Fannie Mae

FannieMae.

Fannie Mae's Commitment to America's New Markets

May 11, 199

Fannie Mae is the largest private investor in America's urban and rural areas:

- Fannie Mae's Partnership Offices have over $165 billion of targeted investment plans that will serve over 1.9 million families.
- Through March 1999, Fannie Mae has completed over $95 billion of investments in these plans, providing over 1.2 million families with the lowest cost mortgage financing available.
- By year-end 1999, Fannie Mae will have expanded its Partnership Office investment plans to over $300 billion serving 4 million families.
- This initiative is part of Fannie Mae's Trillion Dollar Commitment to provide home financing for 10 million families by the end of 2000. Through March 1999, we have provided $780 billion in targeted financing serving 9 million families.

Fannie Mae also is the largest private investor in Multifamily Low Income Housing Tax Credit (LIHTC) investments.

- Through April 1999, Fannie Mae has committed to invest $2.3 billion in LIHTCs.
- Over the next three years, Fannie Mae will commit to invest $3 billion in the LIHTCs.

Fannie Mae's new American Communities Fund (ACF) is an equity and debt investor in catalytic urban revitalization developments.

- To date, the ACF has closed $210 million in debt and equity investments.
- Over the next three years, the ACF plans to invest $350 million in revitalization activities throughout the United States.

Fannie Mae's investments in Community Development Financial Institutions (CDFIs) help promote fair lending, increase affordable housing, energize economic development and job creation, and catalyze other investment in the local area.

- Through March 1999, Fannie Mae has committed to invest close to $50 million in CDFIs.
- By year-end 2000, Fannie Mae will have CDFI investment commitments totaling $75 millio

Fannie Mae is an investor in Historic Tax Credits.

- To date, we have committed to invest $6 million in Historic Tax Credits and have $20 million in our pipeline.

Fannie Mae continues to provide mortgage loan products, training, educational resources and materials, networks and partnerships, and initiatives to make the dream of homeownership a reality for rural families.

- As of March 1999, we have 1.2 million rural housing loans outstanding for over $86 billion.
- In 1998 alone, we provided $34 billion in mortgage financing to rural families across the country.

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FAX TRANSMITTAL

Date 6/9/99

To
LISA Green

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From (Name and Title):

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If this transmission is incomplete, please call our office immediately.

Message:

-- Monday, June 07, 1999

FOR IMMEDIATE RELEASE

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COMMUNITY PARTNERS IN ACTION TO RELOCATE AND EXPAND IN HARTFORD

TWO MILLION PROJECT TO RENOVATE RUN-DOWN, VACANT BUILDINGS

BankBoston and Fannie Mae finance project with new loan partnership

Hartford, Conn., June 7, 1999 -- Community Partners in Action (CPA) (formerly known as the Connecticut Prison Association) will be relocating and expanding its services to newly renovated buildings on Washington Street in Hartford. To be known as the Washington Street Program Complex, the facility will enable the agency to offer employment, education, substance abuse, supervision, community service and a new girls detention center in one central location. Community Partners in Action works to build the community by providing services that promote accountability, dignity and restoration for people affected by the criminal justice system.

BankBoston and Fannie Mae provided $1.9 million of financing for the $2.3 million project under a new partnership that will allow for up to $10 million of residential or commercial construction financing in Hartford. Two units of BankBoston's Community Banking Group, the Developmental Real Estate department and its urban investment bank, BankBoston Development Company, participated in the bank portion of the funding. Fannie Mae's investment was made through the company's American Communities Fund (ACF), which targets unique housing and community development initiatives.

-more-

The financing will help the agency purchase and rehab four buildings. Additionally, a fire-damaged building adjacent to the complex will be torn down to create parking. The four deteriorating buildings have been vacant for more than six years. The site is conveniently located close to the civil, criminal and community courts as well as the Connecticut State Police.

According to CPA's Executive Director, Maureen Knight-Price, the project is a "win-win" for everyone. "After incarceration, most inmates return to the community where they previously lived. This facility will help us in our mission to return these individuals with the tools and resources they need to help them be successful and productive in society.

"CPA has been working with community leaders and the neighborhood to find a home conducive to programming for five years. We are ecstatic that the day has finally arrived. Through a collaboration with the City of Hartford, Southgate Investments LLC., community leaders, Fannie Mae and BankBoston, this dream has become a reality. We are especially pleased that our partners recognize and support that within a community appropriate places exist for our services."

"This partnership is another good example of how a neighborhood, working with business, non-profits and the city, can come together on a plan for positive change and make it a reality," said Mayor Michael P. Peters, City of Hartford. "This project will help to revitalize two neighborhoods – South Green and Frog Hollow North. CPA's new home will occupy buildings that have been vacant and blighted. At the same time, its old home will be available for redevelopment in conjunction with the plans of the South Green Neighborhood Revitalization Committee."

This project is the first transaction under a BankBoston-Fannie Mae partnership which provides for Fannie Mae participation of up to 50 percent in community development loans for single family, multi-family or commercial construction projects in Hartford. This agreement could provide up to $10 million in construction financing to the city.

