

December 5, 2008

Dear Contributors, Partners, and Friends,

It's difficult for me to write this letter because 2007-2008 was such a trying year for the people we serve. However, as I look back, I am pleased to report that we responded with additional counseling, acquiring and rehabbing more housing and expanding our services to meet the ever-growing and changing needs of our clients.

Calls for rental housing counseling increased by nearly 400 households, the largest increase we have seen in years. As subprime lending began to decline, more clients turned to HOME, Inc. for pre-purchase counseling and lease-purchase options. Unfortunately part of the growth in clients was attributed to the mortgage default crisis. To respond, HOME, Inc.'s counseling staff attended a week of training on mortgage default and loss mitigation in order to help our clients understand their options.

By December 2007, it became clear that more than just information and referrals were needed. We transitioned a counselor to work full time with the Iowa Mortgage Help collaborative in order to provide intake and longer term counseling to clients facing the loss of their homes. *By the end of the year we were serving more clients through mortgage default counseling than in pre-purchase counseling.* We expect all counseling calls to increase in the 2008-2009 year as more homeowners and a growing number of tenants are affected by foreclosures.

HOME, Inc.'s affordable homes, priced between \$70,000 and \$85,000, were in high demand. In the first six months of the year, we sold most of our units. As the year progressed, the escalating costs of building materials and gas resulted in higher sale prices for our new construction units. In turn, new homes sat vacant until we reduced the sale prices which resulted in our first property program deficit in years.

HOME, Inc.'s Board made a decision to concentrate on rehabilitation in order to continue to provide affordable homeownership. Last spring saw only three new home starts, and we purchased only one lot. Plans for two new "green" homes were put on hold. We pushed forward with our plans to develop a new form of affordable ownership by purchasing, and beginning renovation, on six public housing duplexes that we will convert to condominiums.

The year ended on a high note as HOME, Inc. and the many organizations we worked with, celebrated the passage of legislation that provides permanent funding for a state housing trust fund —thus insuring affordable housing in Iowa for many years to come.

HOME, Inc.'s Board and staff are grateful to all our partners, contributors and friends that make it possible for us to continue this important work. I share with you our past success and hope you will continue to help us meet the challenges of the future.

Sincerely,  
Pamela S. Carmichael  
Executive Director



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## HOME, INC. STAFF

Pam Carmichael, *Executive Director*  
Dan Caffrey, *Property Manager*  
Dale Baldwin, *Rehabilitation Specialist*  
Tracy Creason, *Receptionist/Admin. Assistant*  
Kathleen Hanika, *Program Assistant*  
Amy Hensley, *Development Coordinator*  
Lynn Lamb, *Homeownership Coordinator*  
Karen Lockman, *Senior Housing Counselor*  
Sherice Metcalf, *Homeownership/Housing Counselor*  
Steve Ott, *Rehabilitation Specialist*  
Heather Walles, *Housing Counselor*

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# HOME, INC. ANNUAL REPORT 2007-2008



For more information about HOME, Inc. and its programs, visit our website [www.homeincdsm.org](http://www.homeincdsm.org).

## FINANCIAL STATEMENTS FOR JULY 1, 2007 – JUNE 30, 2008

BALANCE SHEET		JUNE 30, 2008	
ASSETS		LIABILITIES	
Current Assets	487,361.10	Current Liabilities	26,584.42
Accounts Receivable	117,648.41	Accounts Payable	80,812.68
Other Assets	9,466.64	Deferred Revenues	3,015.11
Homeownership Properties	1,686,905.93	<u>Mortgages and Liens</u>	<u>1,725,337.61</u>
<u>Fixed Assets – Depreciation</u>	<u>18,523.16</u>	TOTAL LIABILITIES	1,835,749.82
TOTAL ASSETS	2,319,905.24	<b>FUND BALANCE</b>	
		Unrestricted Fund Balance	566,161.36
		Restricted Assets – Property	0.00
		<u>Current Surplus/(Deficit)</u>	<u>(82,005.94)</u>
		TOTAL FUND BALANCE	484,155.42
		TOTAL LIABILITIES AND FUND BALANCE	2,319,905.24

### REVENUE AND EXPENSE STATEMENT FOR THE PERIOD OF JULY 1, 2007 – JUNE 30, 2008

REVENUE		EXPENSES	
Member Contributions	61,730.81	Salaries	510,718.47
Gifts In Kind	0.00	Payroll Taxes and Fees	72,319.10
ESGP Grant	23,000.00	Employee Benefits	46,434.80
HCSS Grant	56,750.34	Office & Staff Supplies	5,500.83
HTF Operating Grant	138,000.00	Postage	2,257.73
United Way CHSP Grant	311,152.00	Office Rent	30,315.00
Other Grants	0.00	Equipment Rental	2,285.55
Development Fees	59,000.00	Equipment Repairs	100.70
Contracting	18,747.14	Office Printing	721.86
Product Sales	33.00	Fund-raising	995.34
Property Sales	(3,792.08)	Equipment Depreciation	3,395.11
Rent	28,670.00	Contracted Service Fees	13,849.00
Late Fees	15.00	Program Supplies	4,292.19
UW House Fees	2,665.00	Equipment	1,612.98
Contract Interest	1,230.91	Storage Rental	2,640.00
Interest	14,238.01	Tools	454.19
<u>Miscellaneous</u>	<u>2,758.04</u>	Telephone	7,040.66
TOTAL REVENUES	714,198.17	Subs-Pubs-Dues	1,091.04
		Advocacy Project	1,000.00
		Mileage	13,104.14
		Conferences	0.00
Total Revenues	714,198.17	Staff Training	3,132.64
<u>Total Expenses</u>	<u>796,204.11</u>	Miscellaneous & Recruiting	686.42
CURRENT SURPLUS/(DEFICIT)	(82,005.94)	Promotion	5,190.85
		Business Insurance	16,063.80
		Gain/Loss Sale of Assets	123.77
		Grants to Families	30,282.82
		Bad Debt	0.00
		Property Insurance	2,260.00
		Mortgage Interest/Insur.	14,925.79
		Property Repair, Util., & Misc.	441.64
		Contracting & Warranty	(134.81)
		<u>Property Taxes</u>	<u>3,102.50</u>
		TOTAL EXPENSES	796,204.11

These statements are not audited.  
Audited statements will be available  
in November 2008.



