



Building tomorrow...

Today

2006 Annual Report

To the Governor and Members of the Legislature:

On behalf of the Board of Commissioners, we are pleased to present the South Dakota Housing Development Authority's Fiscal Year 2006 Annual Report.

Edward Lindaman, former author, futurist and director of programming for the Apollo space program said, "Everything possible today was at one time impossible." Many of the affordable housing opportunities in South Dakota today may have not seemed possible at one time. But with your support, and the support of our friends and partners, we are "Building Tomorrow...Today."

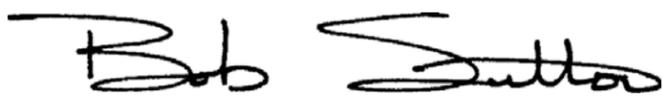
We are building for tomorrow...by continuing to offer First-time Homebuyers lower mortgage interest rates. By maintaining a strong bond rating through our financial strength and stability, 2,340 South Dakota families and individuals received lower interest rate mortgages and achieved their dream of homeownership this past fiscal year.

We are building for tomorrow...by developing and preserving South Dakota's affordable rental housing stock. The HOME and Housing Tax Credit Programs combined for more than \$69 million in total development costs to build or rehabilitate 749 rental housing units. We also administered more than \$22 million in rental assistance helping the most needy families and individuals in the State.

We are building for tomorrow...by working to end homelessness in South Dakota. Through our leadership with the South Dakota Housing for the Homeless Consortium, South Dakota received more than \$1.1 million for essential housing and services for homeless families and individuals.

We are building for tomorrow...by achieving our goals under South Dakota's 2010 Initiative through which we are challenged to help brand and develop South Dakota's quality of life as the best in America. We are well on our way to meeting or exceeding our goals, and will continue our mission well beyond year 2010.

None of our goals can be accomplished without the essential partnerships we have worked adamantly to develop and maintain. Lindaman went on to say, "Everything impossible today may at some time in the future be possible." Let's continue directing our passion toward making it possible for all residents of South Dakota to have a decent, safe, and affordable place to call home.



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Chairman of the Board



Mark Lauseng
Executive Director

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PO Box 1237 :: Pierre, SD 57501
605.773.3181 :: TTY 605.773.6107
www.sdhda.org

SDHDA's Financial information and independent auditors report are available at www.sdhda.org.
Hard copies are available upon request.

A total of 3,000 copies of the 2006 Annual Report were printed at a cost of \$1.06 per copy.
No state tax dollars were used. Alternative formats of this report are available upon request.



Everything

possible

today was

at one time

impossible.

[Edward Lindaman]

Lindaman

homeownership

SDHDA purchased 2,340 First-time Homebuyer loans in fiscal year 2006, totaling more than \$234.5 million.

Of those, 301 received downpayment assistance totaling more than \$654,000, including 18 Employer Mortgage Assistance Program loans totaling \$61,180, and 25 Loan Assistance Program loans totaling \$83,825.

Utilizing the Community Home Improvement Loan Program, 82 homeowners received \$765,000 in home improvement assistance through funds leveraged with private lenders to help rehabilitate their existing homes.

The Governor's House Program provided 147 families and individuals an opportunity for homeownership in fiscal year 2006.

The Authority committed \$700,000 to the West River Foundation for the purchase of 14 Governor's Houses to be placed on in-fill lots in Rapid City and sold to qualified buyers.

Four Habitat for Humanity loans were purchased to help capitalize their resources and provide funding for additional projects.

More than \$2.6 million was committed through the Rural Site Development program for the creation of 147 lots.

preservation, development & compliance

More than \$4.5 million in Housing Tax Credits were awarded to construct or rehabilitate 14 affordable housing developments ranging from the construction of 15 single family homes to the acquisition and rehabilitation of an 82 unit apartment complex.

