



a place to call home



homewise®

FY2019 ANNUAL REPORT

This year's annual report theme, 'A Place to Call Home' is a theme that has been present throughout the year. This year Homewise hit a milestone by helping to create our 5,000th homeowner! You can read about Angel, our 5,000th homeowner, and watch a video capturing her inspiring story in this report.

Homewise has also been focused on our own 'Place to Call Home.' The renovation of the Orpheum Community Hub, our new Albuquerque Homeownership Center, is complete and allows us to expand our work of creating successful homeowners and strengthening neighborhoods. In addition, we are nearing completion of the expansion of our Santa Fe Homeownership Center to support the growth in our organization and to serve more families with our comprehensive homeownership services.

We are expanding our community development work in Albuquerque to create catalytic impact in disinvested communities and support neighborhood revitalization and stabilization to benefit existing residents. Our home acquisition and rehabilitation program is focused on particular neighborhoods including Barelas, South Broadway and the International District. We will also be opening our first commercial real estate development project, the Ruppe, to promote economic development and preserve a cultural landmark in the Barelas community.

In Santa Fe, we completed phase I of Homewise Homes at El Camino Crossing, including building and selling 40 affordable single-family homes, and are nearing completion of the development of 13 affordable condos in phase II. We will also be launching a new community, Homewise Homes at Vista Serena at the end of 2019.

We invite you to read more about the transformative impact of our work in the pages of this year's annual report. As our organization evolves and grows, we remain deeply committed to our mission and our promise to serve as good stewards of your partnership. We thank you for supporting Homewise.

Sincerely,




MIKE LOFTIN
Chief Executive
Officer



DAVID DELGADO
Chair, Board of
Directors



A photograph of a man with a beard and mustache, wearing a light-colored polo shirt, carrying a young child on his shoulders. Both are smiling. The child is wearing a light-colored shirt and shorts. They are standing in front of a house with a white railing. The entire image is overlaid with a semi-transparent teal color.

Homewise is deepening our impact through a neighborhood-focused community development strategy, catalyzed by our decision to locate our Albuquerque Homeownership Center in the historic Barelas neighborhood. This strategy includes the revitalization of disinvested neighborhoods through residential and commercial real estate development, acquisition and rehabilitation. To reflect this growth in our community development work, we have updated our mission statement:

THE HOMEWISE MISSION is to help create successful homeowners and strengthen neighborhoods so that individuals and families can improve their long-term financial wellbeing and quality of life.

Homewise by the NUMBERS



8,959 hours
of free, one-on-one
financial coaching in
English and Spanish



4 communities
in development
providing quality
affordable housing
options in Santa Fe.



87+
employees
in Santa Fe and
Albuquerque



\$8.85 M
grants and
contributions

99%
of our clients make
their monthly mortgage
payment on time

A significantly higher rate
than the national average.

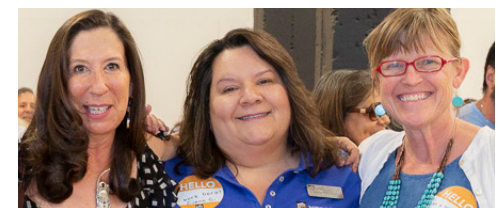


\$142.3 M
total assets

69 free
classes
covering financial
fitness, homebuyer
education, and the
basics of owning a
home.



\$6.4 M
downpayment
assistance provided
to qualified borrowers



\$469M
in loans serviced
each month



FINANCIALS

Homewise, Inc. March 31, 2019

Consolidated Statement of Financial Position

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$17,172,902
Broker receivables and other accounts receivable	2,313,573
Grants receivable	546,677
Amortizing mortgage loans receivable, current portion	1,558,431
Inventory	4,684
Development costs, current portion	11,279,999

Total current assets **32,876,266**

Property and equipment, net 4,064,923

Mortgage loans receivable

Amortizing, net of current portion	62,897,595
Allowance on amortizing loans	(1,347,048)

Total amortizing mortgage loans receivable **61,550,547**

Deferred mortgage loans receivable	26,806,283
Allowance on deferred loans	(5,362,000)

Total deferred mortgage loans receivable **21,444,283**

Total long-term mortgage loans receivable **82,994,830**

Other real estate owned	200,000
Mortgage servicing rights	2,736,924
Development costs, net of current portion	9,221,685
Qualified low income community investment	9,716,398
Other assets	447,781

TOTAL ASSETS **\$142,258,807**

See Notes to Financial Statements.

The financial information presented herein has been compiled from the audited financial statement of Homewise, Inc. and Related Entities. Complete financial statements with accompanying notes and schedules are available upon request.

