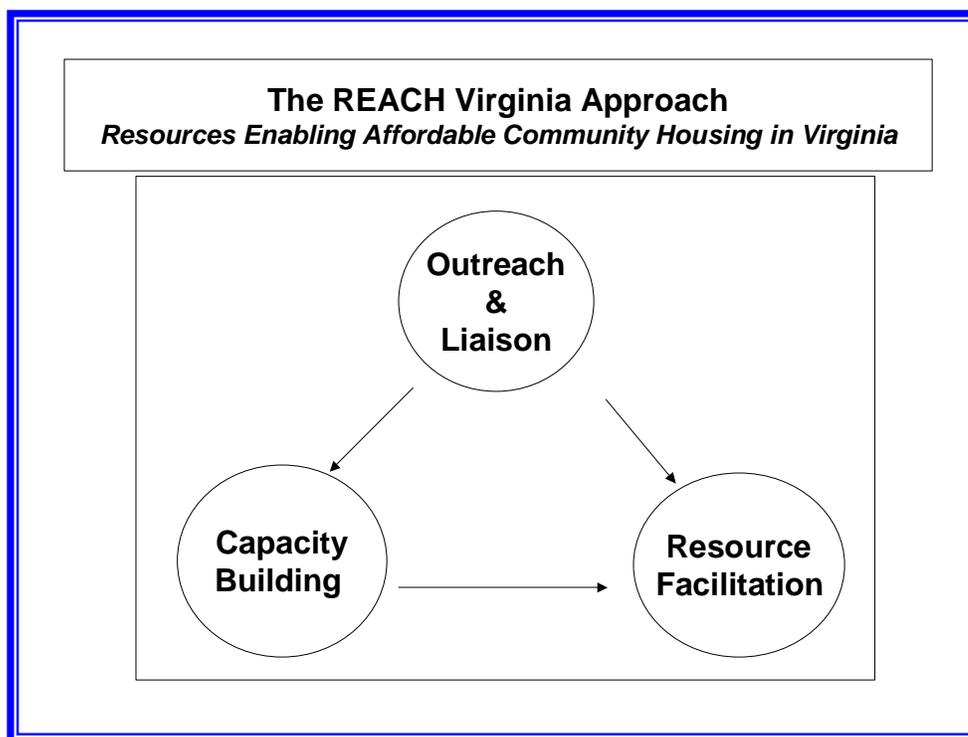


Welcome to the REACH Report

During the last several months, REACH Team members have been actively involved in an array of initiatives, which promote the three core activities of the REACH approach: 1) Outreach & Liaison, 2) Capacity Building, and 3) Resource Facilitation. This first issue of the *REACH Report* illustrates some of the Team's efforts in support of these core activities. At a time when traditional sources for affordable housing and community development are increasingly constrained, the VHDA REACH Initiative, involving a dedicated team and subsidized financing, represents a critical resource to support the creation and preservation of affordable housing in vibrant communities in the Commonwealth.



Core Activities:

On each of the following pages in this report, a core REACH activity is featured:

- Page 2 outlines recent Outreach and Liaison activities.
- Page 3 outlines recent Capacity Building efforts.
- Page 4 outlines recent Resource Facilitation efforts.

REACH Team works with VFC to identify Revitalization Financing

Virginia First Cities (VFC) is a coalition of 15 of the most fiscally stressed older cities in the Commonwealth. The REACH Team has been working with a VFC committee comprised of representatives from Lynchburg, Roanoke, Fredericksburg, and Newport News to identify sources of property acquisition financing to support the revitalization of older single-family homes and promote homeownership opportunities. REACH associates identified two banks interested in providing such financing that were subsequently interviewed by the VFC committee. As a result of this effort, SunTrust and Wachovia have provided term sheets for such assistance, which also has the potential to support the revitalization objectives of the SPARC-Single-Family initiative.

Building Wealth for Minority Households

REACH Team members and representatives from VHDA's Genesis Project presented a session entitled "Building Wealth for Minority Households" at the Virginia Legislative Black Caucus on October 6, 2005 in Portsmouth, Virginia. The session discussed the positive role of homeownership in wealth building as well as the expansion of the Genesis Project into the Hampton Roads market.



REACH Team members discuss homeownership and wealth building at the 2005 Virginia Legislative Black Caucus Foundation Summit

Outreach & Liaison:

REACHing out to targeted populations and building relationships and partnerships with public and private sector entities that are addressing identified priority-housing needs. REACH Team members work with various populations and groups, including African Americans, Hispanics, communities in Northern Virginia, local governments and housing authorities, nonprofit housing providers, persons with disabilities, seniors and VHDA's advisory boards and stakeholder groups.