More than \$4 million in HOME Investment Partnership Program Funds were committed for the preservation of five existing developments totaling 170 affordable housing units, construction of two multifamily properties totaling 58 units, development of two new construction single-family homes, gap financing for 12 Governor's Houses and rehabilitation of 31 owner-occupied single-family homes.

Twenty-two million dollars in rental assistance was paid on behalf of 5,540 very-low income families and individuals living in 195 developments in 68 communities throughout South Dakota.

SDHDA monitored program compliance for nearly 12,000 units in 419 multifamily affordable housing properties financed through HOME, Risk Share, Multifamily Bond and Housing Tax Credit Programs.

finance

SDHDA issued \$537 million in long term bonds and \$300 million in short term bonds in fiscal year 2006.

SDHDA's First-time Homebuyer mortgage interest rates remained at historic lows for 11 out of 12 months during the fiscal year. The 30-year Fixed Mortgage Loan Rate ended at 5.5%, and the starting Step Rate was at 4.5%.

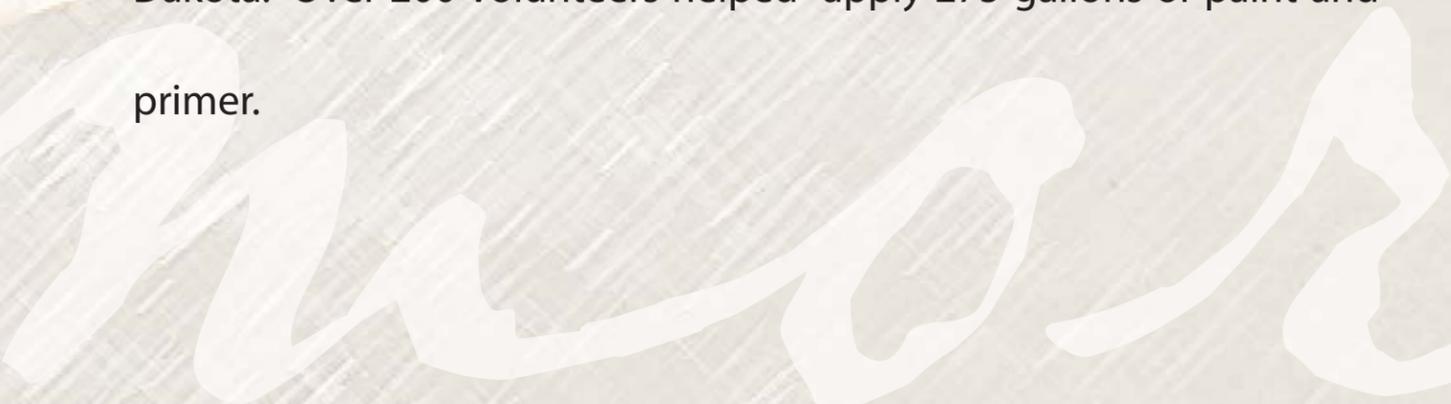
The Homeownership Education Resource Organization (H.E.R.O.) provided more than \$308,000 in funding and support to six Partners throughout the State, helping to provide homebuyer education to 2,047 clients.

Twenty-one shelters serving 17 communities were funded with a total of \$324,822, through the Emergency Shelter Grant Program.

The Services to Aging Residents Program provided services to enable senior residents in 32 SDHDA financed developments to continue living independently.

The 2006 Paint—South Dakota Campaign provided paint for the homes of 23 individuals or families in 21 communities across South Dakota. Over 200 Volunteers helped apply 275 gallons of paint and primer.

special needs



The South Dakota Housing Development Authority is committed to leading the affordable housing industry... [and] dedicated to the preservation, rehabilitation, purchase and development of affordable single and multifamily housing and daycare facilities. We are committed to the long-term affordability and feasibility of every project we undertake.

For more information about SDHDA's Programs
or to download the Authority's Financial
Information and Independent Auditors Report

please visit

www.sdhda.org