



In Brief

Helping Connecticut Residents Become Homeowners: *CHIF Initiates Mortgage and Down Payment Assistance Program*

New Loan Product Launched

First-time homebuyers can now obtain a mortgage from CHIF to purchase a new home. In June, CHIF launched its new First-Time Homebuyer Program and now offers first mortgage loans and down payment assistance loans as a part of its suite of lending products for homeowners and developers.

The new loan product provides financing to first-time homebuyers purchasing their primary residence in the State of Connecticut. CHIF can provide first mortgages and down payment assistance loans to those who qualify.

Features of the first mortgage loans include low fixed interest rates, low closing costs, and a 30-year repayment term. All borrowers must be first-time homebuyers or not have owned a home for the past three years, unless purchasing in a targeted area of the state. Borrowers must also meet income and sales price limits. Borrowers working in certain professions, such as police officers, teachers, and military personnel may qualify for an additional lower interest rate loan.

CHIF's Mortgage Products

CHIF is a Connecticut Housing Finance Authority (CHFA) correspondent lender, enabling CHIF to originate mortgages for CHFA. "CHFA is pleased to have CHIF participate in our afford-

able mortgage programs for borrowers," said Gary E. King, President, CHFA. "We look forward to working with CHIF as they assist Connecticut residents in becoming new homeowners."

CHIF's Customer Service

CHIF differentiates itself from other lenders in the market by providing a high level of customer service and education at the front end of the application process. By ensuring that buyers have a complete understanding of their mortgage loan and responsibilities, CHIF is able to help families become and remain successful homeowners.

CHIF's Loan Products

CHIF already provides predevelopment, construction and bridge loans to affordable housing developers. Offering a first mortgage product was a logical addition for the company. "CHIF is pleased to offer this new product and to help first-time homebuyers through the daunting task of obtaining a mortgage," said Cynthia L. Russell, President and CEO, CHIF. "We believe that our focus on customer service will offer a less confusing path to homeownership for the residents of Connecticut."

Meet Kristen Caplin

To implement the new program, CHIF appointed Kristen Caplin as Program



Kristen Caplin, CHIF's Program Administrator for Mortgage Programs, is available to prequalify first-time homebuyers.

Administrator for Mortgage Programs. Kristen, a Connecticut native who has worked in the home mortgage and lending fields for seven years commented, "I look forward to working with clients to achieve their goal of homeownership."

CHIF looks forward to assisting Connecticut residents achieve the dream of homeownership. For more information, contact Kristen Caplin at (860) 761-1627 or email Kristen@chif.org.



Unlocking the Dream of Homeownership

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Funds Increased for Energy Conservation Loan Program *Residents Can Now Borrow Up to \$25,000*

Higher Loan Amount Available

Effective July 1, 2007, homeowners can now borrow as much as \$25,000 to complete energy conservation improvements on their homes through the State's Energy Conservation Loan Program, known as "ECL". The new change was approved by the State Legislature in the recent legislative session, and is the first increase in 25 years. Interest rates remain as low as 0% depending on the type of improvements a homeowner makes.



Rosa Ramos and Franki Bolorin of East Hartford received an ECL Loan to install vinyl siding and new windows.

What is the ECL Program?

The ECL Program is a low interest loan program designed to help Connecticut families make their homes more energy efficient. CHIF administers the ECL Program for the State Department of Economic and Community Development (DECD). Funds are available for a variety of energy-saving home improvements including:

- new heating systems
- replacement roofs
- new windows
- vinyl or aluminum siding
- insulation
- hot water heaters

CHIF has continuously administered the ECL program since 1979. Since the program's inception, CHIF has financed over \$84.6 million in energy-saving loans and assisted over 19,000 Connecticut homeowners to make improvements.

How to Apply

For more information or to download an application, visit CHIF's website at www.chif.org.