-more-

According to BankBoston Development Company President, Grady Hedgespeth, the project exemplifies what partnerships can achieve in urban areas. "The community benefits when partnerships form and each partner brings something to the table. With the Washington Street project, CPA and its clients are well served and Fannie Mae and BankBoston provide valuable community support. In the end, the community is well served by having a dilapidated property rehabilitated and a new property ripe for development – all because of partnerships."

"Fannie Mae is thrilled to be a member of a financial partnership with BankBoston that will help meet the redevelopment needs of this community," said Ken Bacon, senior vice president of Fannie Mae's American Communities Fund. "The renovation of this blighted building is another step in the ongoing effort to revitalize the Frog Hollow neighborhood."

Demolition of the property began in early May and is expected to be completed in the fall. The current CPA site at 9-11 Wyllys Street will be open for future development.

Established in 1875, Community Partners in Action works to build the community by providing services that promote accountability, dignity and restoration for people affected by the criminal justice system. The Connecticut Court Support Services Division (CSSD) is the long-term funder for programs operated by CPA.

Southgate Investments LLC. is composed of local, community-based business people who work with the community on projects that enhance neighborhood stability and economic vitality as well as projects for community-based organizations. Kenyon Construction is the project management arm Southgate Investments.

Fannie Mae is a New York Stock Exchange company and the largest non-bank financial services company in the world. It operates pursuant to a federal charter and is the nation's largest source of financing for home mortgages. Over the past 30 years, Fannie Mae has provided nearly $2.5 trillion of mortgage financing for over 30 million families.

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Fannie Mae's ACF was first originated in 1996 and serves as a catalyst for neighborhood revitalization, making a tangible difference in communities nationwide. ACF investments target unique rental or homeownership financing opportunities, as well as neighborhood based retail facilities, that strengthen the residential fabric of predominantly underserved, minority, or low- to moderate-income communities. More information about Fannie Mae can be found on the Internet at http://www.fanniemae.com.

BankBoston (NYSE: BKB), with assets of $75.7 billion and some 25,000 employees, is the nation's oldest commercial bank and New England's only global bank. BankBoston is engaged in consumer and business banking in New England; delivering sophisticated financial solutions to corporations and governments nationally and internationally; and full-service banking in leading Latin American markets.

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HARTFORD

'CPA' Breaks Ground In City's South Green

By JOHNNY MASON JR.
Courant Staff Writer

Hailing it as a collaborative effort between private and public investors that's designed to improve people's lives, leaders from the city, state and neighborhood praised and welcomed the addition of Community Partners in Action to Washington Street Monday.

The alternative incarceration center, once known as the Connecticut Prison Association, will relocate from Wyllys Street to four vacant buildings where agency officials say it will expand its services and open a new dentention center for girls.

The relocation will enable the agency to offer more employment, education, substance-abuse programs, supervision and community services, said state Department of Correction Commissioner John J. Armstrong.

The $2.3 million facility, called the "Washington Street Program Complex," received $1.9 from BankBoston and Fannie Mae under a partnership that allows for up to $10 million of residential or commercial construction in Hartford.

The financing will help the agency buy and renovate the four buildings which have been vacant for more than six years. An additional building will be demolished to create space for parking.

"This is wonderful," said Maureen Knight-Price, executive director of CPA, before digging the ceremonial shovel of dirt. "There couldn't be a better place."

The agency is expected to move to the Washington Street address in September, which is near the civil and criminal courts and across the street from the Hartford Community Court.

"This is a win-win situation for both neighborhoods," said Mayor Michael Peters. "What better place to have it than right here."

The agency had been looking for a new location for the past five years, said community activist Fran Reale. A six-month moritorium two years ago and a "not in my backyard" attitude slowed the relocation process and prompted CPA, South Green and community leaders to work together again, she said.

"We are working together to go beyond the historic blinders that have to date only impeded progressive and forward-thinking solutions like this one," said Reale, co-chairwoman of the South Green Problem Solving Committee.

POLICE NEWS

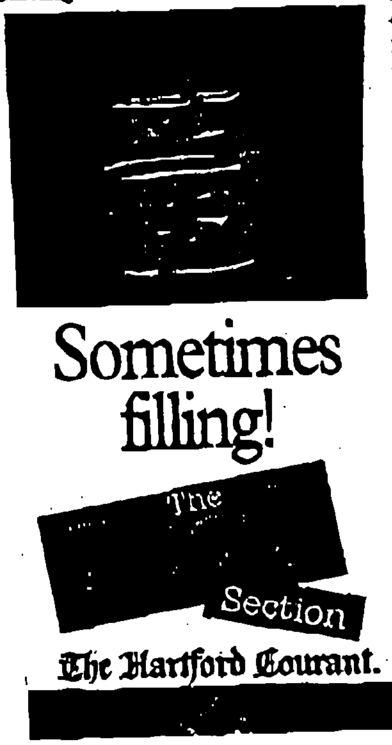
WEST HARTFORD

■ A house on Fairlawn Street was broken into Sunday and $4,700 worth of jewelry stolen, police said.

