the community preservation corporation
5 West 37th Street
New York, New York 10018
(212) 869-5300

Kumro

the community preservation corporation

1995 Annual Report

Cover

Under a new program, "Preservation Financing for Cooperative Buildings," CPC provided a 30-year self-liquidating loan of $9,550,000 at 9.41% to refinance the underlying mortgage for the Acropolis Gardens in Queens. The financing was made possible by insurance coverage provided by the State of New York Mortgage Agency (SONYMA). CPC is working with its member banks to make financing available for the purchase and refinancing of individual apartment units. Share loans may be insured either by SONYMA or sold to Fannie Mae.

fiscal year performance

Year ended June 30, 1995 unless otherwise stated

New Construction and Permanent Loans Closed (Dollars)

CPC, Pension Funds (permanent loans only)* & Other Private Funds	$102,094,508
Public Funds	41,680,230
Total	$143,774,738

New Construction and Permanent Loans Closed (Units)

Manhattan	593
Bronx	808
Brooklyn	730
Queens	1,062
Mid-Hudson Valley	951
Long Island	142
CLC Eastern	50
CLC Western	54
CLC Central	52
Total	4,442

Permanent Conversions (Dollars)

CPC, Pension Funds* and Other Private Funds	$54,379,720
Public Funds	40,750,271
Total	$95,129,991

Lending Record 1974-1995**

CPC Closed Loans (Dollars)	$1,331,984,876
CPC Closed Loans (Units)	42,046

* *New York City Police Pension Fund, New York City Employees Retirement System, Teachers Retirement System of the City of New York, and New York State Common Retirement Fund.*

** *Includes $20,344,046 and 243 units of end loans. Record as of June 30, 1995.*

cpc highlights

The Community Preservation Corporation (CPC) is a private not-for-profit mortgage lender specializing in the financing of low- and moderate-income housing. The company was created to work with government and the financial community to create a conducive regulatory environment in order to enable routine private investment in affordable housing. ❖ Founded in 1974, CPC is currently sponsored by 97 banks, thrifts, and insurance companies, and has financed the construction or rehabilitation of almost 44,000 units, representing a private and public investment of more than $1.37 billion to date. ❖ The company, as a private sector lender, makes construction and permanent loans to private and not-for-profit developers for the creation, rehabilitation, and preservation of residential properties in low- and moderate-income neighborhoods. ❖ CPC's lending area has evolved from the five boroughs of New York City to include the two counties of Long Island and six counties in the Mid-Hudson Valley. In 1995, CPC merged with the Community Lending Corporation (CLC), an organization incorporated in 1990 to make mortgage financing available in upstate New York neighborhoods experiencing deterioration or disinvestment. With offices in Syracuse, Buffalo, and Albany, CPC and its CLC Division now serve the entire state of New York. ❖ Throughout its expansion, CPC has been guided by its mission to work with government and communities to help achieve their specific affordable housing goals. This includes preserving existing housing as well as building new housing in order to revive and sustain viable communities. ❖ The strong partnership CPC has developed with government and the support of CPC sponsoring institutions have been unwavering, and promise to continue to provide CPC with the energy and resources to serve our communities.

to our members

A dramatic change in the economic infrastructure of our low- and moderate-income neighborhoods appears on the horizon. Public programs to support housing in these neighborhoods have substantially diminished. Proposed changes in public assistance, health care, and other support programs may be even more dramatic. How these developments will affect these communities is not yet clear, and neither is their impact upon our existing investments. CPC's investments of more than $1 billion in these neighborhoods merit close watch. ❖ In spite of these changes, CPC's activities have expanded. In our fiscal year just ended, we financed the redevelopment of more than 4,400 units of housing representing public and private investments of more than $143 million. In the current year, we expect to finance more than 6,000 homes, representing about $250 million of private investment. ❖ Much of this increased growth is a result of CPC's knowledge of how to solve the problems of troubled housing. This is most notable in the restructuring and rebuilding of foreclosed and other distressed properties. For rental properties, our method has been to finance the purchase of properties at sufficient discounts to permit their rehabilitation within existing rent levels. The discounted price therefore serves to subsidize the project. Through this approach, CPC has returned thousands of units of foreclosed rental properties to sound housing with responsible ownership. ❖ The same method has created new units for home ownership. This past year, CPC and the State of New York Mortgage Agency (SONYMA) announced a $100 million program to help distressed cooperative housing projects. Here, with CPC financing and mortgage insurance provided by SONYMA, cooperatively owned buildings are restored to financial and physical health. Underlying mortgages are purchased at reduced prices in order to make necessary repairs and eliminate any negative cash flows. CPC sponsor banks also provide financing for purchase of share loans to individual potential home buyers. This not only restores value to apartments of current owners, it also makes available a large inventory of sound, low-cost apartments for home ownership. Two-bedroom apartments costing between $50,000 and $70,000, without any direct public subsidy, have been created through this program. ❖ While market mechanisms have created some opportunities for affordable housing, they are less effective in our lowest income communities where tenants are unable to afford rents to support sound building maintenance. Here, new approaches are needed. We are planning to expand a "one-stop shop" for small distressed properties in several upstate communities whereby all public and private funds can be obtained in one place with a minimum of paperwork for the small owner. This effective way of leveraging scarce public funds is modeled after our successful program in Newburgh and Beacon, New York. ❖ We are also looking to create joint ventures with local real estate professionals and not-for-profits to develop property in cost-efficient ways in low-income communities. In these same areas, we will be increasing our assistance to community groups to find new ways of preserving neighborhoods. ❖ Aside from these modest efforts, financing affordable housing is increasingly difficult. Market opportunities in low-income areas, while they exist, are difficult to find, particularly in multifamily properties. Yet older rental apartment buildings form the central housing resource for our low- and moderate-income residents. The preservation of 350,000 units of these privately owned rental apartments in New York City's 20 lowest income neighborhoods should be at the top of the City's housing agenda, because the decay of this housing will leave residents with few alternatives. A sound preservation program can build upon the massive public investments of past years to build new and renovated housing in the same neighborhoods. The changing structure of low-income entitlements will, nevertheless, further the squeeze of overall costs, and make preservation more difficult. ❖ The pressure is not only on the income side of this housing, it is also on the expense side. Publicly mandated costs for real estate taxes and water and sewer charges have soared in recent years in New York City and may rise even further with the billing policy tied to water metering. Costly regulations also may take their toll, as this housing may now face new lead paint remediation requirements. ❖ Modest public subsidies, in combination with some relief from publicly mandated costs, can most effectively ease the strain on this housing. Such subsidy should be prevented from being capitalized into the project in the form of higher development cost. The all-too-familiar results of this are too much subsidy for too few properties. ❖ This coming year, we will expand our financing to include retail development. We are currently creating a $100 million pool of permanent financing to support this important neighborhood resource. ❖ The channeling of private credit into our low- and moderate-income communities is fundamental if residents are to participate in the economic promise of our society. Our commitment is to support neighborhood building and redevelopment. Our ability to accomplish this rests on our ongoing partnership with government. We look forward to this challenge in the coming years. ❖ We wish to acknowledge the departure from the Board of three members who have made important contributions to our work. We thank Ray O'Brien who served as the Chairman of the Board and played a vital role in development of the organization. Bob McCormack provided important guidance for our growth, as did Ken Thorn. We thank them all.

New York, New York
December 12, 1995

Michael Hegarty
Chairman

Michael D. Lappin
President & CEO

Jerome R. McDougal
Vice Chairman

Ted Athanassiades
Chairman of the Executive Committee

CPC's Board of Directors ***Seated, left to right:*** *Spencer Crow, Michael Hegarty, Michael D. Lappin, William H. Rincker.* ***Standing, left to right:*** *Richard A. Kraemer, Philip L. Milstein, Morton L. Olshan, Pamela Flaherty, Frank J. Ollari, Robert W. Shippee, John A. Somers, George L. Engelke, Jr., Robert O. Lehrman, Charles J. Hamm.* ***Not shown:*** *Theodossios Athanassiades, Jill M. Considine, Robert M. Curley, William C. Frentz, Harry D. Garber, Richard Gunthel, Jerome R. McDougal, Timothy J. Welch. (Please see page 30 for affiliations.)*

serving communities in a time of change

Major changes have occurred in the provision of public subsidies to support low- and moderate-income housing. New rental subsidies have all but ended, and their continuation on existing projects is now uncertain. Capital grants of various sorts have been diminished from previous years and are expected to decline further as the effects of budget cuts on all levels of government take effect. The low income housing tax credit remains intact, although its future is uncertain. ❖ Against this backdrop, CPC has had to adopt new strategies to serve its communities. The company's principal approach has been to use market mechanisms as a substitute for diminishing subsidies, as well as to examine ways to use existing subsidies more efficiently. Furthermore, CPC is exploring ways to more aggressively rescue troubled property as a way of pre-empting the need for public solutions. The results so far have been robust. This past year, CPC financed the preservation and development of more than 4,400 units, the largest since its founding. This coming year will be better still. This report will detail some of these new initiatives. It will also discuss added efforts to raise private capital to finance these properties. CPC's hope is that its successes can serve as a guide for similar initiatives around the country.

Rental Projects

The recession that hit real estate in the late 1980s was particularly severe in the multifamily market in New York City. Prior to this, investments

Top Left
CPC provided financing for the new construction at 123-127 West Columbia in Hempstead. Thirty-six one-bedroom and one two-bedroom units designed for senior citizens rent for an average of $760 per month.

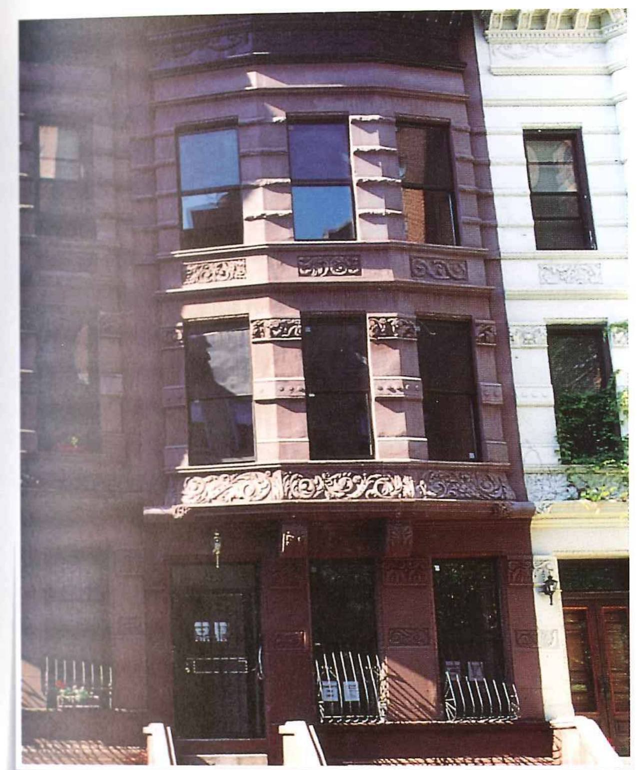
Center Left
The brownstone at 430 West 154th Street in the Hamilton Heights Historic District of Harlem has been converted into four affordable condominium homes.

Bottom Left
General Colin Powell and Michael Lappin tour the General's childhood neighborhood in the Longwood section of the Bronx. They visited some of the homes renovated through the CityHome program, a partnership of the Enterprise Foundation, NYC Department of Housing Preservation and Development, Republic Bank for Savings, and CPC.

