitions Associate**

Jackie's passion for collaboration makes her a valued member of NNEHIF's acquisitions team. Her analytical skills support their joint work in comparing proposed deals with the social and financial objectives of the fund.

## DIRECTORS (ME)

**Cullen Ryan, Chair**

Community Housing of Maine (CHOM)

**Rick Whiting**

Auburn Housing Authority

**David Birkhahn**

TD Bank, N.A.

**Bill Floyd**

Genesis Fund, Inc.

**Michael Clarke**

Bank of America Merrill Lynch

## DIRECTORS (NH)

**Katharine Bogle Shields, Vice Chair**

Volunteer

**Rosemary Heard**

CATCH Neighborhood Housing

**Gene Clerkin**

RBS Citizens, N.A.

**Craig Welch**

Portsmouth Housing Authority

**Robert Tourigny**

NeighborWorks, Southern NH

## OUR DEVELOPERS (2014 PROPERTIES): Building on Our Promise

*Our plans to house those in need would remain just that without the work of our talented developer partners. Their skills build the foundation that supports our tenants' future dreams.*

### DEVELOPER

AVESTA HOUSING DEVELOPMENT CORPORATION

BREWER HOUSING AUTHORITY

CONCORD AREA TRUST FOR COMMUNITY HOUSING

THE DEVELOPERS COLLABORATIVE

SOUTH PORTLAND HOUSING AUTHORITY

SOUTHWESTERN COMMUNITY SERVICES

### DEVELOPMENT

Avesta One Meeting Place

Golden & Park Village and Maple Grove

Somerset Place

Bow Highlands 2

River Landing Senior Housing

Ridgeland Gardens

Woodcrest Drive

### LOCATION

Exeter, NH

Saco, ME

Brewer, ME

Bow, NH

Topsham, ME

South Portland, ME

Winchester, NH

### PROPERTY TYPE

Family

Elderly

Elderly

Family

Elderly

Elderly

Family

# Investment—*The Long Term*

Total Since 1996— \$487,106,471



INVESTOR	SINCE	INVESTOR	SINCE
TD Bank, N.A.	1996	Merrimack County Savings Bank	2002
Bank of America	1996	Santander Bank	2004
Key Community Development Corp	1996	Woodsville Guaranty Savings Bank	2004
Fannie Mae	1996	Meredith Village Savings Bank	2004
RBS Citizens, N.A.	1996	Sanford Institute for Savings	2006
Saco Biddeford Savings Institution	1996	Northeast Bank	2008
Gorham Savings Bank	1996	Ledyard National Bank	2010
Androscoggin Savings Bank	1996	Kennebunk Savings Bank	2010
JP Morgan Chase	1998	Bath Savings Bank	2010
Norway Savings Bank	1998	Centrix Bank	2010
Camden National	2000	Lake Sunapee Bank	2010
Connecticut River Bank	2000	Machias Savings Bank	2010
People's United	2002	The First	2010
Bangor Savings Bank	2002	Skowhegan Savings Bank	2014
Mascoma Savings Bank	2002		

# Our Investor Partners

Our investors know the transformative power of affordable housing and continue to help us fund projects that matter.







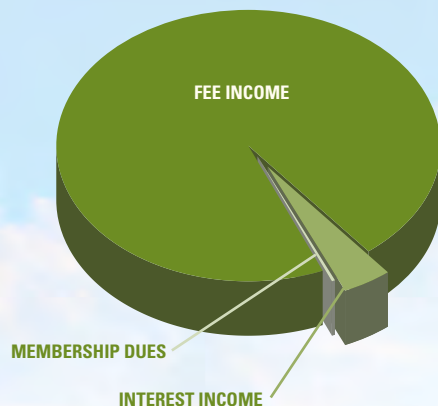
## Our Agency Partners

Every project we do is coordinated with the work of MaineHousing or New Hampshire Housing. These collaborations ensure the best chance for creating the developments that serve each state's greatest needs.

# NNEHIF Financials

These financials include consolidated operations for NNEHIF, HIF Consulting, LLC, and HIF Historic Affordability, LLC.

