December 1, 2011

Dear Contributors, Partners and Friends,

This past year reminded me that we must all be willing and able to respond quickly and adapt in challenging times. This is true for HOME, Inc. as well as the people we serve. Over the last few years, we helped our clients adapt to an economy and housing market in crisis. In 2010 and 2011, it was HOME, Inc.’s turn to adapt. We too learned to stretch our resources as far as possible.

The stagnant housing market had an adverse impact on both our Property Program and Homeownership Counseling Services. The number of clients seeking homeownership counseling declined substantially. Uncertainty about jobs and changes in lending criteria caused many of our clients to delay their plans to purchase. We sold only four properties this year, a 60% decrease over the previous year. As a result, we implemented a plan to reduce construction of single family homes. We also acquired fewer properties and concentrated our efforts on rehabilitating homes offered through our Lease/Purchase program. By the end of the year, we had doubled the number of families in Lease/Purchase and reduced our inventory of vacant properties.

The Community Housing Services Program was altered dramatically due to the elimination of the federal housing counseling funds and significant changes in federal homeless programs. Fortunately, the flexible design of the counseling program allowed us to reallocate staff time from homeownership to rental and homeless prevention services. We served a total of 2,876 new households, with more than 90% presenting with a rental housing problem.

We continued to provide supportive services to our once homeless clients through the Rapid Rehousing Collaborative. In addition, we conducted three RentWise workshops and 25 participants graduated as well as increased our mediation and advocacy efforts to assist near homeless households retain their housing.

The Board accepted the challenge of using our unique status as the Community Housing Development Organization for Des Moines to sponsor a supportive housing project. HOME, Inc. will develop and own five units of permanent, affordable rental housing. The House of Mercy, a nonprofit organization that provides transitional housing for homeless women and children, will manage and provide supportive services. By the end of June 2011, we had found a location, conducted a financial feasibility study and began the process of securing funding.

HOME, Inc.’s board and staff thank you, our contributors, partners and friends, for your unwavering support during a very challenging year. You have enabled us to continue our mission of creating opportunities for affordable housing in our community.

Sincerely,

Pamela S. Carmichael
Executive Director
The Property Program acts as developer and general contractor in the construction or rehabilitation of homes. The homes are used to provide homeowner-ship opportunities to low-income families through various financing models. As a certified Community Housing Development Organization, HOME, Inc. undertakes development activities to aid in the revitalization and redevelopment of federally designated low income neighborhoods in Des Moines. In partnership with governmental or non-profit entities, HOME, Inc. may act as a general contractor in building or improving housing for low-income people in Polk County.

2010-2011 Accomplishments:
- 3 single family homes were purchased for conversion to homeownership.
- 7 properties were in the rehabilitation phase with 5 properties completed and ready for sale.
- 1 new construction project was completed and two were in development.
- 21 owner occupied remodeling projects were completed and 4 were in progress.
- 14 properties were held by HOME, Inc., 8 for lease purchase and 6 for contract sales.

Program supported by Contributors, Polk County Housing Trust Fund, Home Funds from the City of Des Moines, Bankers Trust Company, Mercy Loan Fund, and Wells Fargo Community Development Corporation.

The Community Housing Services Program (CHSP) was created to assist low income households in Central Iowa stabilize their housing situation. To this end, HOME, Inc. provides counseling to enable people to obtain and retain housing; education to help people prevent housing problems; and advocacy to improve or create affordable housing programs for low income people. Programmatic goals are developed based on needs reported by clients, community housing plans, housing data, and national research.

2010-2011 Accomplishments:
- 2,500 new households received rental housing information and counseling, 98% of households found the information helpful in their situations.
- 24 homeless households obtained affordable housing and 22 (92%) retained that housing for 6 or more months.
- 32 very low income tenants participated in RentWise workshops with 25 (79%) receiving certification.
- 273 people attended 10 educational workshops on rental housing issues, 95% of participants increased their knowledge of rental rights and responsibilities.
- 503 people attended 14 housing outreach sessions at Section 8 (subsidized) housing briefings and community events.
- Worked with six community groups to provide advocacy services aimed at developing and improving housing services for families.

Program supported by United Way of Central Iowa, Iowa Finance Authority Emergency Shelter Grant Program, City of Des Moines Rapid Reloaining Grant, Polk County Housing Trust Fund and Contributors.

Homeownership Counseling and Supportive Services are designed to move families from rental to ownership and assist those families in retaining their homes. 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. Post-purchase counseling enables existing homeowners to make improvements to their homes or find alternative financing. Mortgage default and foreclosure prevention counseling helps clients retain their homes.