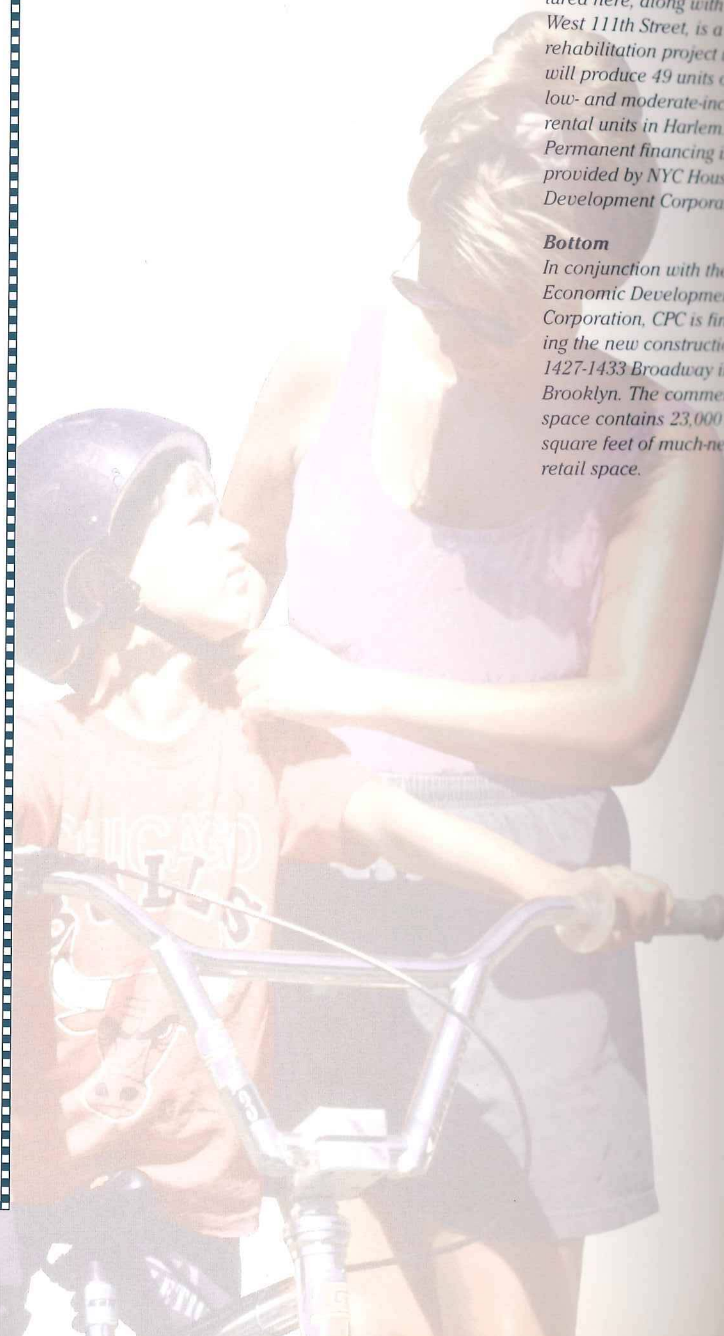
Top Right
The new construction of Stone Creek in Westchester County contains townhomes for 26 families earning $55,000 or less. CPC provided a $2,775,892 loan, the New York State Affordable Housing Corporation granted $1,150,000 to the project, and Westchester County provided a $1 million infrastructure grant.

Center Right
Under CPC's cooperative refinancing program, 636 North Terrace was the first loan to close with a new $250,000 underlying mortgage for this 62-unit mid-rise in Fleetwood, Mt. Vernon.

Bottom Right
CPC financed the gut renovation of the vacant five-story property at 2638-2652 Third Avenue. It is now a rehabilitation transitional housing facility for single women with children. A New York City pension fund will purchase the permanent loan.



based upon unrealistic income projections, compounded by the expectation of the potential sale value if rental properties could be converted to cooperative ownership, led to artificial values and over-financing. When the recession hit, large numbers of apartment buildings in low- and moderate-income areas underwent foreclosure, ushering in a period of uncertain management and decline. ❖ The stabilization of these properties became important for neighborhoods and suggested a key role for CPC. The company sought aggressively to finance the purchase of these foreclosed properties, repair them, and put them into responsible ownership. Working backward from the existing rental income of the property, or a modest increase, CPC could finance the cost of rehabilitation and a portion of the acquisition. The difference was made up from equity from private purchasers, or some amount of public subsidy. For this method to work efficiently, CPC had to have a solid grasp of construction prices, market knowledge of the acquisition prices, and an ability to act quickly. Indeed, in several situations, CPC defined the market for acquisition, as it was the only institutional lender willing to finance such transactions. ❖ Working in this manner, CPC has financed the rehabilitation and purchase of more than 40 buildings from bank foreclosures in the last two years. In most cases, the steep discount that occurred through the purchase obviated the need for any additional public subsidy. This was not always the case. In some buildings, the combination of low tenant income with high



Top
The occupied property at 2186 Grand Concourse in the Bronx was a bank foreclosure. CPC provided an uninsured loan of $885,000 to moderately rehabilitate the 55 units in the building.

Center Left
At 126 East Main Street in Wappingers Falls, Dutchess County, a $1,600,000 underlying mortgage was provided by CPC to stabilize this 71-unit garden cooperative complex. With the availability of State of New York Mortgage Agency insurance, homeowners will find it easier to buy or sell units.

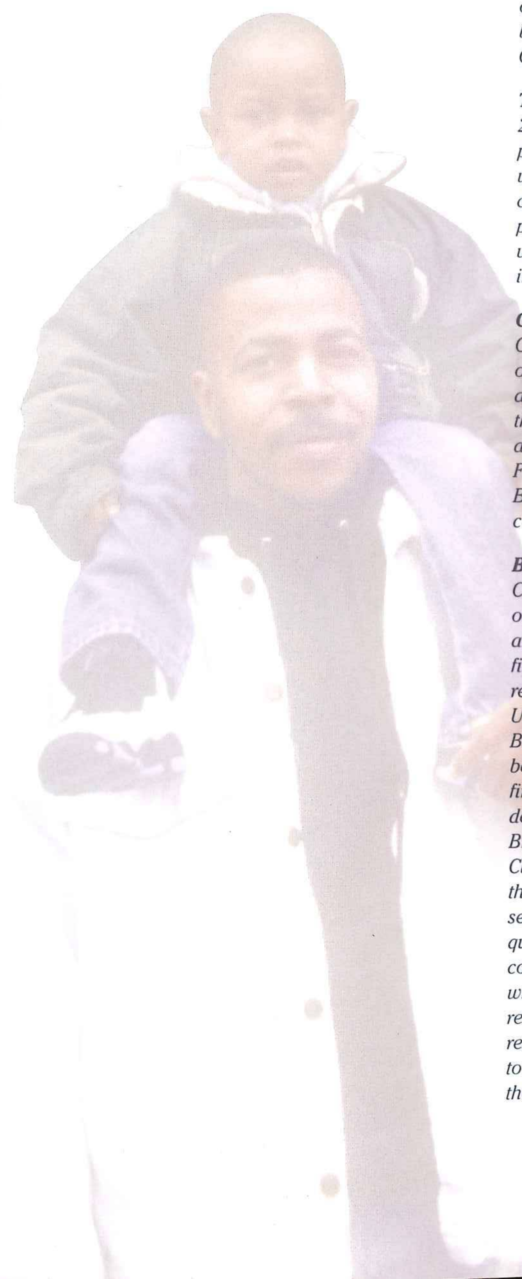
Center Right
245 West 113th Street, pictured here, along with 110 West 111th Street, is a gut rehabilitation project which will produce 49 units of low- and moderate-income rental units in Harlem. Permanent financing is provided by NYC Housing Development Corporation.

Bottom
In conjunction with the NYC Economic Development Corporation, CPC is financing the new construction at 1427-1433 Broadway in Brooklyn. The commercial space contains 23,000 square feet of much-needed retail space.

rehabilitation costs require more help than just discounts in the price of a building. In these situations, public subsidy is needed, as was the case of 1800 University Avenue in the Bronx. The skill here is to keep subsidy from being capitalized into the cost, a common occurrence taking the form of inflated construction and purchase prices and extensive delays. In this 64-unit Bronx property, the building was bought for one dollar from a bank, the processing took three months, and the public subsidy for this partial gut renovation was $17,000 per unit. When completed, rents averaged $600 for a two-bedroom apartment, affordable to neighborhood residents. ❖ A new inventory of problem buildings will need attention. With the announced non-renewal of project-based rental assistance, large numbers of HUD-assisted housing is expected to experience trouble. These properties are in many of the same areas where CPC and the city and state have focused many of their investments. CPC is examining a number of ways in which it might aid in an orderly restructuring of these properties.

Home Ownership

This past year, CPC announced that it would invest $100 million, to be insured by SONYMA, to rescue troubled cooperatively owned residential property in New York State. This announcement followed the state legislature's enactment expanding SONYMA authority to insure the financing of building mortgages in cooperative housing. The goal of the program is to restore the financial and physical health of cooperatively owned buildings that have recently been



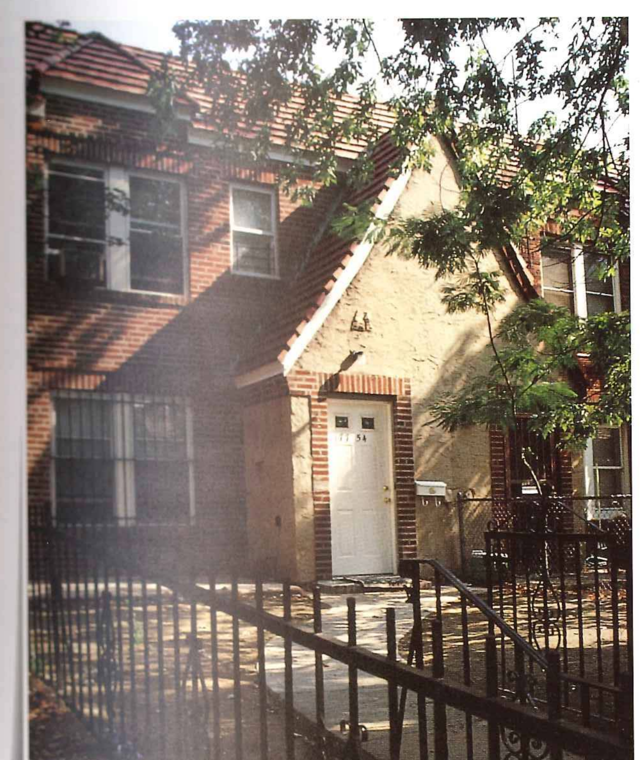
Top Left
(From left) June Sweeney, Senior Underwriter, State of New York Mortgage Agency; Sadie McKeown, Mortgage Officer, CPC; Harold Porr, Newburgh City Manager; Newburgh Mayor Audrey L. Carey; John Conlin, Developer; Jerome McDougal, Vice Chairman CPC; and, Michael Lappin, CPC President, celebrate the restoration of historic Alsdorf Hall at 93 Liberty Street in Newburgh.

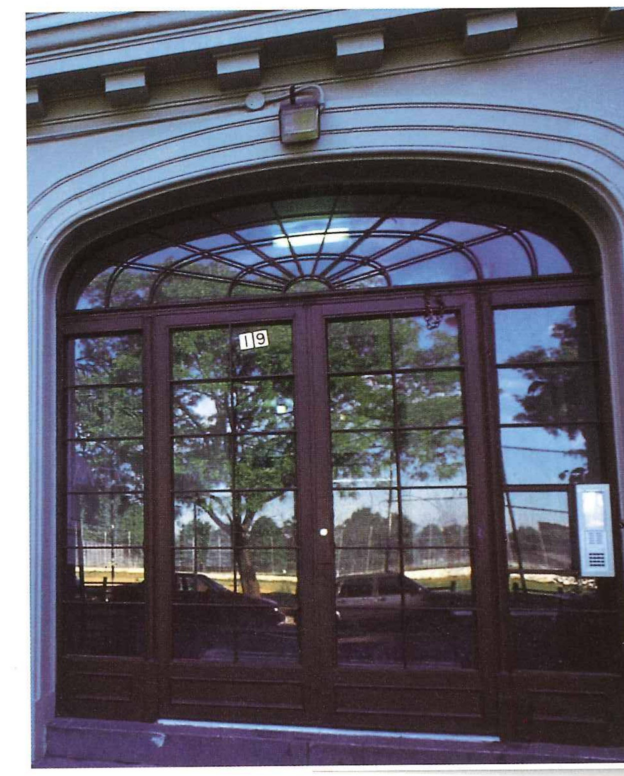
Bottom Left
Gut renovated as part of the CityHome Program, this single-family home on Leslie Road in Queens was sold for $115,000. This program, a partnership among CPC, the City, and the Enterprise Foundation, provides homeownership opportunities for families by rebuilding previously City-owned properties.