## ACCOMPLISHMENTS

July 1, 2007 - June 30, 2008

Founded in 1967 through the efforts of citizens concerned about the lack of decent, affordable housing, Home Opportunities Made Easy, Inc. (HOME, Inc.) is the oldest private, non-profit housing organization in Des Moines. HOME, Inc. creates opportunities for quality, affordable housing. To accomplish its mission the Corporation develops housing that is affordable to low-income people and provides programs and services to help people improve their housing situations and become self-sufficient. HOME, Inc.'s voluntary Board of Directors sets policy and oversees all programs. The staff is responsible for the day-to-day operations of the Corporation.

The **PROPERTY PROGRAM** acts as developer and general contractor in the construction or rehabilitation of homes. The homes are used to provide homeownership opportunities to low-income families through various financing models developed by HOME, Inc. In partnership with governmental or non-profit entities, HOME, Inc. may act as a general contractor in building or improving housing for low-income Polk County residents.

#### 2007-2008 ACCOMPLISHMENTS:

- 22 properties acquired for homeownership.
- 9 properties rehabilitated for homeownership.
- 6 new construction projects; 3 homes completed and 3 homes in construction.
- 1 lot acquired for future development.
- 18 owner occupied remodeling projects completed.
- 11 properties held by HOME, Inc.; 5 for lease purchase and 6 for contract sales.

Program supported by Contributors, Polk County Housing Trust Fund, City of Des Moines, Bankers Trust, Iowa Finance Authority, Mercy Loan Fund, Neighborhood Finance Corporation, Wells Fargo Bank of Iowa, N.A. and Wells Fargo Community Development Corporation.

The **COMMUNITY HOUSING SERVICES PROGRAM** was created to work within the existing housing market to help people improve their housing situations. Specialized services are designed to help people effectively work to improve their own housing situations (counseling), to educate people to prevent problems, and to increase or enhance existing programs and services for low and moderate income housing consumers (advocacy).

#### 2007-2008 ACCOMPLISHMENTS:

- 2,743 households received rental housing information and counseling. 81% of the households found the information helpful in their situations.
- 95 rental and homeless prevention clients received long term counseling assistance. 84% of the clients resolved their housing problems.
- 133 landlords and tenants attended 12 educational sessions on rental housing issues. 99% of the participants increased their knowledge of rental rights and responsibilities.
- 184 people participated in 12 rental housing workshops. 93% of the participants increased test scores by 10% to 50%.

- 1,459 people attended 37 housing outreach sessions at public housing briefings, community events and the Latino Law Clinic.
- Provided weekly housing counseling services at the HOLA Center.
- Worked with 4 community groups providing advocacy services aimed at developing and improving family housing services.

Program supported by United Way of Central Iowa, Iowa Department of Economic Development Emergency Shelter Grant Program and Contributors.

**HOMEOWNERSHIP COUNSELING AND SUPPORTIVE SERVICES** are designed to move families from rental to ownership. HOME, Inc. provides homeownership readiness interviews to clients to assess their current situations and develop plans for purchasing homes. Pre-purchase counseling and technical assistance is provided to help clients purchase homes. Long-term counseling and supportive services are provided to clients participating in HOME, Inc.'s lease/purchase homeownership model.

#### 2007-2008 ACCOMPLISHMENTS:

- 438 households received general information and counseling about purchasing homes.
- 123 clients participated in homeownership readiness interviews/assessments.
- 121 clients participated in pre-purchase homeownership counseling for three or more months.
- 23 clients purchased their homes; including 7 HOME, Inc. turnkey sales, 2 lease/purchase sales, 1 contract sale and 13 open market sales.
- 3 clients entered the lease/purchase homeownership model.

This Service is a component of the Community Housing Services Program and is supported by United Way of Central Iowa, U. S Department of Housing and Urban Development and Contributors.

**STRATEGIC PLANNING** is an important tool used by HOME, Inc. to manage and grow the Corporation. Periodically a new plan is developed that includes goals and objectives for programs and operations. The Board and staff work cooperatively on implementation of the objectives to accomplish our goals.

#### 2007-2008 ACCOMPLISHMENTS:

- Administered the second United Way Advocacy Grant for the Iowa Housing Trust Fund Advocates Network. The Network secured permanent funding for the State Housing Trust Fund.
- Developed and began implementation on a plan to convert public housing duplexes into affordable condominiums for low income families.
- Counseling staff received certification in Mortgage Default, Foreclosure and Loss Mitigation.
- Developed a new employee handbook.
- Created a position and hired staff to assist in property and fund development.
- Amended Articles of Incorporation and By-laws.
- Up-dated HOME, Inc.'s computer system and software.

## 2007-2008 CONTRIBUTIONS

#### CONTRIBUTORS

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