2010-2011 Accomplishments:
- 338 clients received general information and counseling regarding homeownership.
- 78 clients participated in homeownership interviews and pre-purchase counseling; 4 clients purchased homes, 6 clients entered Lease/Purchase, 11 clients became mortgage ready, 44 clients continued in counseling and 13 clients withdrew from counseling.
- 18 clients participated in post-purchase counseling; 1 client received home repair assistance; 1 received assistance to refinace; and 16 clients received financial counseling to retain their homes.

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, Contributors and the Iowa Mortgage Help program.

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 on the implementation of the objectives to accomplish our goals.

2010-2011 Accomplishments:
- Received grant funding from the Greater Des Moines Community Foundation for development of a new website, created a blog and Facebook page.
- Completed RentWise pilot project with various tenants groups in order to develop a training manual, materials and procedures for future classes.
- Completed a feasibility study and began the financing phase for the development of a permanent supportive housing project for families transitioning from the House of Mercy.
- Launched predevelopment process on three revitalization projects in low income neighborhoods to begin in 2011-2012.
- Implemented a new web based client management system enabling HOME, Inc. to demonstrate the depth of our services and our positive results.
Contributors

Barbara J. Ashton
Barnes Properties
Bill & Jean Basinger
Ben & Patty Bellus*
Ben & Wendy Bellus
James & Delores Benbow
Molly & Richard Bennett
Quentin & Inez Boyken
Bobrettta M. Brewton
Bob Brown
Charlie & Susie Card
Phyllis Childers
David & Alicia Claypool
Miriam Cline
Joseph Coco
Alan Collet
Jennifer Cooper
Don A. Corrigan
Eloise Cranke
Darlene Danielson
Jack & Meghan Daugherty
Catherine Davis
David & Joan Discher
Tim & Vicki Facto
First Friday Breakfast Club
Bill & Judy Fletcher
Carl & Marcene Grant
Greater Des Moines Community Foundation, Marian & Don Easter Fund
John Gregg*
Ron & Glenn Grote
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Bob & Sheila Koppin
Laura M. Krehbiel
Mike Lux & Barbara Laur
Thao Huynh & Thieu Le
Judy Anderson & Thomas Leffler*
Sheila Lumley
David Yurdin & Elaine Lundstrom
M & M Sunday School Class, First United Methodist Church
Ray & Mary Ann Martin
Mike & Robin McNichols
Mary Helen Morling
Roy & Rea Moss
Gene Nelsen
Gustav & Charlotte Nelson
Wanda & Tom Newell
Doris Jean Newlin
Andrea Hauer & David Perret
James Perry
Lyndon & Elizabeth Peterson
Thomas Pflanz
Amy Plymat
Betsy Pokorny
Steven Lamer & Cindy Reed
Jack W. Ricketts, Jr.
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Steve Jayne & Karen Shaff
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S. James Smith
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Lawrence & Lynn Staunton
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Willa Tharp
Stan & Dotty Thurston
Michael & Stephanie Tiedens
Harold & Virginia Varce
Carol Vavra
Walter J. & Sally K. Walsh
Jack & Lois Watson
Adam & Jessica Whitney
Robert & Vivian Willis
Catherine M. Witte
Brian & Carol Worth
Jack & Lois Watson
Mary J. Vogl
Phil & Sharon Walsh
Jack & Lois Watson
Catherine Whitfield

Federal Campaign
Anonymous

Iowa One Gift
Anonymous

Matching Gift
Meredith Corporation Foundation
Pioneer Hi-Bred International
The Arthur J. Gallagher Foundation

In Kind Donations
Flynn Wright
Heuss Printing, Inc.
Bob & Kim Jensen
Dennis Puckett, Sullivan & Ward, P.C.

United Way Donor Choice
Anne P. Bickell
Sylvia Blake
Debra Buentering
Dan Caffrey
Linda A. Caffrey
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Robert & Patricia Oberbilla
Anne Packer
Carol Russell
James Sarcone
Karen Shaff
Mary J. Vogl
Phil & Sharon Walsh
Catherine Whitfield

Our Contributors
## OUR FINANCIALS

Financial Statements for July 1, 2010 -- June 30, 2011

### Balance Sheet, June 30, 2011

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets $382,708</td>
<td>Current Liabilities $19,552</td>
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<tr>
<td>Accounts Receivable 192,365</td>
<td>Accounts Payable 69,445</td>
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<tr>
<td>Other Assets 7,156</td>
<td>Deferred Revenue 8,500</td>
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<tr>
<td>Homeownership Properties 1,978,808</td>
<td>Mortgages &amp; Liens 1,970,816</td>
</tr>
<tr>
<td>Fixed Assets-Depreciation 19,772</td>
<td>Total Liabilities $2,068,313</td>
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<tr>
<td><strong>Total Assets</strong> $2,580,809</td>
<td><strong>Fund Balance</strong></td>
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<tr>
<td></td>
<td><strong>Unrestricted Fund Balance</strong> $436,645</td>
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<tr>
<td></td>
<td><strong>Restricted Assets-Property</strong> $84,305</td>
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<tr>
<td></td>
<td><strong>Current Surplus/(Deficit)</strong> $(8,454)</td>
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<tr>
<td></td>
<td><strong>Total Fund Balance</strong> $512,496</td>
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<tr>
<td></td>
<td><strong>Total Liabilities and Fund Balance</strong> $2,580,809</td>
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</tbody>
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### Revenue and Expense Statement, Period of July 1, 2010 to June 30, 2011