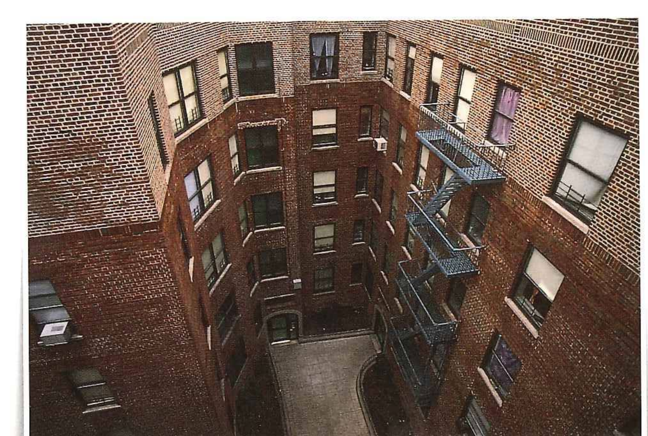
Top Right
2006 Amsterdam Avenue, previously a drug haven, was reclaimed by the community working with a private developer, and provides 18 units for moderate-income families.

Center Right
CPC and NYC Department of Housing Preservation and Development financed the moderate rehabilitation at 19 Parade Place in the Flatbush section of Brooklyn. The building contains 76 rental units.

Bottom Right
CPC and NYC Department of Housing Preservation and Development (HPD) financed the partial gut rehabilitation at 1800 University Avenue in the Bronx. The building had been partially destroyed by fire, and taken over by drug dealers. The Northwest Bronx Community and Clergy Coalition organized the remaining tenants to seek help. Responding quickly, CPC identified a construction company which purchased and rehabilitated the building, restoring affordable homes to tenants and stability to the community.



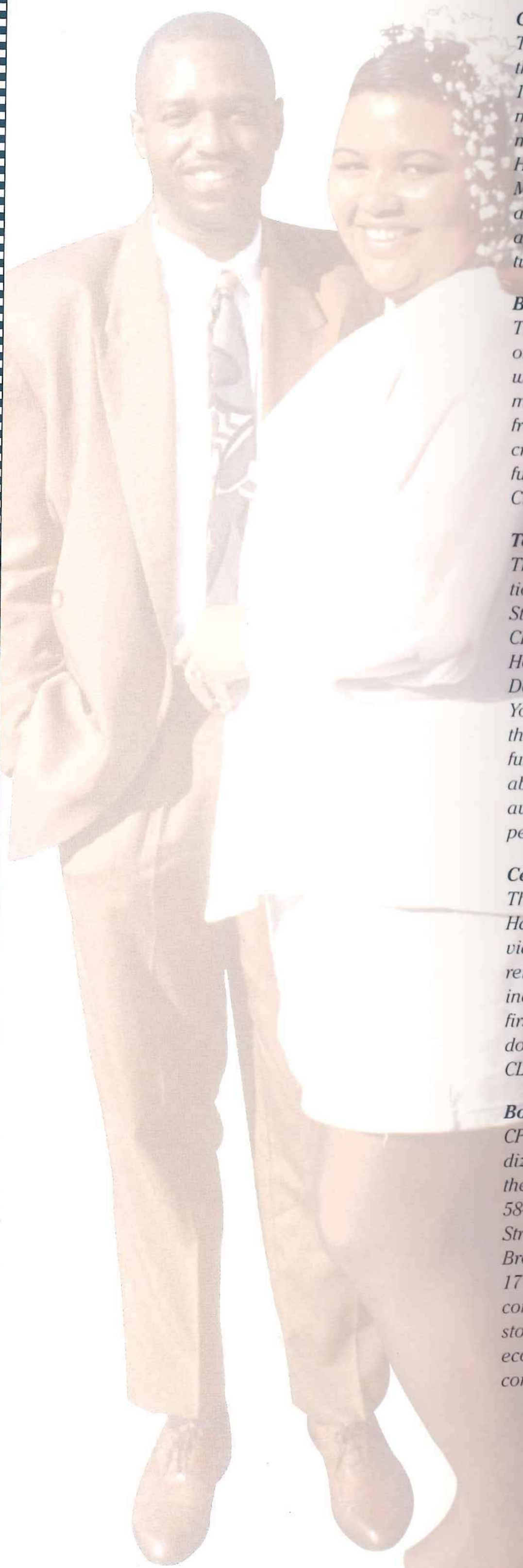




converted from rental projects. Many properties, in moderate-income areas, had undergone such conversion, but because of low sales — many properties have fewer than 50% of their units owned, with the balance remaining rental — in combination with over-financing, the properties fell into financial distress. Typical of this distress is that properties operate with negative cash flows, defaulting on their mortgages, leaving the buildings unable to pay for needed repairs, and jeopardizing the investment of individuals who purchased their apartments. ❖ The CPC investment refinances the existing building mortgage at a sufficient discount to eliminate any negative cash flow as well as to pay for needed repairs. With the return of financial and physical soundness, the value of the individual apartments are restored. For this new value to be realized for individual owners, CPC arranges financing from its member banks for the buying and selling of individual apartments. If needed, SONYMA will insure these share loans as well. The result is that bank financing has now returned to these properties, value has been restored to existing owners, and new opportunities for affordable home ownership have opened.

Financing Lower Income Housing

While market mechanisms can open affordable housing opportunities for many, for the lowest income neighborhoods some public support will be needed. With waning public support for housing subsidies, it is important that new ways be discovered to get the most out of scarce public subsidies and not, as often happens, let its



Top Left
CPC, NYC Department of Housing Preservation and Development, Article 8A Program, and Freddie Mac are providing the refinancing for the 65 affordable apartments at 2701 Grand Concourse in the Bronx. CPC, as a Freddie Mac Program Plus lender, originated the loan.

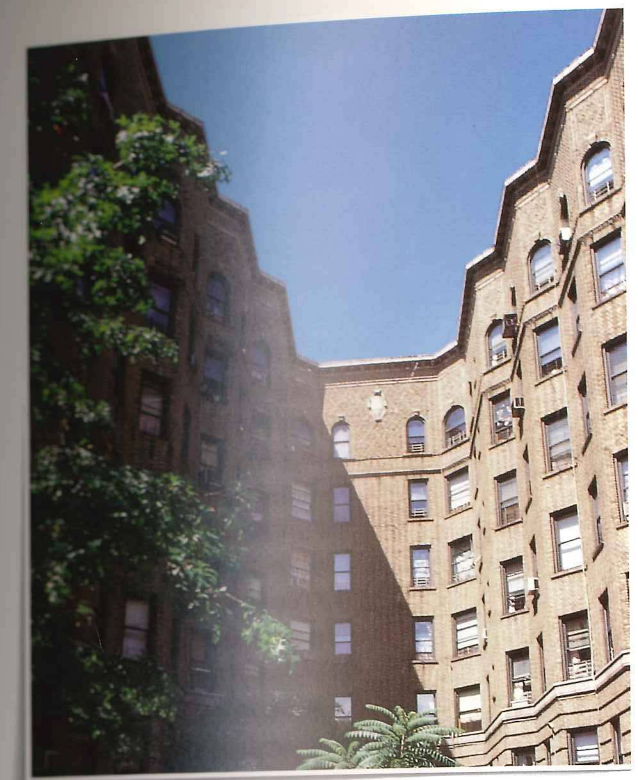
Center Left
The gut rehabilitation of this building at 512 West 151st Street created 29 moderate-income apartments in the Hamilton Heights section of northern Manhattan. Monthly rents are $525 for one-bedroom apartments and $625 for two-bedroom units.

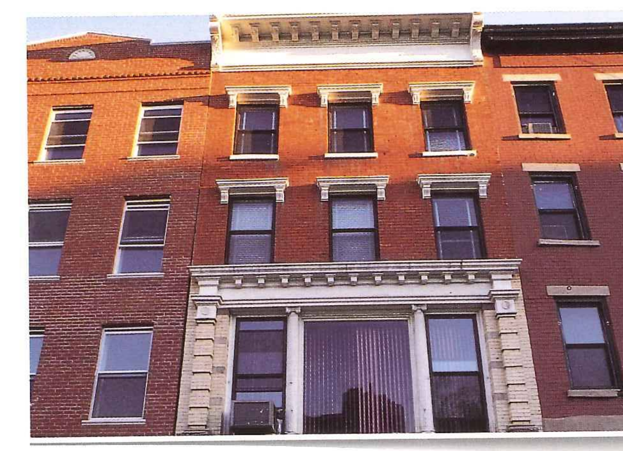
Bottom Left
The moderate rehabilitation of 86 South Union Street was funded through a permanent loan of $775,000 from CLC, low-income tax credits, and HOME grant funds of $125,000 from the City of Rochester.

Top Right
The moderate rehabilitation of 274 West 140th Street is a joint effort by CPC, NYC Department of Housing Preservation and Development, State of New York Mortgage Agency, and the New York City pension funds. It contains 60 affordable apartments with an average rental cost of $113 per room.

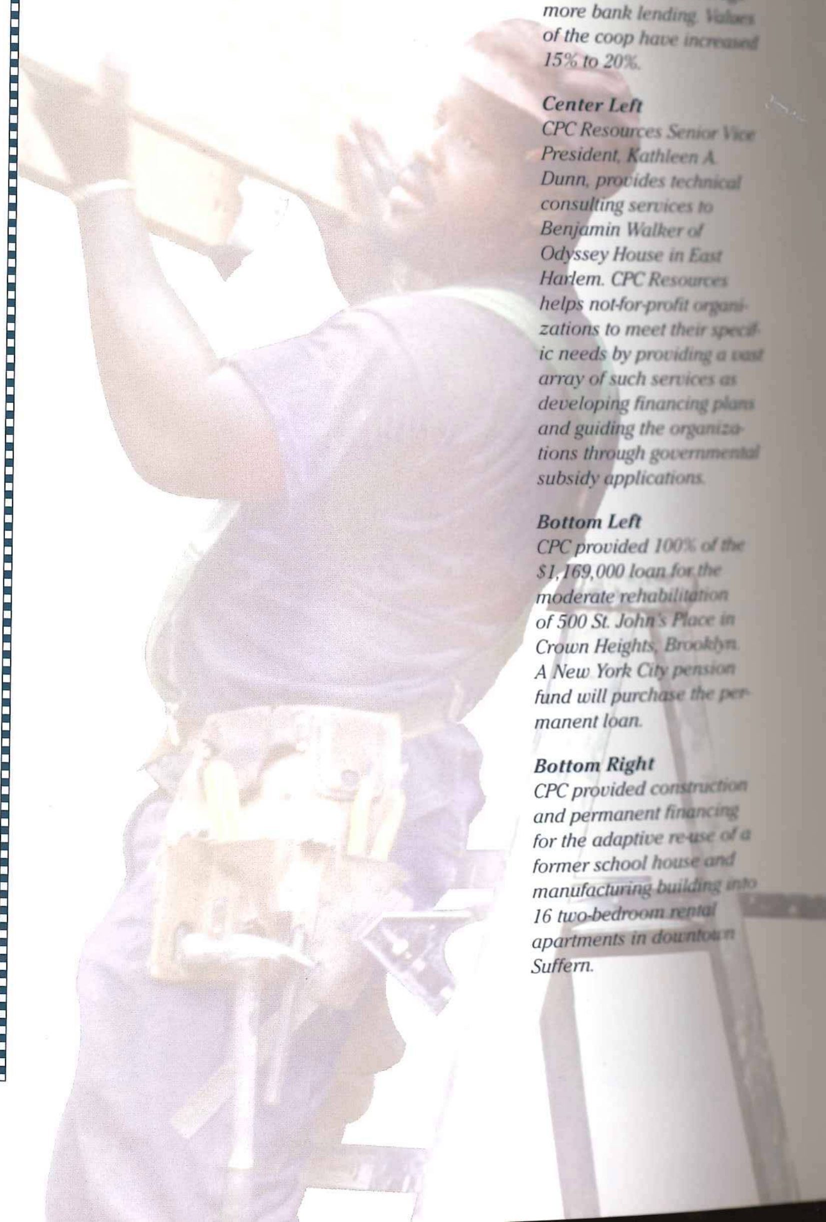
Center Right
This building at 90 East Hatfield in Massena provides 52 apartments with rents affordable to low-income families. This is the first upstate refinancing done by Freddie Mac with CLC.