CHIF's 2006 Annual Report Available

CHIF's 2006 Annual Report is now available. Titled "Portraits of Success," the report showcases "before" and "after" photos of new or renovated affordable housing homes financed by CHIF. Featured in the report are projects completed by the following developers:

- Asylum Hill Homes, LLC
- Belden Development, LLC
- CIL Affordable Housing, Inc.
- Christian Activities Council
- Regional Housing Rehabilitation Institute of Connecticut, Inc.
- NHS of Waterbury



To obtain a free copy please contact Sara Swidorski at (860) 233-5165 ext. 2027 or by email at sara@chif.org.

CHIF Awarded Contract for Wooden Window Replacement Program *New Program Benefits Homeowners in New Britain and Waterbury*

New Program Assists Property Owners in New Britain and Waterbury

The Connecticut Department of Economic and Community Development (DECD) has awarded CHIF a grant of \$400,000 to provide multi-family property owners with financial assistance to renovate rental apartments. Owners will be eligible to receive a \$100 grant per window as an incentive to replace wooden windows in buildings located in New Britain and Waterbury.

Who Qualifies

To qualify for the \$100 grant per window, applicants must meet the following criteria:

- 2 to 6 unit rental buildings constructed pre-1950
- Property must be located in New Britain or Waterbury
- Applicant must provide \$100 in matching funds per window

Applicants may obtain matching

funds by using CHIF's Energy Conservation Loan Program (ECL).

For more information, please email Cynthia@chif.org, or telephone Cynthia Russell at 860.233.5165, ext. 2028.



*A program of the State of Connecticut
Department of Economic and Community
Development administered by the Connecticut
Housing Investment Fund, Inc.*



CHIF's Unique Approach to Loan Servicing

Efficiencies Help Staff Provide Quality Customer Service

CHIF Account Information on the Web

CHIF borrowers can now access their account information by logging onto www.mychifaccount.org. The new Internet access enables borrowers to obtain account information 24-7 and is one of several new customer oriented services CHIF is implementing in 2007-2008.

Excellence in Loan Servicing

CHIF operates a robust loan servicing business, and services loans for 19 portfolio clients comprised of more than 50 different loan programs. CHIF specializes in servicing affordable housing and community development loans. Since 1970, CHIF has performed loan servicing services to the state's affordable housing lenders, and

currently services a portfolio valued at \$188 million. CHIF's clients include:

- Connecticut Housing Finance Authority
- Habitat for Humanity
- Housing Development Fund, Inc.

CHIF's approach to loan servicing is unique in that the focus is on customer satisfaction. CHIF's complete package of loan servicing services is designed to help both lenders and borrowers obtain the information they need to maintain performing loans. Lenders receive timely and accurate reports about their portfolios, and borrowers receive attentive customer service from knowledgeable staff.

CHIF's Services

CHIF's services include:

- Remittance processing
- Loan collection services
- Accounting, tax services, escrow analysis
- Monthly reporting
- Automatic Payment Drafting

CHIF also provides Private Label services, customized reports, and other special services requested by lenders.



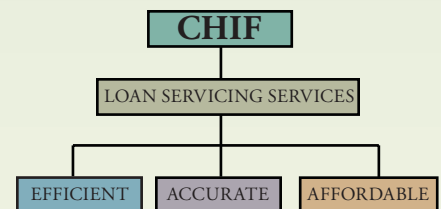
CHIF's web access was made possible by a grant from the Hartford Foundation for Public Giving.



Borrowers can now access their account information online through www.mychifaccount.org or through CHIF's website. This is just one of many efficiencies that CHIF has implemented to provide a high level of customer service.

Web Access Facts

- Since CHIF launched its web access, 645 borrowers have signed up to use the new service.
- Borrowers can also link to www.mychifaccount.org through CHIF's website, www.chif.org.