FINANCIALS

Homewise, Inc. March 31, 2019

Consolidated Statement of Financial Position

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$1,980,781
Accrued expenses	1,421,315
Escrows and deposits	2,850,887
Lines of credit, current portion	3,200,013
Notes payable, current portion	3,627,387
Notes payable, community investment, current portion	1,578,502

Total current liabilities **14,658,885**

LONG-TERM LIABILITIES

Lines of credit, net of current portion	2,077,800
Notes payable, net of current portion	62,690,872
Notes payable, equity equivalent investment	3,300,000
Notes payable, community investment, net of current portion	3,185,150
Deferred revenue	2,528,701
Due to grantor agency	978,377

Total long-term liabilities **74,760,900**

Total liabilities **89,419,785**

NET ASSETS

Without donor restriction	37,919,892
With donor restriction	14,919,130

TOTAL NET ASSETS **52,839,022**

Total liabilities and net assets **\$142,258,807**

See Notes to Financial Statements.

The financial information presented herein has been compiled from the audited financial statement of Homewise, Inc. and Related Entities. Complete financial statements with accompanying notes and schedules are available upon request.

FINANCIALS

Homewise, Inc. March 31, 2019

Consolidated Statement of Activities

	Without donor restrictions	With donor restrictions	Total
REVENUES, GAINS & SUPPORT			
Home development sales	\$17,807,338	–	\$17,807,338
Loan origination fees	2,920,997	–	2,920,997
Real estate sales commissions	2,004,998	–	2,004,998
Loan portfolio interest	3,547,711	58,922	3,606,633
Loan servicing income	847,306	–	847,306
Amortization and valuation of mortgage servicing rights	795,189	–	795,189
Loan capital grants and contributions	3,998,688	3,279,496	7,278,184
Operating grants and contributions	1,574,972	–	1,574,972
Bank interest	7,088	–	7,088
Gain on sale of asset	135,946	–	135,946
Other revenue	441,027	–	441,027
Net asset transfers	58,922	(58,922)	–
Released from restrictions	814,206	(814,206)	–
Total revenues, gains and support	34,954,388	2,465,290	37,419,678
Cost of home development sales	15,063,158	–	15,063,158
EXPENSES			
Program	14,064,955	–	14,064,955
Administrative	2,990,476	–	2,990,476
Fundraising	245,837	–	245,837
Total expenses	17,301,268	–	17,301,268
Change in net assets	2,589,962	2,465,290	5,055,252
Net assets at beginning of year	35,329,930	12,453,840	47,783,770
Net assets at end of year	\$37,919,892	\$14,919,130	\$52,839,022

See Notes to Financial Statements.

The financial information presented herein has been compiled from the audited financial statement of Homewise, Inc. and Related Entities. Complete financial statements with accompanying notes and schedules are available upon request.

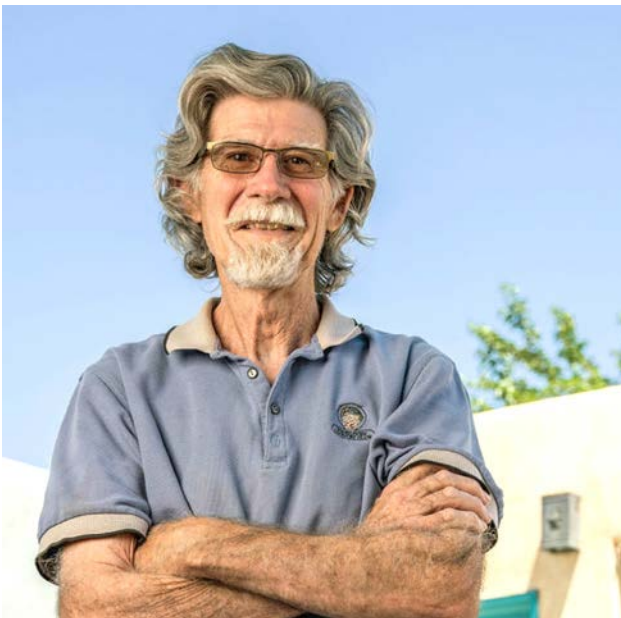
How do we impact our COMMUNITY?



1,814
Class attendees
who learned to
proactively manage
their money and become
confident homebuyers.