Bottom Right
CPC provided an unsubsidized loan of $1,090,000 for the gut rehabilitation of 58-63 Lafayette/25 Fulton Street in Fort Greene, Brooklyn. In addition to 17 apartments, the building contains four commercial store fronts vital to the economic health of the community.





benefits be diluted by inflated costs. ❖ A tested method of efficiently using public subsidy is the "one-stop shop" approach. Here, a property owner obtains a construction and permanent loan, together with a public subsidy at one location. This, along with expert assistance regarding building costs and scopes of work, was the foundation for the mass renovation of several of New York's low- and moderate-income neighborhoods. In the Northern Manhattan area, more than 8,000 units were rehabilitated under this system. With some variations, CPC financed more than 5,000 units in Harlem and 7,000 in the South Bronx. ❖ The "one-stop" approach contrasted sharply with the more cumbersome efforts of government-run production programs. The former was ideally suited to the small inexperienced owners/developers who were the predominant owners in the low-income communities. They did not have the resources to deal with lengthy processing requirements which accompanied the government-run programs, but participated broadly in the simplified program. The results in cost were often astonishing: the production costs of the "one-stop" efforts were up to half the cost of its government-run counterpart, as the market was opened to small, cost efficient builders/owners. ❖ CPC is planning to implement a variation of this program in several upstate neighborhoods and will focus on the redevelopment of smaller properties — one- to ten-unit buildings. Here, as CPC is doing in Beacon and Newburgh, we hope to combine private funds with Federal Home Loan Bank funds, and local and state

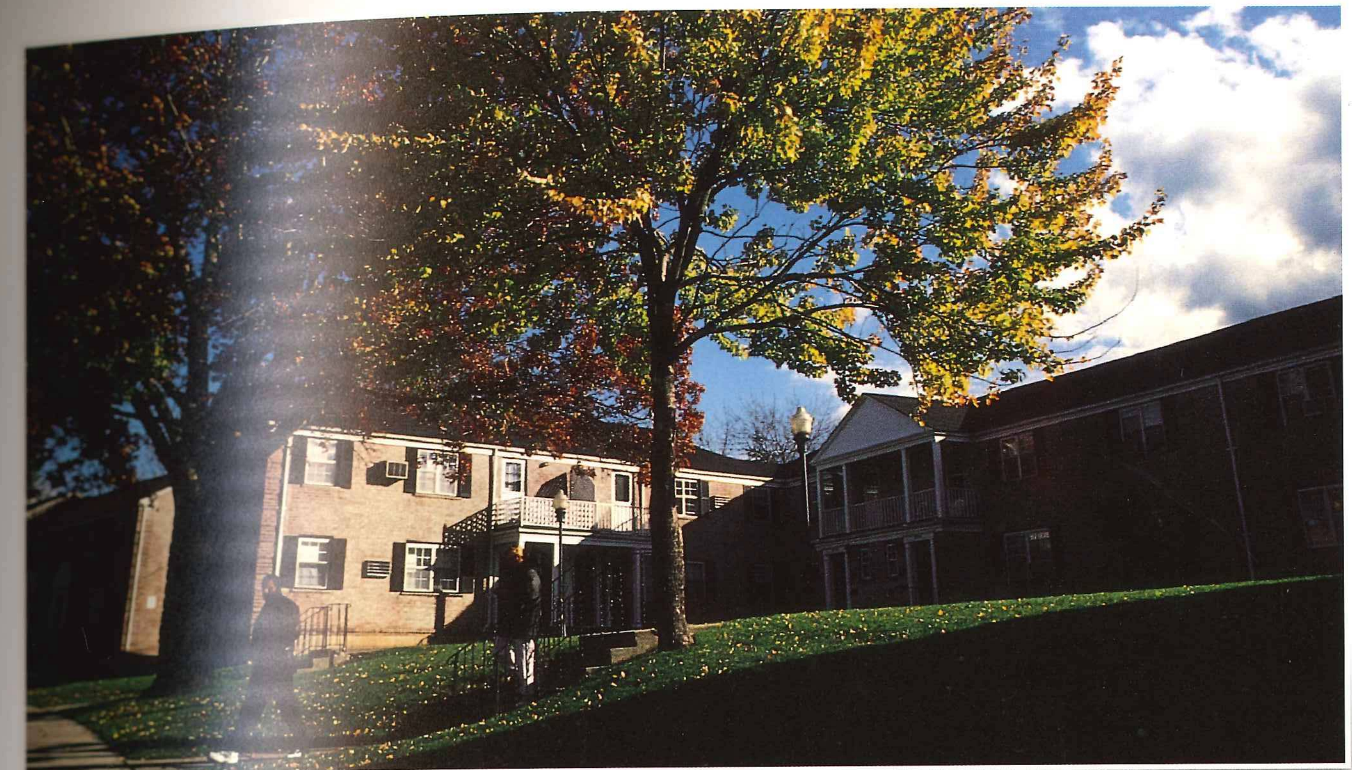


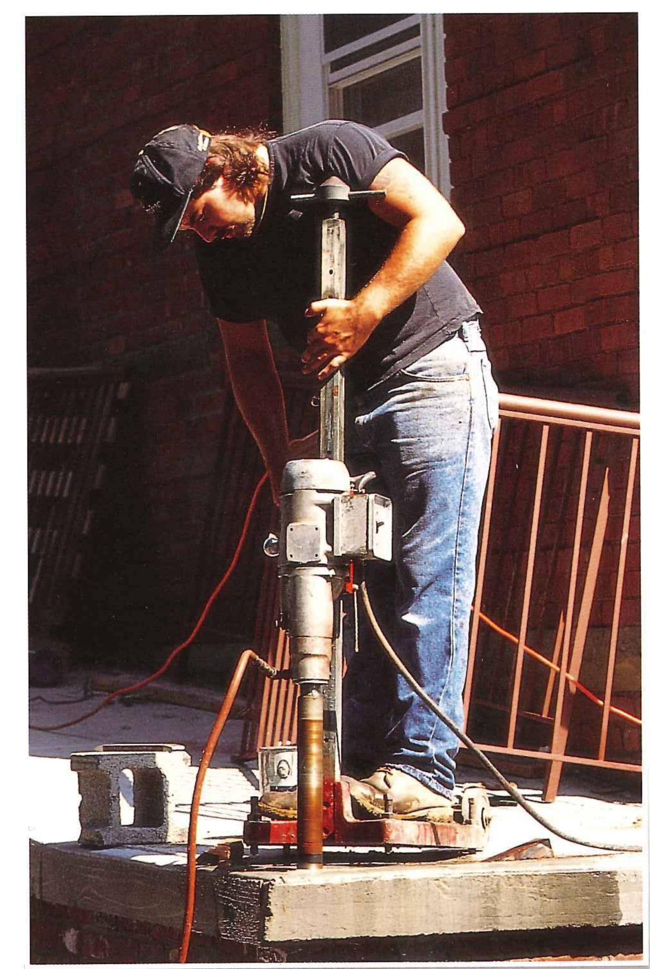
Top
The Estates at Bayside in Queens, consists of 479 apartments. In 1993, the sponsor went into default and the property also experienced physical deterioration for which renovation funds were not available. With lenders unwilling to finance share loans at the troubled complex, existing owners were essentially locked into unmarketable units. Through CPC's new program with SONYMA for the refinancing of cooperatives, the problems were addressed. The existing mortgagee's agreed to accept a discount and CPC underwrote a new thirty-year fully amortizing mortgage, with funds for capital improvements and a reserve. CPC also secured FNMA approval to purchase loans made to individual owners and thus leverage more bank lending. Values of the coop have increased 15% to 20%.

Center Left
CPC Resources Senior Vice President, Kathleen A. Dunn, provides technical consulting services to Benjamin Walker of Odyssey House in East Harlem. CPC Resources helps not-for-profit organizations to meet their specific needs by providing a vast array of such services as developing financing plans and guiding the organizations through governmental subsidy applications.

Bottom Left
CPC provided 100% of the $1,169,000 loan for the moderate rehabilitation of 500 St. John's Place in Crown Heights, Brooklyn. A New York City pension fund will purchase the permanent loan.

Bottom Right
CPC provided construction and permanent financing for the adaptive re-use of a former school house and manufacturing building into 16 two-bedroom rental apartments in downtown Suffern.

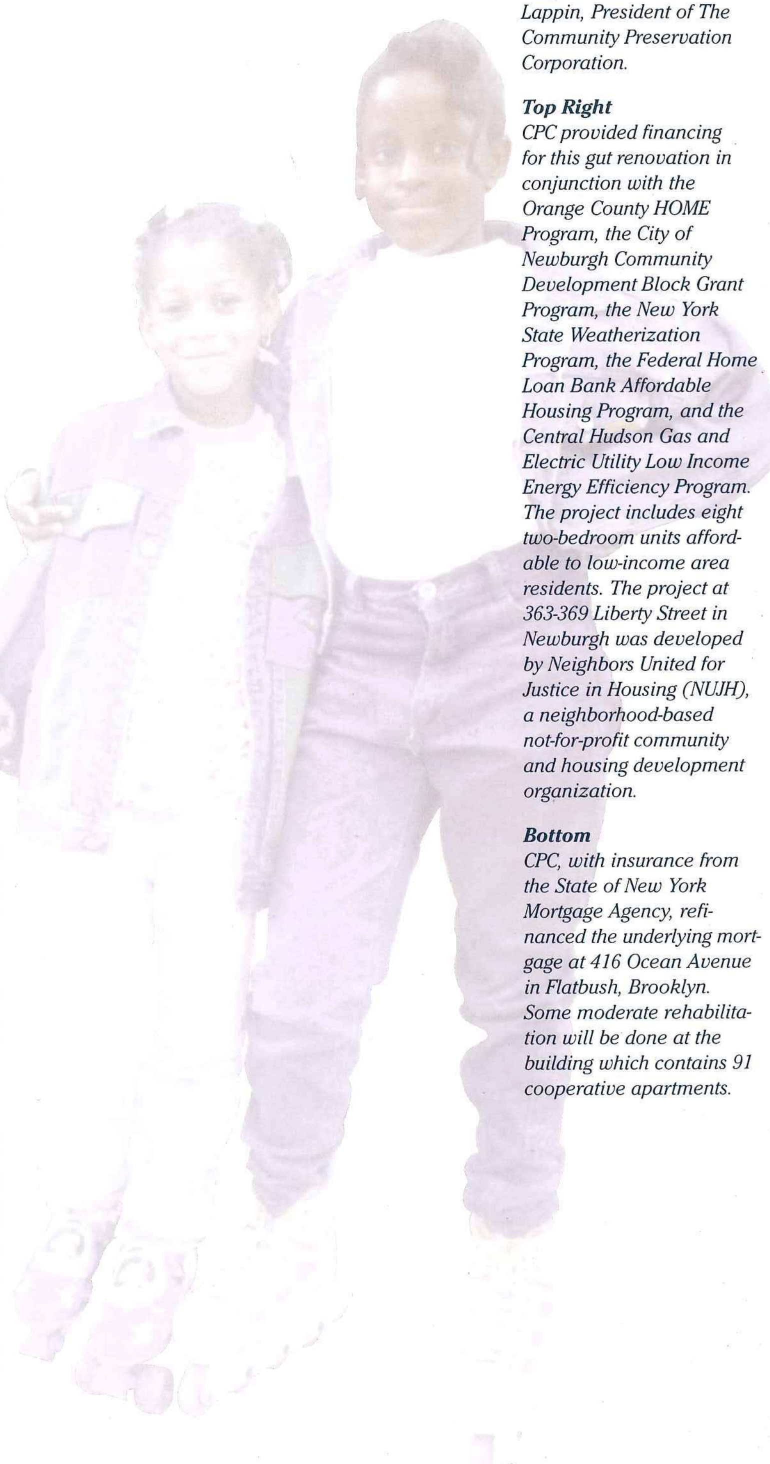




funds. Additionally, CPC will seek to train a network of neighborhood groups and private brokers to provide the technical advice to eligible property owners. CPC will help fund some of these groups through training grants and longer term fee-splitting arrangements.