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions $38,864</td>
<td>Salaries $578,810</td>
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<tr>
<td>Gifts In Kind 2,390</td>
<td>Payroll Taxes and Fees 74,591</td>
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<tr>
<td>ESGP Grant 14,498</td>
<td>Employee Benefits 61,475</td>
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<tr>
<td>HCSS Grant 47,076</td>
<td>Office &amp; Staff Supplies 4,155</td>
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<tr>
<td>CHD Operating Grant 56,353</td>
<td>Postage 2,586</td>
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<tr>
<td>CHDO Proceeds 84,305</td>
<td>Office Rent 30,315</td>
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<tr>
<td>PCHTF Operating Grant 160,000</td>
<td>Equipment Rental 3,210</td>
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<tr>
<td>United Way CHSP Grant 304,660</td>
<td>Equipment Repairs 0</td>
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<tr>
<td>Rapid Rehousing 12,677</td>
<td>Office Printing 517</td>
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<tr>
<td>IMH Grant 11,350</td>
<td>Fund-raising 542</td>
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<tr>
<td>RentWise 1,100</td>
<td>Promotion 2,430</td>
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<tr>
<td>Other Grants 2,500</td>
<td>Equipment Depreciation 5,043</td>
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<tr>
<td>Development Fees 51,030</td>
<td>Contracted Service Fees 25,642</td>
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<tr>
<td>Contracting 26,527</td>
<td>Program Supplies 8,445</td>
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<tr>
<td>Product Sales 18</td>
<td>Equipment 546</td>
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<tr>
<td>Property Sales 26,010</td>
<td>Tools 1,294</td>
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<tr>
<td>Rent 50,034</td>
<td>Telephone 7,536</td>
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<tr>
<td>Late Fees 0</td>
<td>Staff Training 7,755</td>
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<tr>
<td>UW House Fees 582</td>
<td>Miscellaneous &amp; Recruiting 786</td>
</tr>
<tr>
<td>Contract Interest 5,731</td>
<td>Business Insurance 16,994</td>
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<tr>
<td>Interest 366</td>
<td>Gain/Loss Sale of Assets 0</td>
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<tr>
<td>Miscellaneous 4,235</td>
<td>Grants to Families 10,424</td>
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<tr>
<td><strong>Total Revenues $900,306</strong></td>
<td>Bad Debt 0</td>
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<tr>
<td></td>
<td>Property Insurance 1,847</td>
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<tr>
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<td>Mortgage Interest 32,565</td>
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<td>Property Repair, Util., &amp; Misc. 3,070</td>
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<tr>
<td></td>
<td>Contracting &amp; Warranty 1,200</td>
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<tr>
<td></td>
<td>Property Taxes 10,698</td>
</tr>
<tr>
<td></td>
<td><strong>Total Expenses $908,760</strong></td>
</tr>
</tbody>
</table>

Current Surplus/(Deficit) $(8,454)

These statements have been audited.
OUR MISSION

Home Opportunities Made Easy, Inc. (HOME, Inc.) was founded in 1967 through the efforts of citizens concerned about the lack of decent, affordable housing. We are the oldest private, non-profit housing organization in Des Moines. Our mission is to create opportunities for quality, affordable housing. Study after study report that quality, affordable housing enables people to stabilize their lives. To accomplish our mission, HOME, Inc. develops affordable housing, and provides both rental and homeownership counseling and education.

OUR TEAM

Board of Directors
Kathleen Koenig, President
Victoria Fazio, Vice President
Anthony Montgomery, Treasurer
Amy Knudsen, Secretary
Ben Bellus
Jennifer Cooper
Jack Daugherty
Deric Gourd
Kelly Moore
Jeremy Wells

Staff
Pam Carmichael, Executive Director
Dale Baldwin, Rehabilitation Specialist
Dan Caffrey, Property Manager
Sarah Ellinor, Housing Counselor
Kathleen Hanika, Program Assistant
Amy Hensley, Development Coordinator
Lynn Lamb, Homeownership Coordinator
Karen Lockman, Senior Housing Counselor
Stacie McGregor, Receptionist/Admin. Assistant
ShericeMcCamey, Homeownership/Housing Counselor
Steve Ott, Rehabilitation Specialist

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