Revitalizing Hartford's Neighborhoods

CHIF's Neighborhood Rebuilder Program Funds Projects

CHIF's Neighborhood Rebuilder Program

Since the inception of the Neighborhood Rebuilder Loan Program (NRB) in 1997, CHIF has provided \$20.5 million in funding to developers to help strengthen and rebuild Connecticut's neighborhoods. CHIF has worked with dozens of non-profit developers throughout Connecticut to build new homes from abandoned buildings.

Impact in Hartford

CHIF's support through the NRB program can be seen in the Upper Albany and Belden Street neighborhoods in Hartford where revitalization has occurred.

The Christian Activities Council (CAC) has worked with CHIF to revitalize the Upper Albany neighborhood. CHIF has financed 20 CAC projects on the Upper Albany streets of Deerfield, Irving and Vine. CAC renovated abandoned buildings, and constructed



Tony Milledge, a firefighter with the City of Hartford, stands on the staircase of his new home located on Belden Street.

new homes on vacant lots that are architecturally compatible with existing homes. Inspired by the new investment on their street, homeowners began renovation their homes. The neighborhood is now one of Hartford's "Neighborhoods of Choice".

Not far from Deerfield Avenue, CHIF provided funding to developers Belden Street Development, LLC to renovate a row of abandoned build-

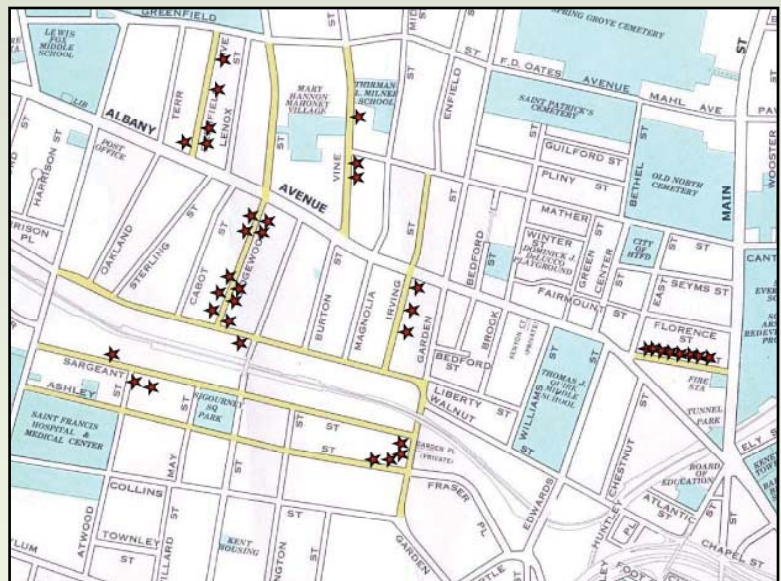
ings in Hartford's North End. CIL Affordable Housing, Inc, another developer, will complete the final building on the street, known as the "Mini Mark Twain House". One of the new homeowners is Tony Milledge, a firefighter in the city of Hartford. Tony and his son moved into their new home in January 2007.

Making Projects Financially Feasible

One of the essential components of CHIF's NRB program is the subsidy CHIF provides, called the "Appraisal Gap". The Appraisal Gap provides a forgivable loan to developers to finance properties located in distressed neighborhoods where the appraised value of the property after rehabilitation is less than the total development cost. In order to provide these "forgivable loans", CHIF raises funds from foundations and corporations. To date, CHIF has raised \$4.2 million in grants to provide developers with Appraisal Gap subsidies.

A Look At CHIF's Impact in Hartford

- CHIF has provided \$2.5 million in financing to the Upper Albany and Belden Street Revitalization.
- CHIF has financed the construction of 8 new homes.
- CHIF has financed the renovation of 10 existing homes
- CHIF has provided \$1.1 million in Appraisal Gap subsidies to developers in the Upper Albany and Belden Street neighborhoods.



This map illustrates the impact the NRB program has had in the Upper Albany/North End. The red stars indicate new homes financed by CHIF.