Meeting Our Growing Capital Needs

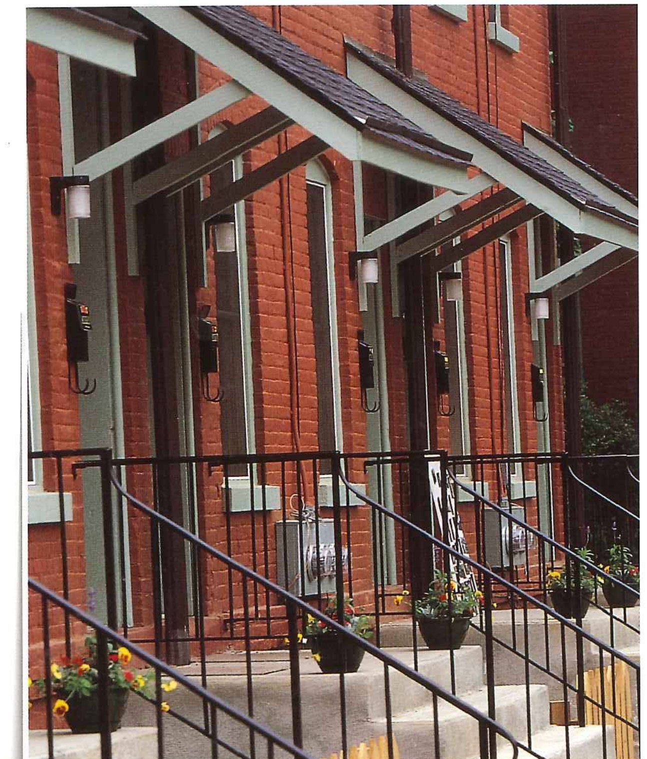
With CPC's financing pipeline at an all-time high, the company has devised several strategies to develop new sources of long-term capital. Currently, CPC's banking sponsors provide $150 million of permanent financing through purchases of securities backed by mortgages CPC originates. This facility is now at full capacity. To replenish these funds, the company made the decision to give member banks the opportunity to purchase loans from this portfolio. (Specifically, 133 loans totaling $55 million have been offered for sale.) ❖ The profile of these loans — generally well-seasoned loans with high debt-service coverage, low loan-to-value ratios, and top loss insurance provided by either the city or the state — coupled with the opportunity for each institution to customize its own loan pool, have attracted high levels of interest from buyers. With expected sales early next year, CPC anticipates using this method as an ongoing program to replenish its capital resources. ❖ On a parallel track, CPC has been in discussions with Standard and Poor's (S&P) regarding the rating of a pool of loans from its long-term portfolio. The goal is to secure a rating indication based on S&P's in-depth analysis of these loans. This information will be very useful in CPC's capital



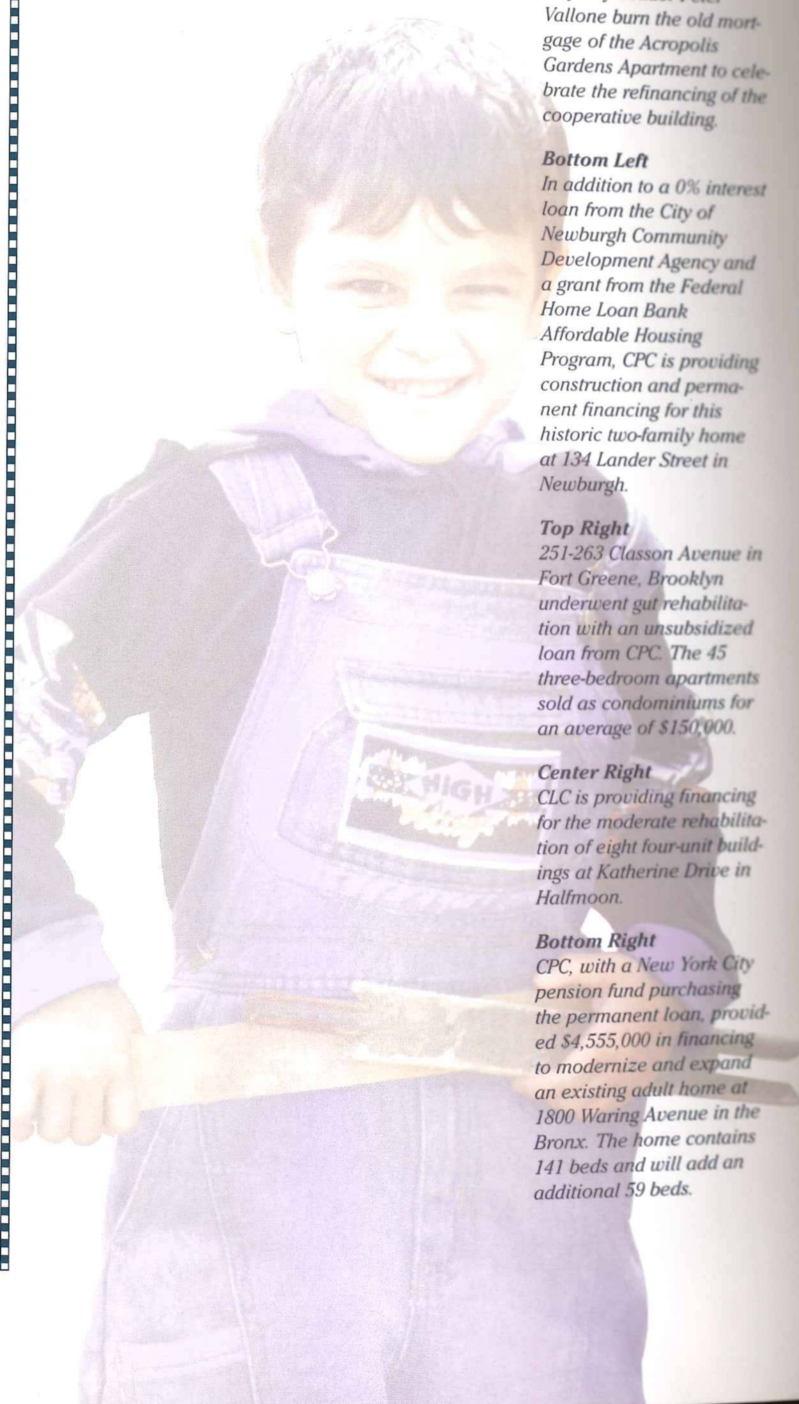
Top Left
Celebrating the refinancing of the Griffin Cooperative building, located at 101 Lafayette Avenue in Fort Greene, Brooklyn, are (from left) Daniel Sheehy, Senior Vice President, State of New York Mortgage Agency; Tanya Hill, President of the Cooperative's Board of Directors; Mary A. Brennan, Senior Vice President of CPC and Mortgage Officer for this undertaking; Naomi Dickerson, Secretary of the coop board; and, Michael Lappin, President of The Community Preservation Corporation.

Top Right
CPC provided financing for this gut renovation in conjunction with the Orange County HOME Program, the City of Newburgh Community Development Block Grant Program, the New York State Weatherization Program, the Federal Home Loan Bank Affordable Housing Program, and the Central Hudson Gas and Electric Utility Low Income Energy Efficiency Program. The project includes eight two-bedroom units affordable to low-income area residents. The project at 363-369 Liberty Street in Newburgh was developed by Neighbors United for Justice in Housing (NUJH), a neighborhood-based not-for-profit community and housing development organization.

Bottom
CPC, with insurance from the State of New York Mortgage Agency, refinanced the underlying mortgage at 416 Ocean Avenue in Flatbush, Brooklyn. Some moderate rehabilitation will be done at the building which contains 91 cooperative apartments.



planning. For example, certain loan production, including the purchase of loans originated by other affordable housing lenders, could be undertaken in anticipation of creating pools of rated securities which would sell either to member institutions or a wider investor group. ❖ This year, the company will also develop a financing program for retail development for low- and moderate-income communities. As neighborhoods are rebuilt, the need for retail shopping becomes more pressing. CPC is creating a $100 million permanent financing program to support these types of projects — most of which feature a supermarket anchor. This will be accomplished by creating a mortgage-backed security, similar to what is now in place for residential financing. It is expected that CPC's sponsoring banks, insurance companies, and possibly some of the public pension funds (the New York City Employee Retirement System is currently purchasing loans from CPC to finance small commercial strips) to participate in this funding. CPC expects to work closely with SONYMA as investors will need mortgage insurance appropriate to the risk profile of different projects. ❖ Lenders to low- and moderate-income communities must constantly adjust to the economic and social changes within these areas. Thus, careful attention will be paid to the sweeping changes that appear likely to occur in several low- and moderate-income entitlement programs — specifically in welfare and health programs and the earned income tax credit. While the final outcome of these changes is still being debated, it is



Top Left
With insurance from the State of New York Mortgage Agency, CPC provided an unsubsidized construction and a permanent loan for the acquisition and rehabilitation of this foreclosed property in Queens.

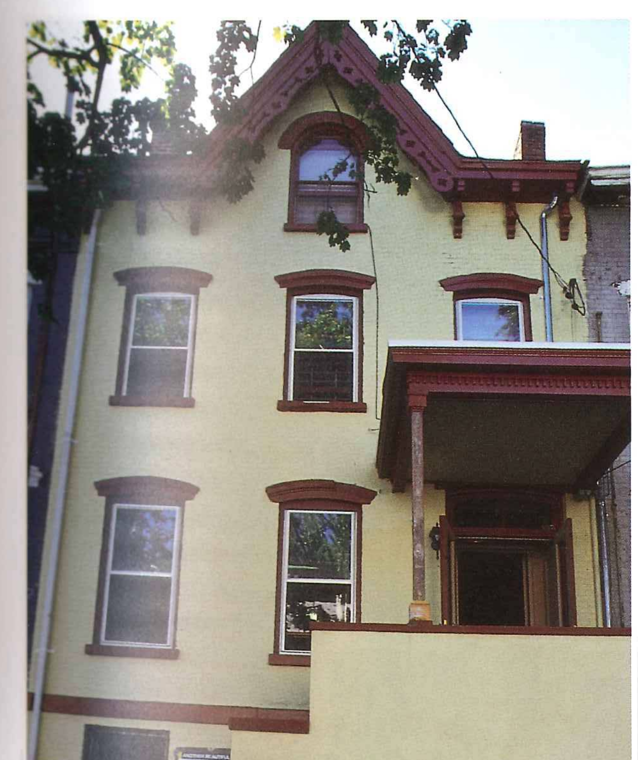
Center Left
Robert Bass, coop board President; Michael D. Lappin, President of CPC; Assembly Members Denis Butler and Ivan Lafayette; Stephen Hunt, President of the State of New York Mortgage Agency; Queens Borough President Claire Shulman; and, City Council Majority Leader Peter Vallone burn the old mortgage of the Acropolis Gardens Apartment to celebrate the refinancing of the cooperative building.

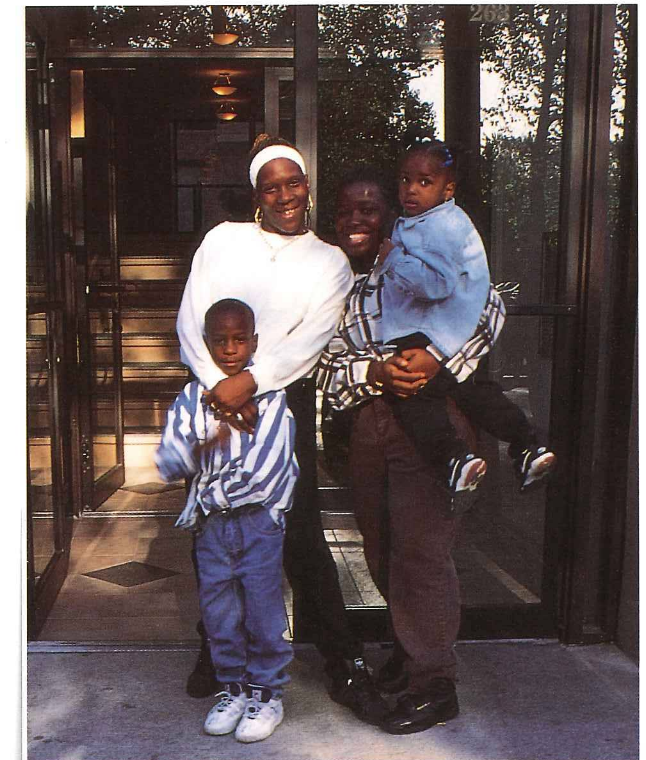
Bottom Left
In addition to a 0% interest loan from the City of Newburgh Community Development Agency and a grant from the Federal Home Loan Bank Affordable Housing Program, CPC is providing construction and permanent financing for this historic two-family home at 134 Lander Street in Newburgh.