The house was entered through the garage, between 9:30 a.m. and 8 p.m.

■ Three boys were arrested over the weekend after they allegedly broke into the old Talcott Junior High School building in Elmwood.

A 13-year-old and two 14-year-olds were each charged with second-degree criminal trespass, third-



Council, Cops Sp

By JOSH KOVNER
Courant Staff Writer

City cops and council members are squaring off over a feature on portable police radios that lets officers talk directly with one another without broadcasting over the main dispatch frequencies.

Council member Louis Watkins Jr. said there's too much potential for unscrupulous officers to abuse the feature by wasting time or talking about taboo subjects.

Watkins, who recently sponsored a council resolution banning "I-call," said one of the four officers arrested in April on charges of sexual misconduct with prostitutes had used the feature to request a Polaroid camera from a colleague. The

— "That's why I thi we have to review and report back to council."

CHIEF JOSEPH F. CROUGHWE

officer later took lewd pho woman inside his cruiser, ing to a federal grand-jury gation of the department.

Rank-and-file officers p that I-call has been used d times a day for at least fou and they defend it as a valu

WEST HARTFORD

Magnet

Continued from Page B1

science and technology, and the Norfeldt School, which emphasizes foreign languages and the classics, opened in fall 1996. The town's third magnet school, Charter Oak, was not included in the evaluation because the magnet program was initiated there only last fall.

Even though the two schools didn't meet enrollment projections, the report concludes that the magnet school did attract students, did reduce the enrollment at other elementary schools and did enhance racial and educational diversity.

The report also examines student performance, based on the Connecticut Mastery Test, concluding that "students in the magnet schools are demonstrating performance in basic skills at the same level as is demonstrated by other similar groups of students in non-magnet schools."

No action is expected at tonight's board meeting. School board Chairman Joe DeLucco said the report contained no surprises for him. He said he doesn't expect any changes to be made in the magnet program.

"Each school achieved hig recognition fo efforts."

CHATHAM REPORT

keep what's in place, in plac not going to grow the magr and we're not going to tak thing away from people to commitment was made."

The board of education m scheduled to begin at 7:30 the education center, 28 S. M

Parkin

Continued from Page

In coming months, the reassess its decision to c fee. "We're all curious to w see what happens," Feldm

In the meantime, official that three ...

FannieMae

FAX TRANSMITTAL

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To

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Regional Management & Housing Partnerships

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Message:

Per our discussion.

Possible Announceables at Pine Ridge, SD July Event

Fannie Mae will open a South Dakota Partnership Office in 1999 and commit to a five-year investment plan. Specific investments to be announced include the following items.

- **"House South Dakota"** is a **five-year, $400 million** investment plan to finance affordable housing for **5,000 families** throughout the state. The investment plan is a comprehensive strategy to assist the state in addressing its housing needs by expanding the lenders' capacity for single-family, rural, multifamily, and new construction lending.

- A **Fannie Mae Partnership Office** will be opened in Sioux Falls by October 1. The staff will work with local and statewide partners to determine and serve the housing needs of families and individuals. Lenders, builders, Realtors, government officials, housing leaders, and nonprofit housing organizations will be involved in this effort.

- Specific housing needs Fannie Mae plans to address with its partners include:
  - **Low down-payment mortgage products** - Fannie Mae has a variety of low-down payment products, such as Community Home Buyers Program and Flexible 97 that will be available in South Dakota.
  - **Home Rehabilitation** – Fannie Mae will make available its suite of HomeStyle mortgage products through local lenders to address the age and condition of the state's rural and urban housing stock.
  - **Senior citizens'** housing needs will be addressed through Fannie Mae's reverse mortgage products offered by local lenders. Fannie Mae's Home Keeper and HUD's Home Equity Conversion Mortgage (HECM) will allow senior homeowners to convert the equity in their homes into tax-free cash flow.

- A **Partnership** with the **South Dakota Housing Development Authority's** mortgage revenue bond program will assist qualifying, first-time home buyers with a below market interest rate. Fannie Mae purchased $35 million in mortgage revenue bonds from the Authority's recent $70 million tax-exempt bond issue.

Pine Ridge/Native American Announceables

- **$2 million** of the Fannie Mae/South Dakota Housing Development Authority's mortgage revenue bond program (see above) will be set-aside exclusively for Pine Ridge residents to purchase homes at below-market interest rates.

- A **$1 million Tri-party Agreement** among Fannie Mae, the Ogalala Sioux, and Norwest Mortgage that will enable tribal members to purchase homes on trust land.

- Fannie Mae commits to invest up to **$3 million** over the next five years through its American Communities Fund to increase the availability of housing at Pine Ridge.

- Fannie Mae agrees to continue to purchase mortgages under our **Native American Housing Loan Guarantee Program** (HUD Section 184 loans). Fannie Maecurrently hold 70% of all HUD Section 184 loans in South Dakota.