CHIF Awarded New Grants to Support Neighborhood Rebuilder Loan Program

Generous gifts from banks, foundations, and corporations help CHIF achieve its mission. During 2006, CHIF joined the Winchester Housing Authority in receiving a grant from the Bank of America, one of CHIF's founders. The grant supports CHIF's Neighborhood Rebuilder (NRB) Loan Program, and will help support a new homeownership initiative in Winsted sponsored by the Housing Authority.



Support from Bank of America: Celebrating the 50 year anniversary of the Winchester Housing Authority (WHA), CHIF Vice President of Finance and CFO **Edward Bohnwagner** (middle) joins WHA Executive Director **Fred Newman** in accepting checks from **Joe Gianni** of Bank of America.

CHIF thanks its Community Loan Pool Investors and Grantors who support the NRB Program:

- Connecticut Housing Finance Authority
- Citizens Bank of Connecticut
- Department of Economic and Community Development
- Hudson City Savings Bank
- JP Morgan Chase
- Melville Charitable Trust
- People's United Bank
- Royal Bank of Scotland
- State Street Bank
- TD Banknorth
- U.S. Trust Company
- Webster Bank

Partnerships That Make a Difference

CHIF was one of two Connecticut non-profit organizations receiving consulting services in 2006 from New Sector Alliance. New Sector is a Boston-based consulting firm that provides non-profit clients with a team of business school students to complete strategic planning projects. New Sector's goal is to accelerate social change by strengthening organizations while providing students with an opportunity to learn about the non-profit sector. Students from Yale University's School of Management (pictured below) worked with New Sector to assist CHIF in revising its marketing strategy for its loan servicing business, and performed market research to help identify new loan servicing clients. To learn more about New Sector Alliance, visit their website at www.newsector.org.



CHIF's Mission

CHIF is a statewide Community Development Financial Institution providing financing, loan servicing, and technical services to improve and increase the supply of housing affordable to Connecticut residents. CHIF implements solutions to help families become and remain homeowners.

How Can We Help?

You can learn more about CHIF's programs and services at the following web addresses:

- For general information about CHIF, info@chif.org
- For information on home improvement loans, loans@chif.org
- For information about homeownership loans, homebuyers@chif.org
- For information on construction loans, rebuilder@chif.org



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John Ritter New CHIF Chair

CHIF’s 39th Annual Meeting was held on April 26th at the Lyceum Conference Center in Hartford. The board elected a new slate of officers, voting John Ritter as chair, Lynn Blackwell as vice chair, and Jack Logan as secretary.

The meeting also featured Jim Paley, Executive Director of Neighborhood Housing Services of New Haven, as the guest speaker. Jim described his organization’s approach to developing affordable housing and the programs NHS of New Haven has implemented to help first-time homebuyers.

The board also recognized outgoing chair, Dina Anselmi. CHIF made many notable achievements under Dina’s leadership including adopting a new Strategic plan and increasing the amount of capital in the Community Loan Pool.

CHIF Salutes Employee at Retirement Party

Sharon Costello, a member of the CHIF staff since 2000, recently retired in as Program Administrator – Special Projects. Sharon joined CHIF as Executive Assistant. During her tenure, she was promoted to Executive Assistant-Office Manager, then Program Administrator.

Sharon is credited with the significant role she played in CHIF’s growth since 2000. She designed many new marketing items including brochures, posters, annual reports, “In Brief”, CHIF’s newsletter, and a variety of other items important to CHIF business. She also worked closely with CHIF staff to market the Energy Conservation Loan Program and helped to increase awareness of the program throughout the state.

On the day of her retirement, the staff and Board of Directors held a

luncheon, where Sharon was honored her with a PowerPoint presentation. Attendees noted Sharon’s dedication to CHIF and her ability to maintain a sense of humor. Sharon was a great asset to CHIF, providing creative input and a calming presence.

CHIF wishes her the best in her new ventures in pottery, travel, and grandchildren.



Sharon Costello, Program Administrator - Special Projects, recently retired from CHIF and was honored at a retirement luncheon.