Top Right
251-263 Classon Avenue in Fort Greene, Brooklyn underwent gut rehabilitation with an unsubsidized loan from CPC. The 45 three-bedroom apartments sold as condominiums for an average of $150,000.

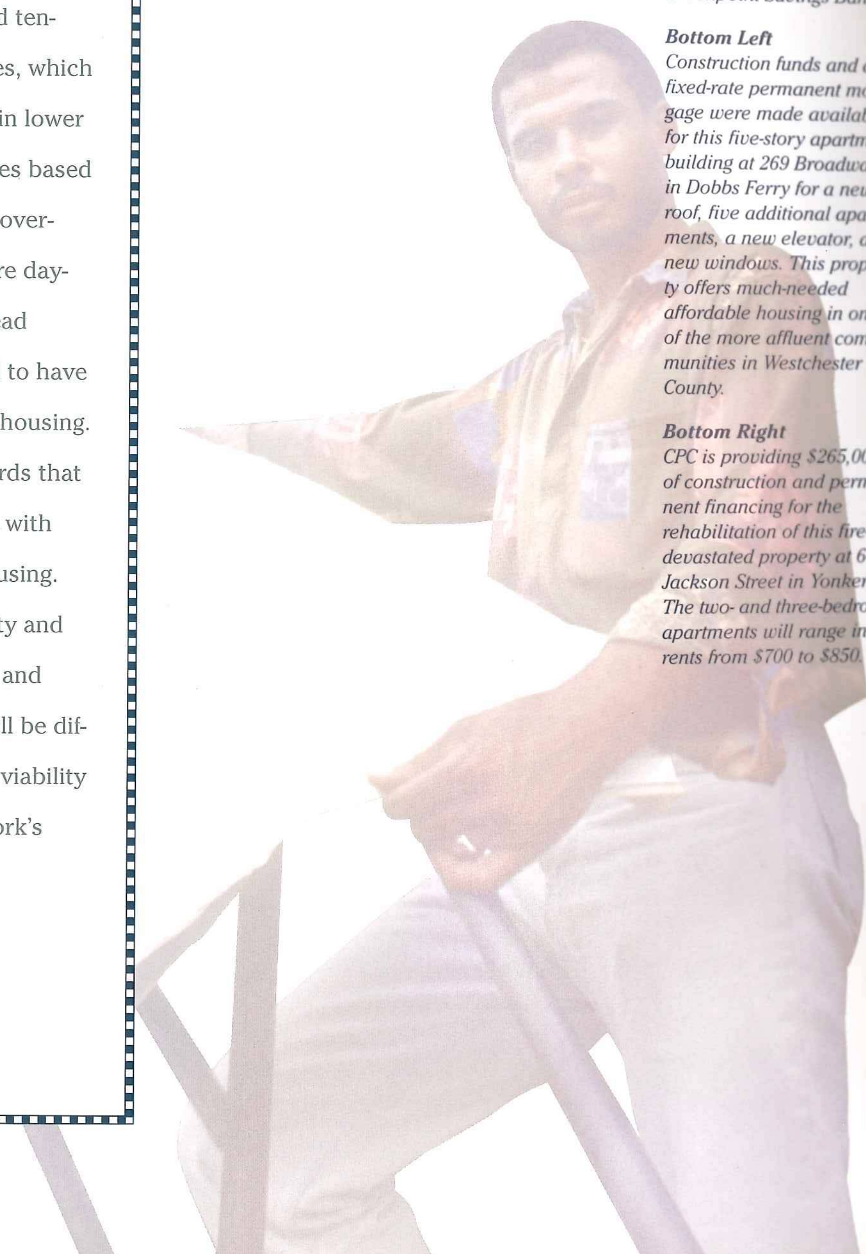
Center Right
CLC is providing financing for the moderate rehabilitation of eight four-unit buildings at Katherine Drive in Halfmoon.

Bottom Right
CPC, with a New York City pension fund purchasing the permanent loan, provided $4,555,000 in financing to modernize and expand an existing adult home at 1800 Waring Avenue in the Bronx. The home contains 141 beds and will add an additional 59 beds.





clear that resources will be reduced. At some point, housing lenders will have to adjust their loan underwritings to account for these reductions. No one knows the ultimate effect of the changed entitlements, though some national leaders see them as a curative to the problems of the overall economy. ❖ Locally, these issues will resonate with others to affect lending. Changes in rent subsidy programs will not only affect government housing, but private rental dwellings as well. If subsidies are withdrawn, owners renting to subsidized tenants will face the unwelcome choice of seeing their buildings' viability diminish or replacing subsidized tenants. ❖ On the expense side, water rates, which have tripled since 1986, will further rise in lower income communities where a shift of rates based on usage will reflect the social effects of overcrowding, deteriorated housing, and more daytime usage due to unemployment. ❖ Lead remediation standards are also expected to have a disproportionate effect on low-income housing. Here the difficulty lies in creating standards that can balance the health needs of children with the economic realities of the affected housing. ❖ CPC has been working closely with city and state officials in an attempt to anticipate and solve these problems. While solutions will be difficult, the importance of maintaining the viability of our neighborhoods is crucial if New York's cities are to remain healthy.

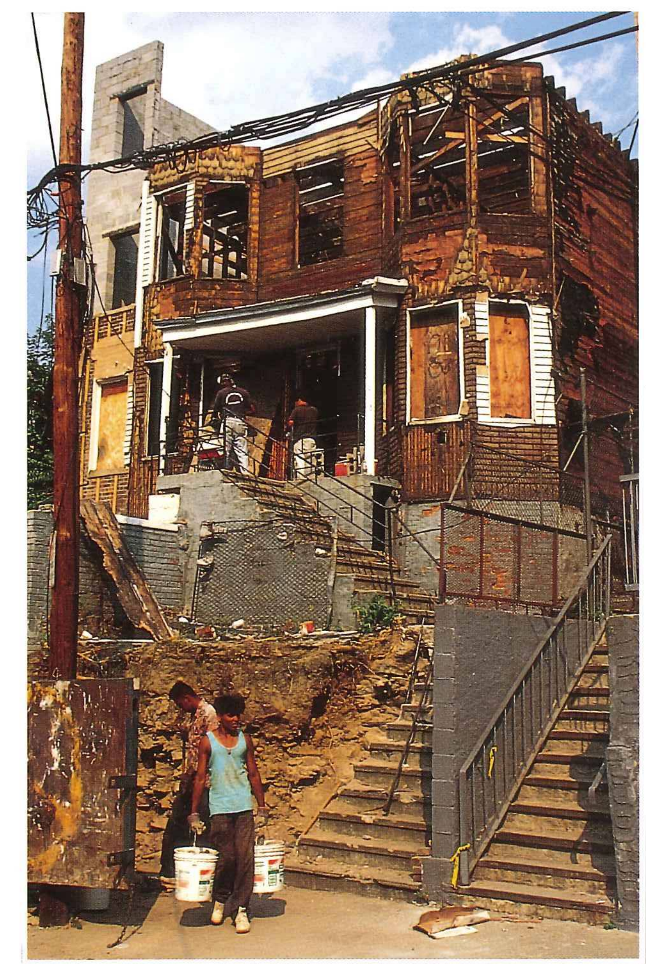


Top
CLC provided the construction and permanent loans for two apartments and 2800 square feet of office space at 1 Rapp Road. The site is in a growing retail and office area in Albany.

Center Left
Wielding three-foot scissors, Nyack Mayor Terry Hekker and Rockland County Executive Scott Vanderhoef cut the ribbon at Franklin Commons, surrounded by new residents, local elected officials, Tom McGrath from The Community Preservation Corporation, and representatives from Rockland County Housing Action Coalition, Provident Savings Bank, Federal Home Loan Bank, the Affordable Housing Corporation, and Greenpoint Savings Bank.

Bottom Left
Construction funds and a fixed-rate permanent mortgage were made available for this five-story apartment building at 269 Broadway in Dobbs Ferry for a new roof, five additional apartments, a new elevator, and new windows. This property offers much-needed affordable housing in one of the more affluent communities in Westchester County.

Bottom Right
CPC is providing $265,000 of construction and permanent financing for the rehabilitation of this fire-devastated property at 64 Jackson Street in Yonkers. The two- and three-bedroom apartments will range in rents from $700 to $850.



financial overview

The Community Preservation Corporation (CPC) completed the fiscal year with an operating surplus of approximately $3.2 million. Accumulated surpluses and reserves from all years now total approximately $19.3 million. Income from operations has exceeded expenses in each year since 1979. This financial stability enables an assertive pursuit of CPC's objectives: 1) It furnishes a reserve against possible losses on construction loans, which carry inherent risks and are generally ineligible for mortgage insurance. CPC's construction and warehoused loan balances were $151.6 million at fiscal year-end, with another $53.2 million yet to be funded on closed loans. 2) It satisfies the working capital requirement under the revolving credit agreement with CPC's members and supplies the mandated financial strength for CPC's continued eligibility as an FHA-approved lender. 3) It provides the minimum financial requirements for seller/servicer status for Fannie Mae and Freddie Mac. 4) It enables CPC to expand its range of services. In fiscal year 1995, CPC consummated a merger with the Albany-based Community Lending Corporation (CLC), thereby extending its lending area to include the entire State of New York. In connection with the merger, new lending offices were opened in Syracuse and Buffalo. CPC's financial strength will support our continued expansion in services to the statewide market. ❖ There are three major sources of CPC's net income: interest spread on construction loans; commitment fees; and, servicing fee income. Servicing fee income has made a larger contribution to income in recent years, largely reflecting cumulative portfolio growth from past originations. CPC serviced more than $1.4 billion in mortgages by year-end for its own account and on behalf of participants, investors and other servicing clients. ❖ Prospects for the future, while favorable, continue to be subject to fluctuations in several areas: cyclical economic trends including, in particular, employment trends for City residents and the rising government levies on housing, especially taxes and water/sewer billings; the supply of public subsidies, including entitlement programs for low-income households; and, the efficient functioning of government agencies affecting rental housing.

cpc income and expenses
($ in thousands)

Expenses other than interest

Revenues and Public Support, Net of Interest Expense

report of independent public accountants

To the Board of Directors of The Community Preservation Corporation:

We have audited the accompanying consolidated balance sheets of The Community Preservation Corporation (a New York not-for-profit corporation) and subsidiary as of June 30, 1995 and 1994, and the related consolidated statements of support, revenues and expenses and changes in fund balance for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Community Preservation Corporation and subsidiary as of June 30, 1995 and 1994, and the results of their operations and changes in their fund balance for the years then ended in conformity with generally accepted accounting principles.

