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**HOUSING ORGANIZATIONS RECEIVE \$70.67 MILLION
TO ADDRESS CRITICAL HOUSING NEEDS THROUGHOUT VIRGINIA**

***VHDA's SPARC Program Helps Housing Organizations
Leverage Monies to Increase Homeownership in Their Communities***

RICHMOND, Va. (Feb. 4, 2004) – Thirty-five housing organizations throughout Virginia are receiving good news and much needed funding for first-time homebuyers. Today, the Virginia Housing Development Authority announced that it is allocating \$70.67 million in low-interest financing to local governments, redevelopment and housing authorities, non-profit housing advocates and for-profit developers to finance 610 homes. (The attached chart lists recipients and their respective allocations.)

The funding is part of VHDA's Sponsoring Partnerships and Revitalizing Communities (SPARC) program, which provides funding for affordable housing organizations throughout Virginia to address critical housing needs in their communities. This effort places a special emphasis on expanding homeownership for very low-income households, new immigrants, minorities and persons with disabilities through community revitalization and new construction.

"We developed the SPARC program so that our housing partners could bring us customized programs that generally are not available from private lenders or through VHDA's regular lending programs," said Don Ritenour, VHDA's managing director of development. "Our partners have the knowledge and direct insight into the unmet needs in their communities. They are in the best position to design programs that combine the local, state or federal funding they have received with our SPARC monies to make every dollar count."

Organizations submitted proposals to VHDA in December 2003. All proposals underwent an initial eligibility review and a subsequent competitive review process.

In addition to addressing local needs, the proposals needed to support some or all of VHDA's homeownership goals including: helping provide loans to low-income households, minorities, new immigrants and persons with disabilities; encouraging the construction or rehabilitation of homes for accessibility and overall quality improvements; revitalizing communities; and meeting housing needs not met by traditional lenders.

Proposals that significantly support VHDA's business goals received an allocation of funds at an interest rate of 1 percent below the rate for VHDA's first-time homebuyer loan program, which at today's rate would be 4 percent. Other allocations had an interest rate of ½ percent below VHDA's first-time homebuyer rate. Exact rates are determined at the time of actual loan reservation.

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“With the financial resources in place, our housing partners can begin marketing and implementing their locally-designed homeownership programs to move more low- and moderate-income Virginians into homeownership,” said Susan Dewey, VHDA’s executive director.

VHDA’s SPARC program has awarded more than \$174 million to housing organizations to encourage homeownership throughout Virginia since the program was created three years ago.

VHDA is Virginia’s housing finance agency. It is a self-supporting authority which issues bonds to raise private capital for its lending programs. VHDA provides consumers with low-interest rate loans to purchase or renovate homes. VHDA also lends money to developers for the development, rehabilitation and renovation of affordable apartments. Affordable Housing Starts Here™.

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Virginia Housing Development Authority
Sponsoring Partnerships & Revitalizing Communities (SPARC)
Round 3 Allocation Recipients

2/3/04

ORGANIZATION	# OF HOMES	ALLOCATION
Arlington Housing Corporation	4	\$1,000,000
Arlington County	36	\$6,800,000
Blue Ridge Housing Development Corporation	12	\$1,560,000
Central Virginia Housing Coalition	7	\$ 765,000
Chesapeake Redevelopment & Housing Authority	10	\$1,000,000
City of Alexandria	35	\$3,800,000
City of Martinsville	10	\$ 900,000
City of Norfolk	25	\$3,000,000
City of Virginia Beach	12	\$1,000,000
Community Housing Partners	24	\$2,000,000
County of Prince William	14	\$2,000,000
Danville Redevelopment and Housing Authority	14	\$1,000,000
Fairfax County Redevelopment & Housing Authority	40	\$6,000,000
Hampton Redevelopment & Housing Authority	16	\$2,000,000
Interfaith Housing Corporation	20	\$2,000,000
James City County	19	\$2,900,000
Little Ten Housing Authorities	45	\$3,650,000
Loudoun County Housing Services	13	\$2,500,000
Lynchburg Neighborhood Development	10	\$ 785,000
Manassas Housing Trust Fund	5	\$ 800,000
Mobile Mortgage Office Outreach	21	\$1,500,000
Nelson Homes	10	\$1,000,000
Newport News Redevelopment & Housing Authority	12	\$1,015,400
Norfolk Redevelopment & Housing Authority	30	\$3,000,000
Peninsula Community Development Corporation	3	\$ 265,000
Petersburg Redevelopment & Housing Authority	10	\$ 650,000
Piedmont Housing Alliance	18	\$3,000,000
Portsmouth Redevelopment & Housing Authority	30	\$3,000,000
Richmond Redevelopment & Housing Authority	15	\$1,000,000
Silverwood Homes Inc.	20	\$3,000,000
Southside Community Development & Housing Corp./ Better Housing Coalition	24	\$3,000,000
Telamon Corporation	10	\$ 880,000
Virginia Beach Community Development Corporation	10	\$ 890,000
Waynesboro Redevelopment & Housing Authority	16	\$1,510,000
York County Housing Office	10	\$1,500,000
Total	610	\$70,670,400