

Alaska Housing Finance Corporation

Presentation to House Finance,
Revenue Subcommittee
Feb. 10, 2017

Bryan Butcher, CEO/Executive Director

Agenda Topics:

- Mission
- About AHFC
- Alaska's Housing Market
- AHFC's financial performance
- Fiscal Year results
- Budget request



MISSION

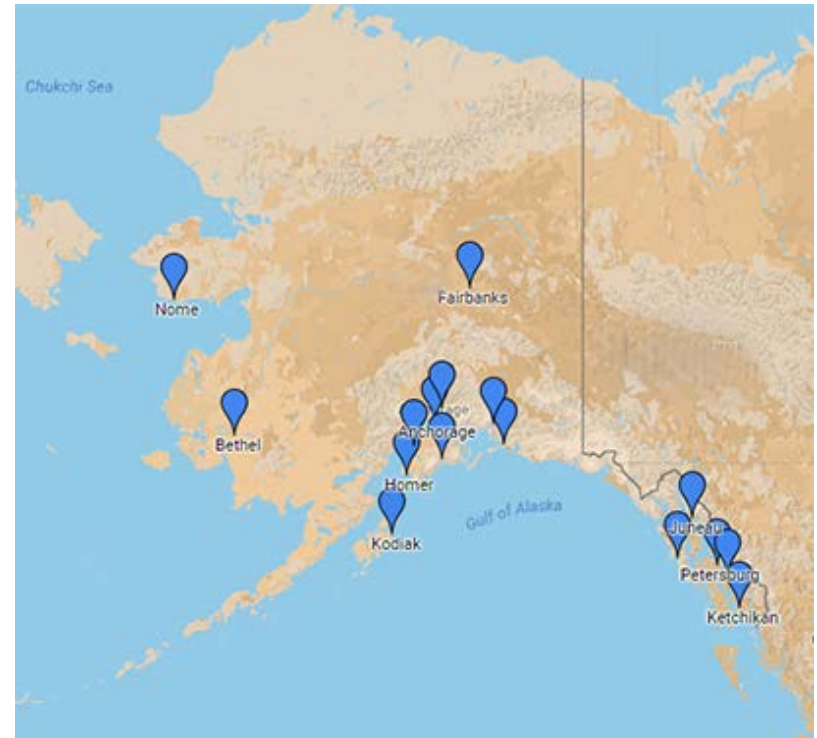
**TO PROVIDE ALASKANS ACCESS TO SAFE,
QUALITY, AFFORDABLE HOUSING.**



Alaska Housing Finance Corporation (AHFC) is a self-supporting public corporation with offices in 16 communities statewide. AHFC provides statewide financing for multi-family complexes and single-family homes, with loan options for low- to moderate-income borrowers, veterans, teachers, nurses, public safety officers and those living in rural areas of the state. AHFC also provides energy and weatherization programs, low-income rental assistance in 17 communities, and programs for the homeless and those seeking to become self-sufficient.

AHFC Operations

- Approximately 300 employees with offices in 16 communities.
- Positions are entirely federally funded or supported by AHFC's earnings.
- Supports Public Housing with 1,612 units and 4,967 Housing Choice Vouchers
- AHFC's dividend to the State of Alaska is \$30.4 million this year, and includes \$12 million in state capital debt service.