Arthur Andersen LLP

New York, New York
October 13, 1995

the community preservation corporation and subsidiary consolidated balance sheets

As of June 30, 1995 and 1994

Assets	**1995**	**1994**
Investment in First Mortgage Loans, net of participations, deferred commitment fees and allowance for possible investment losses (Notes 4, 5 and 6):		
Construction loans	$ 100,445,252	$ 88,002,885
Permanent mortgage loans	51,140,405	48,205,322
	151,585,657	136,208,207
Cash and Cash Equivalents, including restricted funds of $70,715,920 and $65,485,283 in 1995 and 1994, respectively	76,007,689	75,857,103
Accrued Interest Receivable	1,362,713	1,115,822
Other Receivables	1,610,091	3,173,217
Other Assets, net	2,097,773	1,938,651
Total	**$232,663,923**	**$218,293,000**

Liabilities and Fund Balance	**1995**	**1994**
Liabilities:		
Notes payable under revolving credit agreements — unsecured (Note 7)	$ 91,417,066	$ 91,600,000
Accounts payable and accrued expenses	5,791,523	6,359,272
Participants' deposits (Note 10)	62,793,479	61,192,797
Escrow, deposits and other liabilities	53,334,009	43,000,957
	213,336,077	202,153,026
Commitments and Contingencies (Notes 4 and 13)		
Fund Balance	19,327,846	16,139,974
Total	**$232,663,923**	**$218,293,000**

The accompanying notes are an integral part of these consolidated balance sheets.

the community preservation corporation and subsidiary
consolidated statements of support, revenues and expenses and changes in fund balance
For the years ended June 30, 1995 and 1994

	1995	1994
Revenues and Public Support:		
Interest on first mortgage loans	$ 14,919,540	$ 11,729,673
Servicing fee income	3,047,147	2,757,962
Interest on short-term investments	867,581	334,377
Commitment fees	188,055	169,744
Other revenues	305,329	61,322
Public support	53,240	80,000
Total revenues and public support	**19,380,892**	**15,133,078**
Expenses:		
Interest expense (Note 12)	8,780,613	5,639,559
Employee compensation and benefits (Note 14)	3,694,151	3,212,096
Professional fees	879,753	605,996
Office expenses (Note 13)	1,055,994	1,002,990
Depreciation and amortization	477,471	408,131
Income tax expense (note 2)	200,311	79,064
Other expenses	1,104,727	822,900
Total expenses	**16,193,020**	**11,770,736**
Excess of revenues and public support over expenses	**3,187,872**	**3,362,342**
Fund Balance, beginning of year	16,139,974	12,777,632
Fund Balance, end of year	**$19,327,846**	**$ 16,139,974**

The accompanying notes are an integral part of these consolidated statements.

the community preservation corporation and subsidiary notes to consolidated financial statements
For the years ended June 30, 1995 and 1994

1. organization and purpose

The Community Preservation Corporation ("CPC" or the "Corporation") was incorporated on July 10, 1974, under the Not-For-Profit Corporation Law of the State of New York, for the purpose of making mortgage financing available in selected neighborhoods which are experiencing deterioration or disinvestment.

The Corporation accomplishes its purpose by making construction and permanent mortgage loans to the private sector for the development and preservation of residential properties in low and moderate income areas of New York City and surrounding areas within New York State. The housing stock of certain communities within these areas is experiencing physical deterioration which the Corporation's management believes can be ameliorated through the combined effort and resources of government and the private sector. Governmental agencies and private sector organizations participate with the Corporation in many of the mortgage loans that it originates.

Membership in the Corporation is achieved by obtaining approval of the Board of Directors, making a capital contribution to the Corporation, and committing to participate as a lender in the credit facilities of the Corporation, as required by the Board of Directors (Notes 7 and 8). Capital contributions are evidenced by nontransferable capital certificates which are not redeemable. The Corporation is prohibited from distributing any assets or property to any individual or member of the Corporation.

On November 2, 1992, CPC Resources Inc., a wholly owned subsidiary of CPC, (the "Subsidiary") was incorporated under Section 402 of the Business Corporation Law of the State of New York as a for-profit corporation. As of June 30, 1995, CPC has made cumulative capital contributions to the Subsidiary approximating $2,790,000.

The purpose of the Subsidiary is to function primarily as a servicer for mortgage loans held by the private sector, to seek equity participation in loans or real estate ownership of residential properties in low and moderate income neighborhoods within New York City and New York State and to provide consulting services on affordable housing development and financing. On January 17, 1995, CPC transferred its Federal Home Loan Mortgage Corporation ("FHLMC") loan servicing to the Subsidiary. In addition, during 1995 the Subsidiary has acquired rights to service other FHLMC portfolios.

On June 30, 1995, the Corporation merged with the Community Lending Corporation ("CLC"), a New York not-for-profit organization organized for purposes essentially identical to those of the Corporation, but providing mortgage financing in selected neighborhoods in the upstate New York region.

2. summary of significant accounting policies

The significant accounting policies of CPC are as follows:

Principles of Consolidation
CPC consolidates its wholly owned Subsidiary. All intercompany balances and transactions were eliminated in consolidation.

Income Taxes
The Internal Revenue Service has determined that CPC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. This determination does not however apply to any net income earned from business which is not directly related to the tax-exempt purposes of CPC. During the current year, CPC generated unrelated business net income which CPC earned from the servicing of certain mortgages. Such unrelated business net income of CPC, and the net income of the Subsidiary, are subject to tax. As a result, CPC and the Subsidiary have recorded Federal, State and City Corporation income taxes of $200,311 and $79,064 in 1995 and 1994, respectively. The Subsidiary files a separate tax return from CPC.

Income Recognition
Interest on first mortgage loans is accrued monthly based on the daily outstanding principal balances of such loans. Servicing fee income on loans serviced by the Corporation is accrued monthly based on the outstanding principal balances of such loans or on the aggregate amount of unadvanced deposits made by participating lenders to fund their share of construction loan commitments, or both, as applicable.

The Corporation ceases to accrue interest on specific loans for financial reporting purposes when required payments of principal and/or interest have not been received for a period of more than 90 days. In such circumstances, the Corporation also reverses any previously recorded unpaid interest.

Commitment Fees
Commitment fees are charged to prospective borrowers principally to offset the Corporation's costs of originating construction loans. Direct loan origination costs are offset against any related commitment fees collected and the net amount is deferred. If the commitment is exercised, the net deferred amount is recognized on a straight-line basis over the life of the loan as an adjustment to income. If the commitment expires unexercised, the net deferred portion is recognized in income upon expiration of the commitment. If the loan is subsequently sold, any remaining deferred balance is recognized in income at the time of the sale.

As of June 30, 1995 and 1994, net deferred commitment fees consisted of the following:

	1995	1994
Unamortized deferred commitment fees	$3,643,018	$3,016,710
Unamortized deferred loan origination costs	(2,817,949)	(2,386,229)
Total	**$ 825,069**	**$ 630,481**

Net deferred commitment fees are included on the consolidated balance sheets as part of the Corporation's investment in first mortgage loans (Note 4).

Pledged Mortgage Loans
Mortgage loans pledged as collateral for nonrecourse collateral trust notes are accounted for as if they had been sold to the holders of the notes. Accordingly, no accounting recognition is given to the pledged loans or the nonrecourse collateral trust notes (Note 8) in the accompanying financial statements.

Depreciation and Amortization
Office furniture and equipment, computer equipment and automobiles are depreciated using the straight-line method over their estimated useful lives which range from 5 to 8 years. Purchased computer software is amortized over 5 years. Purchased mortgage servicing rights are being amortized over 9 years. These items are included in other assets, net.

Cash Equivalents
The Corporation defines cash equivalents as short-term highly liquid investments that are readily convertible to known amounts of cash and have original maturities, at the date of acquisition, of 90 days or less.

3. disclosures about fair value of financial instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such a value:

Cash and Cash Equivalents
For these short-term instruments, the carrying amount is a reasonable estimate of fair value.

Investment in First Mortgage Loans
CPC considers the carrying amount of its investment in first mortgage loans to be a reasonable estimate of fair value as the interest rates on its construction loans float with market rates and the fixed rates on its permanent loans are set at market prior to their origination date and are sold or pledged, on a nonrecourse basis, at par, generally pursuant to existing commitments made by the purchaser or the pledgee.

Deposit Liabilities
CPC considers the fair value of participants' deposits and escrow and other deposits of borrowers to be their face amounts, as participant deposits are held to be advanced at par, and borrower deposits are to be either retained by CPC at par, paid at par for applicable purposes or returned at par to eligible borrowers.

Notes Payable
CPC considers the carrying amount of its notes payable under the revolving credit agreement to approximate their fair value as the interest rate on this obligation floats with market rates.

Commitments to Extend Credit
CPC considers the fair value of these commitments to be equal to the contractual amounts to be funded by CPC on each loan.

4. investment in first mortgage loans and related commitments

The following is a summary of closed first mortgage loans in which CPC has participated, as of June 30, 1995 and 1994 (000's omitted except for number of loans):

1995	Construction	Permanent	Total
Number of loans	**163**	**483**	**646**
Funded commitments:			
Total funded balance, net of repayments	$ 256,979	$620,922	$ 877,901
Less-			
Participants' interests	155,089	342,248	497,337
Mortgage loans sold (Note 9)	—	158,665	158,665
Mortgage loans pledged (Note 8)	—	68,588	68,588
Corporation's portion	**101,890**	**51,421**	**153,311**
Allowance for possible investment losses	(900)	—	(900)
Net deferred commitment fees	(545)	(280)	(825)
Investment in first mortgage loans	**$100,445**	**$ 51,141**	**$151,586**

1994	Construction	Permanent	Total
Number of loans	**164**	**420**	**584**
Funded commitments:			
Total funded balance, net of repayments	$ 253,039	$535,918	$ 788,957
Less-			
Participants' interests	163,697	308,541	472,238
Mortgage loans sold (Note 9)	—	136,529	136,529
Mortgage loans pledged (Note 8)	—	42,452	42,452
Corporation's portion	**89,342**	**48,396**	**137,738**
Allowance for possible investment losses	(900)	—	(900)
Net deferred commitment fees	(439)	(191)	(630)
Investment in first mortgage loans	**$ 88,003**	**$ 48,205**	**$136,208**

Construction loans are loans which require the borrower to pay only interest charges on the outstanding balance, with no principal payments due prior to maturity. Historically, substantially all of the Corporation's construction loans have been ultimately converted to permanent loans after completion of construction. Certain construction loans have remained outstanding for periods longer than the originally contemplated term of the loan and the Corporation has effectively extended the maturity date of these loans on a month-to-month basis. At June 30, 1995, substantially all of those loans were current as to the interest payments required of the borrowers. The Corporation has received conditional commitments from its financing sources to purchase these and all other construction loans after they have converted to permanent mortgages or to purchase collateral trust notes secured solely by the permanent mortgages, upon the completion of administrative and other requirements (Notes 8 and 9). These conditional commitments can be extended indefinitely at the sole discretion of the Corporation.

Permanent loans are loans which generally require the borrower to make monthly combined payments of interest and principal in a level amount until maturity. Permanent loans are normally held by the Corporation for periods ranging from 1 to 24 months after they are converted from construction loans, pending the completion of certain administrative and other requirements.

At June 30, 1995, the Corporation is obligated to fund the following additional loan commitments (000's omitted except for number of loans):

	Number of Loans	Amount
Existing construction loans	163	$ 53,169
Commitments for new loans including those for which borrower acceptance is pending	101	151,542
Total	**264**	**$204,711**

Other participants, in various existing construction loans and in commitments for new construction loans, are obligated to lend an aggregate of an additional $110 million in connection with such loans and commitments.

5. allowance for possible investment losses

The Corporation maintains an allowance for possible investment losses on its portion of the mortgage loan portfolio at a level which, in management's judgment, is adequate to reflect potential losses which may result from known adverse conditions affecting the ability of the Corporation's borrowers to meet their obligations to the Corporation.

Substantially all permanent mortgage loans (including the interests of nongovernmental agency participants) which have been pledged to secure nonrecourse collateral trust notes or sold to city or state pension funds, are partially insured with the New York City Residential Mortgage Insurance Corporation ("REMIC") or the State of New York Mortgage Agency ("SONYMA"). The REMIC and SONYMA programs provide insurance coverage against losses resulting from the foreclosure and sale of the mortgage loan. These programs provide insurance in amounts ranging from the first 50% up to 75% of the principal balance of each loan, covering losses of principal, unpaid interest and costs of foreclosure and sale. The Corporation's management believes that these insurance programs make remote the probability of incurring any losses on these permanent mortgage loans. While a number of the permanent mortgage loans which are held by the Corporation have not yet received SONYMA or REMIC insurance, the Corporation has received commitments for such insurance and believes that substantially all permanent mortgage loans will obtain the required insurance and can be sold.