REACH kicks-off MUMI Financing Tour

In October, the REACH Team initiated promotion of the VHDA mixed-use/mixed-income (MUMI) program at the meeting of VHDA's Local Government Advisory Board. The informative effort includes a slide presentation outlining the opportunities presented by MUMI development and VHDA's potential role in financing such development. To date, the REACH Team has provided MUMI information and/or presentations to the City of Williamsburg, Richmond RHA, City of Portsmouth, Fairfax County, Northern Virginia (HAND), City of Norfolk, Charlottesville RHA, Chesterfield County, Henrico County, Virginia Municipal League, and Virginia First Cities.

REACH promotes "Communities of Opportunity" at VML Conference

At the Annual Conference of the Virginia Municipal League (VML) in Richmond on October 24, 2005, a REACH Team member provided a presentation entitled "Creating Communities of Opportunity in the 21st Century" as part of a session addressing affordable housing. The presentation discussed the REACH initiative and VHDA resources such as SPARC and Mixed-Use/Mixed-Income financing.

Creating Communities of Opportunity in the 21st Century

- **Affordability**
- **Accessibility**
- **Choice**
- **Sustainability**



Home Ownership Development Toolbox Training

In late October, the REACH Team hosted a Home Ownership Development Toolbox training session at VHDA for approximately 20 stakeholder partners. This computer intensive training conducted by Capital Access Inc., provided the framework for local governments, redevelopment and housing authorities and nonprofit housing entities to create successful homeownership programs.



By utilizing the tools provided, VHDA partners will boost the production of their existing programs, better analyze project feasibility, underwrite developments efficiently and more effectively layer and leverage funding sources. The training also provided the opportunity to enhance the capacity of stakeholders to potentially utilize the SPARC program.

Capacity Building:

Capacity building efforts include coordinating and delivering specialized training, consulting with stakeholders who are considering or undertaking priority housing projects and serving as part of a broader effort to address unique development opportunities.

VHDA debuts Universal Design Interactive CD

At the Governor's Housing Conference in Roanoke on September 15-16, the REACH Team unveiled the new Universal Design Interactive CD which provides design architects and builders with useful information in promoting long-term accessibility in housing units. To date, VHDA has distributed more than 2,600 copies of this informative resource.

Developer Training

In partnership with the Virginia Department of Housing and Community Development (VDHCD), REACH Team members instructed portions of the "Getting Started in Affordable Housing" course in Warrenton, Virginia on October 4-5. This two-day training course provided the 20 participants with insight into the basic elements of developing rental and special needs housing.

Training for Barrier-Free Housing

As part of the REACH initiative, VHDA and the Blue Ridge Independent Center are sponsoring a one-day seminar entitled "Going Beyond Accessibility to Universal Design" in Salem, Virginia on November 16, 2005. Likewise, VHDA has joined with the disAbility Resource Center and the Virginia Department for the Deaf and Hard of Hearing (VDDHH) to sponsor "Barrier Free Housing for People with Hearing Loss" at VHDA on November 10, 2005. For more information, see www.accessva.org.

Sponsoring Partnerships and Revitalizing Communities (SPARC)

In mid-September, VHDA announced the unprecedented allocation of \$226 million in homeownership financing under Round 5 of the SPARC initiative. To encourage full utilization of this resource to promote homeownership opportunities throughout the Commonwealth, REACH Team members conducted four regional training sessions in late October and early November, which were attended by approximately 200 potential SPARC applicants. These sessions provided an opportunity for participants to review the new SPARC application, network with VHDA originating lenders, and review best practices from past SPARC allocations.

Examples of Recent REACH Team Development Deals

Resource Facilitation:

The REACH Virginia subsidy is the overall amount of subsidy that VHDA provides to lower the interest rates for homeownership and multifamily rental strategic lending programs.



Hiddenbrooke Condominiums

SPARC resources financed the acquisition of six affordable dwelling units within a newly developed condominium community in Springfield, Virginia. These units will be affordable to active adults ages 55 and over with incomes below 65% AMI. Wesley Housing Development Corporation will own and manage these units.



Bainbridge Alta Vista

In Charlottesville, SPARC and HIP resources totaling \$875,000 financed the acquisition and rehabilitation of two group homes for residents with mental and physical disabilities. Community Services Housing, Inc. will own and manage these facilities with intensive case management services offered by the local CSB.



Cornerstone

The Lynchburg Neighborhood Development Foundation (LNDF) is developing an 11-unit building located just north of Downtown Lynchburg for people who were formerly homeless utilizing a \$175,000 REACH loan (currently in underwriting). When added to LNDF's existing homeownership and multifamily rental projects, this development will make the LNDF a full service affordable housing provider.



Meadowview

VHDA closed a \$758,322 SPARC loan to Community Housing Partners Corporation for a 98-unit development in Pulaski. DHCD provided a \$995,000 HOME loan to support this project. The loan assistance by VHDA and DHCD enabled the preservation of this development as an affordable rental housing resource.