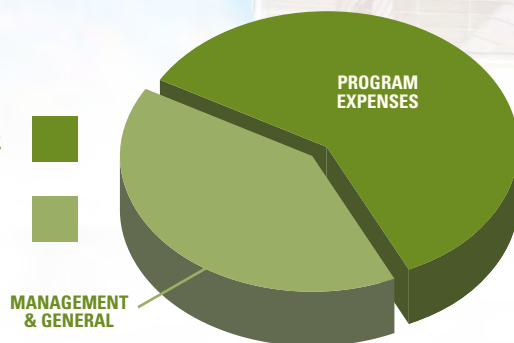
## WHERE IT CAME FROM



Fee Income	\$2,255,420
Interest Income	\$101,125
Membership Dues	\$2,000

## WHERE IT WENT

Program Expenses	\$1,238,062
Management & General	\$829,562



## Assets

Cash & Cash Equivalents	\$6,726,944
Other Current Assets	\$4,675,133
Other Assets	\$1,201,790
Property & Equipment (Net Depreciation)	\$124,575
<b>Total Assets</b>	<b>\$12,728,442</b>

## Liabilities & Net Assets

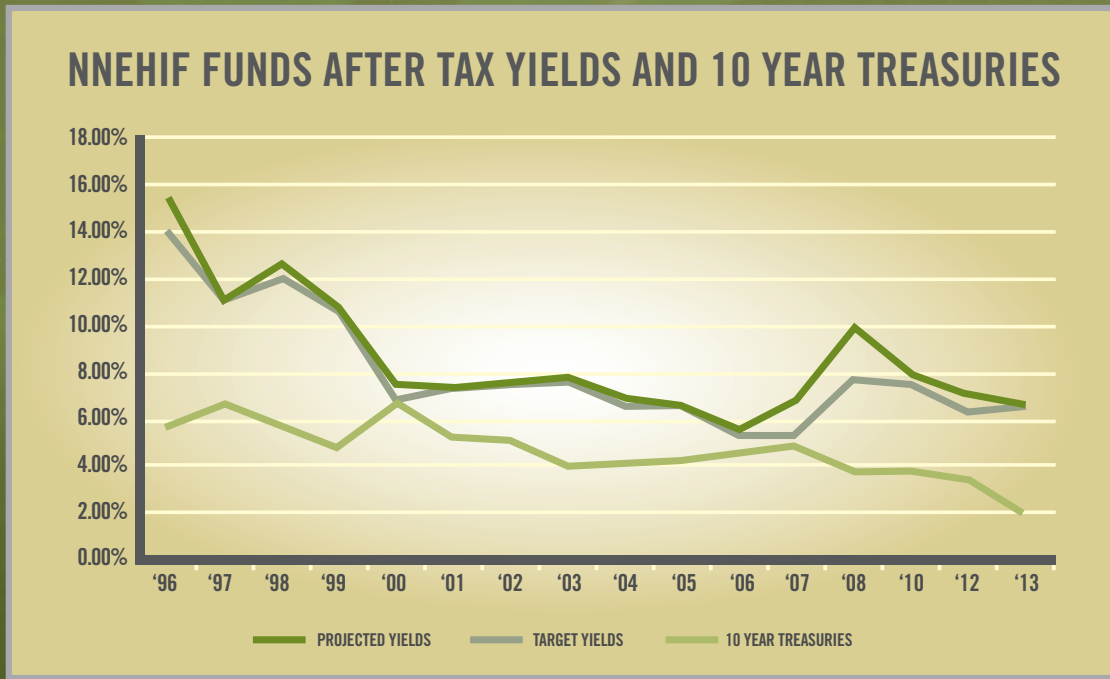
Current Liabilities	\$1,220,611
Long-Term Liabilities	\$5,748,979
Temporarily Restricted Assets	\$1,125,000
Unrestricted Net Assets	\$4,633,852
<b>Total Liabilities &amp; Net Assets</b>	<b>\$12,728,442</b>

*Audited financial statements for NNEHIF  
can be found on our web site:  
<http://www.nnehif.org/about-us/financials>*

## Partnering for the Future

Investors are still motivated to meet their CRA goals, and Housing Credits remain an attractive investment option. The demand for affordable housing is as strong as it has ever been, but we face challenges. The Housing Credit program is always vulnerable to changes in legislation. Even more

troubling is the erosion of the subsidy resources from state and federal sources that are needed to complete Housing Credit developments. **NNEHIF will continue to rely on our investors, developers, and advocacy partners to meet these challenges and work to affect positive changes to improve the very successful Housing Credit Program.** 🏠



The **Northern New England Housing Investment Fund** is a private, nonprofit corporation that promotes housing and community development in Maine and New Hampshire. Our work is fueled by the vision that affordable, secure homes are the cornerstone of community life. To achieve this vision, we focus on improving regional prosperity through the long-term success of individual projects. By ensuring top quality development, we achieve stable and sustainable housing solutions for individuals, families, and communities.

Since 1993, the corporation has raised \$487 million in equity capital, investing it in the development of 2,648 units of affordable housing in New Hampshire and 2,556 units in Maine, for a total of 5,204 units of affordable housing across the two states. NNEHIF currently manages 21 Equity Funds (18 multi-investor funds and 3 proprietary funds) that invest in affordable housing developments receiving federal Housing Credits.



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**[WWW.NNEHIF.ORG](http://WWW.NNEHIF.ORG)**