Construction loans in the Corporation's portfolio are not presently eligible for REMIC or SONYMA insurance and, accordingly, the Corporation and its participants bear the entire risk of losses as a consequence of borrower defaults. However, in certain circumstances a portion of the New York City Department of Housing Preservation and Development's participation in certain loans is subordinate to the participation of CPC and others. This reduces the risk of loss to CPC and others on such construction loans.

There are significant risks associated with the financing of residential construction projects which may increase or decrease as a result of changes in general economic or other conditions affecting the Corporation's borrowers. In addition to national or local general economic conditions, the ability of the Corporation's borrowers to meet their obligations to the Corporation depends upon, among other things, their ability to: complete construction work on a timely basis within acceptable standards and at the contemplated cost; successfully market condominium or cooperative housing units or, alternatively, convert them to rental units at rates which support debt service; successfully lease up rental projects and obtain any required rent subsidies and/or real estate tax abatements from governmental sources.

At June 30, 1995 and 1994, the Corporation's portion of construction and permanent loans for which, pursuant to the Corporation's accounting policies, interest is no longer being accrued, aggregated approximately $5.5 million and $9.7 million respectively, including $1 million and $1.1 million, respectively, which is in the process of foreclosure. At June 30, 1995, the Corporation did not hold any properties as a result of foreclosure actions.

The allowance for possible investment losses at June 30, 1995 and 1994 was $900,000. No amounts have been charged to the allowance since the time at which it was established.

In addition, the Corporation's unrestricted fund balance of approximately $19.3 million at June 30, 1995, is available to cover any presently unforeseen losses which may occur as a result of its lending activities.

6. restructuring first mortgage loans

During August 1992, a trustee appointed by federal court in connection with the bankruptcy proceedings of seven related borrowers, sold seven properties on which the Corporation and its participants held mortgage liens aggregating approximately $4.2 million and $11 million, respectively. In connection with these sales, the Corporation and its participants restructured the related mortgage loans to provide for additional advances aggregating approximately $1.8 million to be used for, among other things, payment to the Corporation of delinquent interest on the prior mortgage loans. The interest rates on the original loans were also adjusted to reflect current market rates. The transferee of the properties paid $500,000 in cash, in addition to assuming the debt of the restructured mortgages. At the closing, certain amounts were placed in escrow with the title insurer pending resolution of certain title matters. In addition, the trustee and the transferee assigned to the Corporation the right to refunds of certain property taxes previously paid during the pendency of the bankruptcy. In 1994, certain escrows were released and certain tax refunds were received. As a result, the Corporation recognized approximately $830,000 of income in 1994, representing the amount of interest which the Corporation, in accordance with its accounting policies, had not previously recognized.

7. revolving credit agreement

On November 16, 1992, the Corporation renewed its credit agreement with certain banks. Under the terms of the renewed credit agreement, the banks have agreed to lend the

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Vice Chairman
Chemical Banking Corporation

Jerome R. McDougal
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Chairman & CEO
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Guardian Life Insurance Company of America

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Richard A. Kraemer
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CrossLand Federal Savings Bank

Michael D. Lappin
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Community Bankers Association of New York State

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Citibank, N.A.

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New York Life Insurance Company

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First Fidelity Bank, N.A., New York

Timothy J. Welch
Senior Executive Vice President
Equitable Real Estate Investment Management, Inc.

**Resigned during 1994-95*

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Vice President
First National Bank of Cortland

Joseph S. Morgano
Chairman, NYC
Executive Vice President & Mortgage Officer
Independence Savings Bank

Edward C. Schultz
Chairman, Western Region
Regional Senior Vice President
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Paul Sherman
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Senior Vice President
Evergreen Bank

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Vice President
The Chase Manhattan Bank, N.A.

Margaret A. O'Leary
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Real Estate Vice President
New York Life Insurance Company

Anthony J. Alfieri
Commercial Loan Officer & Department Manager
Cohoes Savings Bank

James H. Bason
Vice President & Community Development Officer
The Bank of New York

Terry L. Bertram
Vice President
Maple City Savings & Loan Association

Diane Borradaile
Vice President
Chemical Community Development, Inc.

George C. Campbell
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First National Bank of the Hudson Valley

Maureen D. Connolly*
Vice President/Mortgage Officer
First Fidelity Bank, N.A., New York

Karen Cummings
Assistant Vice President
Fleet Bank

Richard Driscoll
Assistant Vice President
Onbank & Trust Company

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Vice President & Senior Loan Officer
Amsterdam Savings Bank, FSB

Joseph G. Eicheldinger
Vice President
Chase Manhattan Bank, N.A.

Frank J. Fogg
Vice President, Lending
MSB Bank

Bernice L. Giscombe
Vice President
Citibank, N.A.

Gary K. Hart
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BSB Bank and Trust

Kenneth A. Houghton
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Chemical Bank

Susan M. Hyman
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Chemical Bank

Stephen C. Kirby
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Herkimer County Trust Company

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President & CEO
The Community Preservation Corporation

Bruce A. Lehnertz
Director - New Investments
Teachers Insurance & Annuity Association

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Senior Vice President
Key Bank of New York

Thomas Nolan
Vice President
Marine Midland Bank

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Emigrant Savings Bank

W. David Schermerhorn
Vice President/Loan Officer
Oswego City Savings Bank

Robert F. Simington
Vice President & Senior Lending Officer
Putnam County Savings Bank

Joseph E. Sledge
Vice President
MetLife

Michael Swearingen
Vice President
The Chase Manhattan Bank, N.A.

**Resigned during 1994-95*

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President & CEO

John M. McCarthy
Executive Vice President & COO

Central Office

Carolyn Au
Assistant Vice President

Kathleen A. Dunn
Vice President

Nancy G. Feldman
Vice President

Aimee J. Frank
Director of Communications

Eric P. Graap
Treasurer & Chief Financial Officer

Jack Greene
Senior Vice President

Richard A. Kumro
Vice President, General Counsel & Secretary

Dianna Look
Assistant Vice President

Dale F. McDonald
Senior Vice President

Susan M. Pollock
Vice President

Manhattan/Bronx Office

Bruce Dale
Senior Vice President

Richard P. Conley
Vice President

Dennis R. Headen
Field Inspector

Patricia Lam
Assistant Mortgage Officer

Gunnel Rydstrom
Mortgage Officer

Reginald J. Spencer
Assistant Mortgage Officer

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Senior Vice President

Patricia Figueroa
Mortgage Analyst

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Lisa Getter
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Justin Peyser
Mortgage Officer

Hudson Valley Office

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Senior Vice President

Eileen M. Cronin
Loan Administrator

Joseph Czajka
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Sadie McKeown
Mortgage Officer

Douglas L. Olcott
Neighborhood Mortgage Officer

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Mortgage Officer

Long Island Office

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Vice President

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Executive Vice President

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David S. Michel
Vice President

Eastern Region
Alice M. Wong
Senior Vice President

Western Region
William J. Connors
Vice President

***CLC is an unincorporated division of The Community Preservation Corporation*

CPC Resources, Inc.***

Directors
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William C. Frentz
Harry D. Garber
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Richard A. Kraemer
Michael D. Lappin
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John A. Somers

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President & CEO

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Executive Vice President

Richard A. Kumro
Vice President & Secretary

Kathleen A. Dunn
Senior Vice President

Jack Greene
Senior Vice President

Dale McDonald
Senior Vice President

Carolyn Au
Assistant Vice President

Diana Look
Assistant Vice President

****CPC Resources, Inc. is a wholly owned subsidiary of The Community Preservation Corporation.*

**Resigned during 1994-95*

consulting professionals

ATC Environmental Inc.
Gerry Bakirtjy, A.I.A.
Daniel Frankfurt, P.E.
EEA Inc.
Peter Franzese, P.E.
Herbert Gallin, P.E.
Inspection & Valuation International
Garrison McNeil, R.A.
William Meyer, R.A.
Robert J. Santoriello, R.A.

cpc offices

Central
5 West 37th Street
New York, NY 10018
(212) 869-5300

Manhattan/Bronx
3154 Albany Crescent
Bronx, NY 10463
(718) 601-6600

Brooklyn/Queens/ Staten Island
One Metrotech Center, North
Suite 1001
Brooklyn, NY 11201
(718) 522-3900

Hudson Valley
245 Saw Mill River Road
Hawthorne, NY 10532
(914) 747-2570

Long Island
6851 Jericho Turnpike
Suite 230
Syosset, NY 11791
(516) 364-4800

CLC Divison:

Central Region
120 East Washington Street
Syracuse, NY 13202
(315) 476-3173

Eastern Region
1 Metro Park Road
Albany, NY 12205
(518) 453-1691

Western Region
403 Main Street
Suite 615
Buffalo, NY 14203
(716) 853-0266

cpc participating institutions

Commercial Banks

Amalgamated Bank of New York
Arab Bank plc
Banco Popular de Puerto Rico
The Bank of New York
The Bank of Tokyo Trust Company
Bankers Trust Company
Barclays Bank of New York, N.A.
Canadian Imperial Bank of Commerce (NY)
The Chase Manhattan Bank, N.A.
Chemical Bank
Citibank, N.A.
European American Bank
First Fidelity Bank, N.A., New York
First National Bank of the Hudson Valley
Marine Midland Bank, N.A.
Morgan Guaranty Trust Company of New York
NatWest Bank N.A.
North Fork Bank
Sterling National Bank & Trust Company of New York
United States Trust Company of New York

Savings Institutions

Apple Bank for Savings
Astoria Federal Savings & Loan Association
CrossLand Federal Savings Bank
The Dime Savings Bank of New York, FSB
The Dime Savings Bank of Williamsburgh
The East New York Savings Bank
Emigrant Savings Bank
Flushing Savings Bank
The Green Point Savings Bank
Home Federal Savings Bank
Home Savings of America, FSB
Independence Savings Bank
Jamaica Savings FSB
The Long Island Savings Bank, FSB
MSB Bank
North Side Savings Bank
Provident Savings Bank, F.A.
Putnam County Savings Bank
Queens County Savings Bank
Republic Bank for Savings
Rhinebeck Savings Bank
Ridgewood Savings Bank
River Bank America
Roosevelt Savings Bank
Walden Savings Bank

Insurance Companies

The Equitable Life Assurance Society of the United States
The Guardian Life Insurance Company of America
MetLife
Mutual Life Insurance Company of New York
New York Life Insurance Company, Inc.
Phoenix Home Life Mutual Insurance Company
Teachers Insurance & Annuity Association of America

clc participating institutions

Commercial Banks

The Adirondack Trust Company
Ballston Spa National Bank
Bank of Utica
BSB Bank and Trust
The Canandaigua National Bank & Trust Company
Cattaraugus County Bank
Central National Bank of Canajoharie
Champlain National Bank
The Chase Manhattan Bank, N.A.
Chemical Bank
Chemung Canal Trust Company
City National Bank & Trust Company
Ellenville National Bank
Evergreen Bank, N.A.
First National Bank of Cortland
The First National Bank of Jeffersonville
First National Bank of Scotia
First State Bank of Canisteo, N.Y.
Fleet Bank of New York, N.A.
Glens Falls National Bank and Trust Company
The Herkimer County Trust Company
Key Bank of New York
Marine Midland Bank, N.A.
OnBank & Trust Company
Saratoga National Bank & Trust Company
Solvay Bank
Tioga State Bank

Savings Institutions

Amsterdam Savings Bank, FSB
Canton Federal Savings & Loan Association
Catskill Savings Bank
Cohoes Savings Bank
The Dime Savings Bank of New York, FSB
Eastman Savings & Loan Association
Elmira Savings Bank, FSB
Fairport Savings & Loan Association
First Federal Savings & Loan Association of Rochester
Fulton Savings Bank
Greene County Savings Bank
Hudson City Savings Institution
Lake Shore Savings and Loan Association
Lockport Savings Bank
Maple City Savings and Loan Association
Oswego City Savings Bank
Pioneer Savings Bank
Rochester Community Savings Bank
Rome Savings Bank
Savings Bank of the Finger Lakes, FSB
The Savings Bank of Utica

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