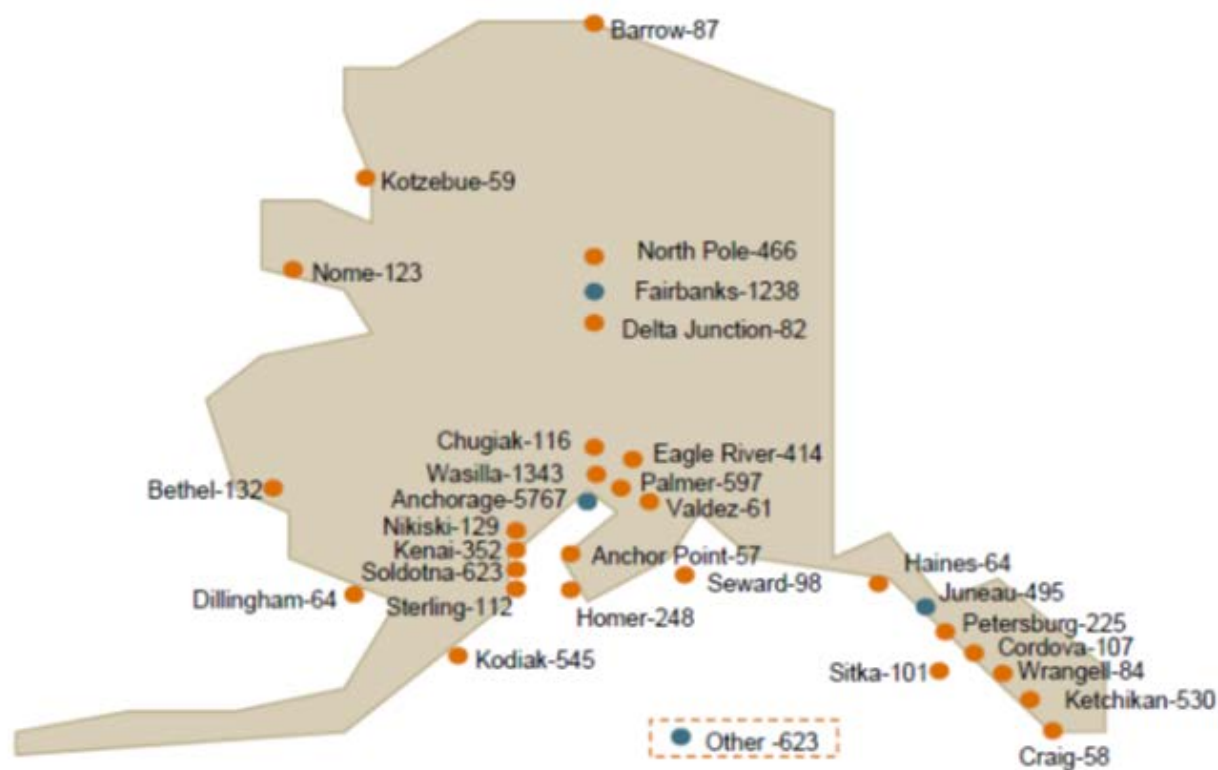
Locations served by AHFC's public housing division.

Discussion about Alaska's housing:

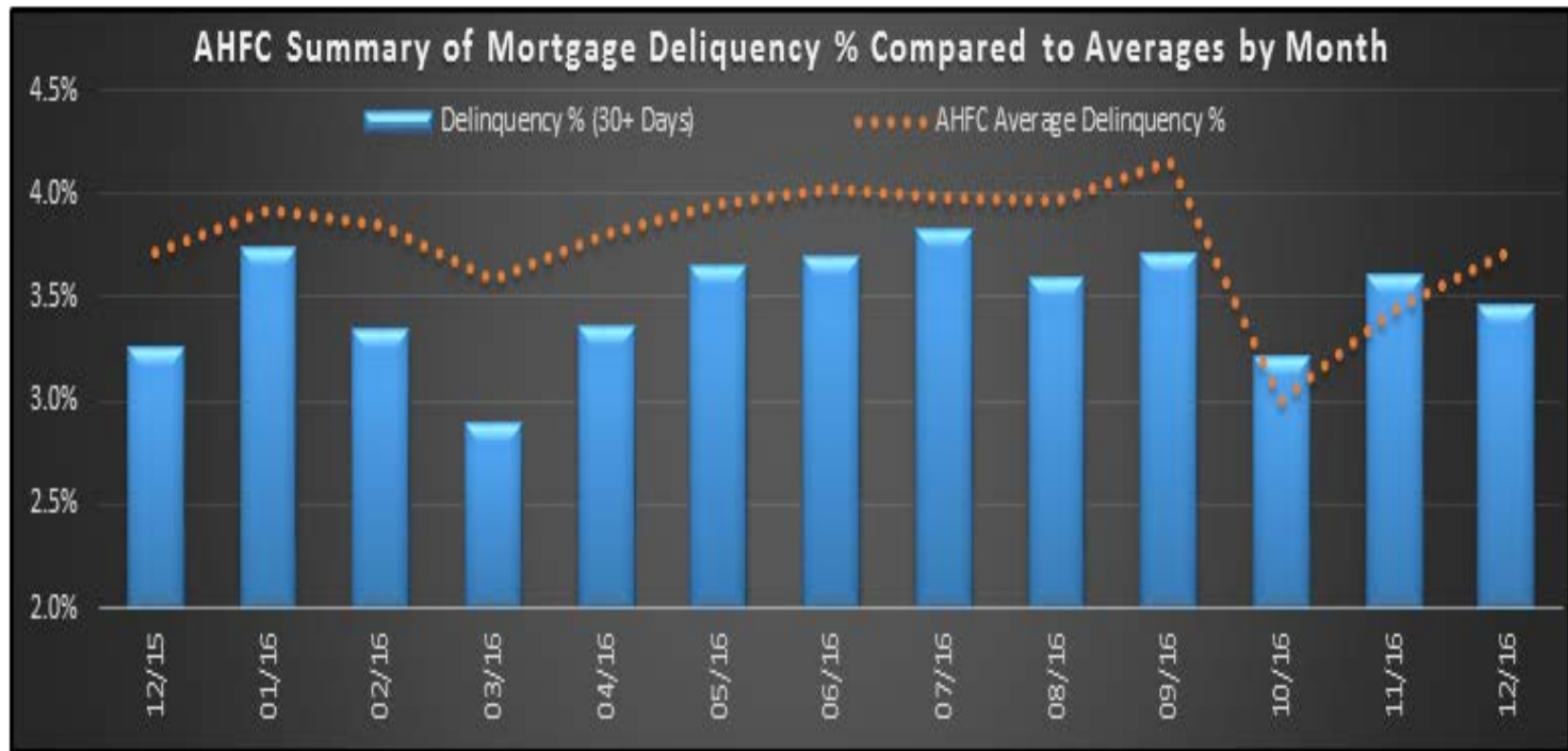


- Demand for public housing remains strong.
- Mortgage activity continues to be strong.
 - Delinquencies on home loans are among the lowest in the country.
- New rural housing development continues to be a challenge
- Rental market is stable in Anchorage, Juneau, Barrow, Kodiak.
- Overcrowding exists and construction is aged in many places.

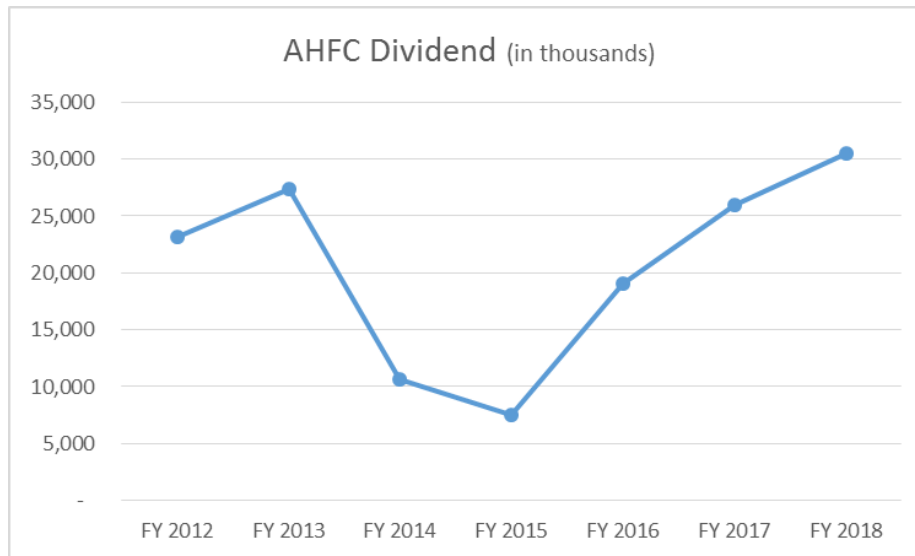
AHFC's mortgages by location



Delinquencies on AHFC home loans are among the lowest in the United States:



Agency's Financial Performance



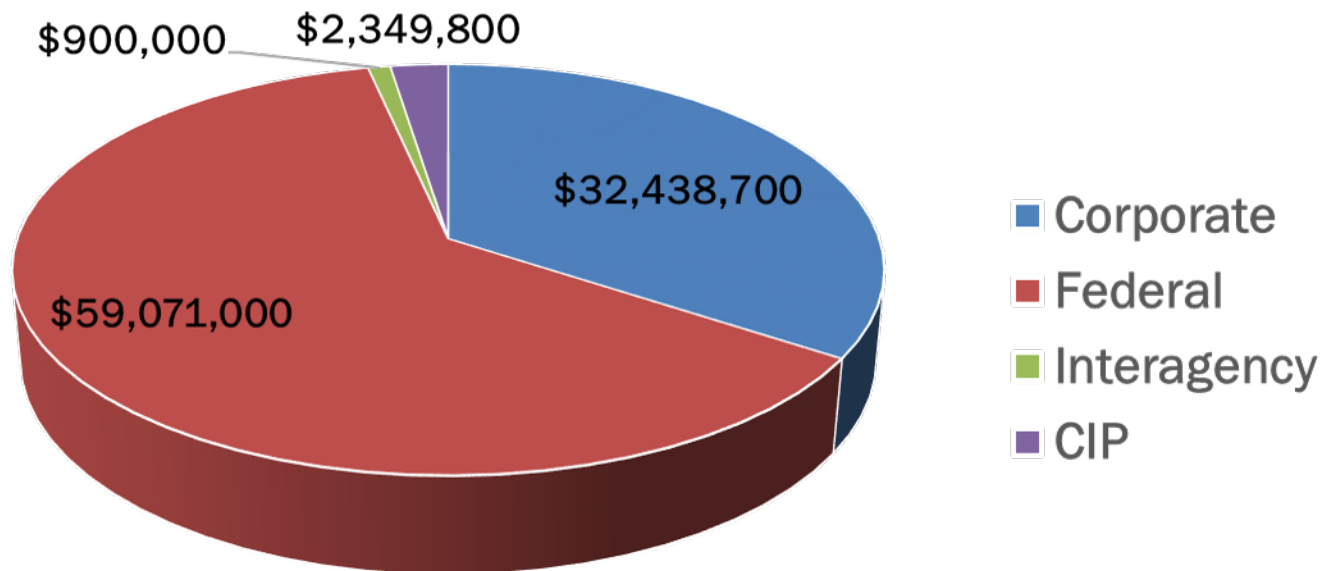
AHFC's dividend reflects
75% of change in net assets.

- AHFC bonds are rated AA+
- Cash & investments are pledged to operations so managed for safety and liquidity vs. yield
- 1,752 loans totaling \$495 million for first-time homebuyers, veterans, and others.

Fiscal Year Results at AHFC:

- BCG's thorough analysis of programs.
- A 20% increase in the dividend to the State of Alaska.
- New funding partnerships, Rasmuson Foundation supplementing State of Alaska investment in capital programs, i.e. Senior Housing & Teachers
- Successful partnerships with State agencies: Department of Health's Moving Home; Department of Correction's Moving On; also, Regional Housing Authorities, Cold Climate Housing Research Center, domestic violence shelters, Veterans Administration, and others.
- Advancement in energy efficiency.
- Innovations in Public Housing. In two years, Rent Reform has:
 - 13% increase in working families
 - 7% increase in full time employment
 - Gross incomes increased from an average of \$20,000 to \$27,000.
- 300 more families in public housing programs.

AHFC FY2018 Operating Budget Funding



Operations Component

	FY2017 Management Plan	FY2018 Governor	FY2017 Changes	% Change
Salaries	41,097,400	41,097,400	-	0.00%
Travel	736,000	536,000	(200,000)	-27.17%
Contractual	14,778,200	14,977,200	199,000	1.35%
Supplies	1,936,800	1,936,800	-	0.00%
Equipment	312,100	312,100	-	0.00%
Grants	35,800,000	35,900,000	100,000	0.28%
Total Budget:	94,660,500	94,759,500	99,000	0.10%
Corporate	32,439,700	32,438,700	(1,000)	0.00%
Federal	59,071,000	59,071,000	-	0.00%
Interagency	800,000	900,000	100,000	12.50%
CIP	2,349,800	2,349,800	-	0.00%
Total Funding Sources:	94,660,500	94,759,500	99,000	0.10%
Full-Time	313	314	1	0.32%
Part-Time	23	22	(1)	-4.35%
Non Permanent	14	14	-	0.00%
	350	350	-	0.00%



2016
Annual Report








NAVIGATING ALASKA'S HOUSING LANDSCAPE.

The journey through Alaska's housing landscape winds across vast stretches of unfamiliar and challenging terrain. With Alaska Housing Finance Corporation as the navigator, Alaskans have a trusted resource for safely moving into a place of their own, whatever they dream.

MISSION STATEMENT

To provide Alaskans access to safe, quality, affordable housing.

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Questions?