84
Affordable
refinance
and home
improvement
loans

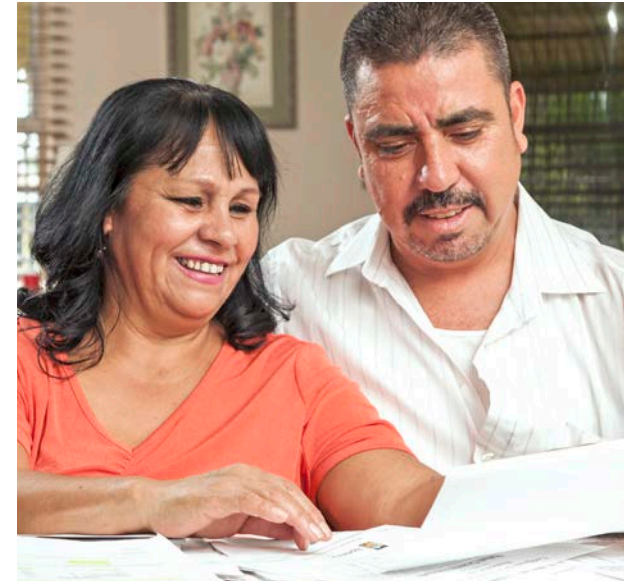


644
New
homeowners



48
New
Homewise
Homes
quality built with
energy efficient and
water conserving
features

How we improve our clients' financial wellbeing



▲ increase
CREDIT SCORE

72 points*

Average increase for clients who started with a score under 640

▲ increase
SAVINGS

\$4,746*

Median increase for clients who started with less than \$5,000 savings

▼ decrease
monthly DEBT

\$78*

Median decrease for clients who started with 10% or more debt ratio

*clients who successfully completed the steps in their financial action plan

Who are our clients?

by household

107

SINGLE PARENT

300

UNRELATED & SINGLE ADULTS

167

MARRIED + CHILDREN

70

MARRIED, NO CHILDREN



by employer

121

NATIONAL BUSINESS

76

CITY, STATE & FEDERAL GOVT

95

EDUCATION

76

SELF EMPLOYED

87

HOSPITALITY

62

LOCAL BUSINESS

82

HEALTHCARE

45

NONPROFIT

80

CONSTRUCTION

14

FINANCE



by age group

61

18 - 24 years

322

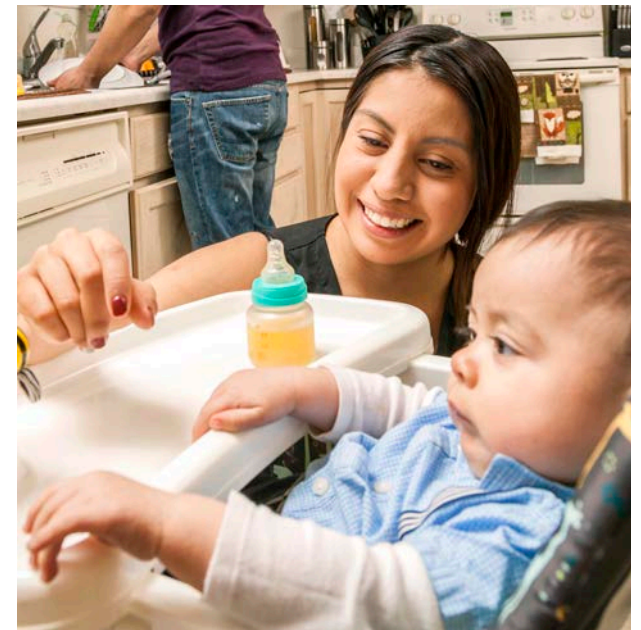
25 - 34 years

260

35 - 44 years

251

45+ years





gaining back her independence

THE STORY
OF ANGEL,
OUR 5,000TH
HOMEOWNER



You can also watch Angel's
inspiring video by visiting us
at www.homewise.org



After being homeless and now being a homeowner, "my heart is bursting with happiness!"

Imagine not having a place to call home. For Angel, it became her reality after leaving an abusive relationship with nowhere to turn.

Angel was living on disability and couldn't find a rental that she could afford on her income. She started to lose hope until she found out about Homewise and heard that they offered down payment assistance. At that time she was living in her car and felt she had nothing to lose by giving it a try. She wanted her own home so she didn't have to fear being homeless ever again.

Angel knew she had good credit but didn't think she would qualify to buy a home because she made so little money. After meeting with her Homewise Home Purchase Advisor, Sandy, and with the help of multiple down payment assistance programs, she was surprised to find that she actually could afford a home of her own.

Even with the assistance, however, Angel still faced the challenge of finding a house that she loved in a price range she could afford. She was happy to find out that Homewise offered all the services she needed to become a homeowner and felt she was in good hands with Ambrose, her Homewise Realtor. Angel felt like he was always looking out for her best interest and offered her great advice. Most of all, she was "grateful for his patience, especially because my home search took many months. Every morning I would wake up with my coffee in hand while looking at homes for sale online in hopes of finding the one."

One day as she was scrolling, she became intrigued by a home she found online that she hadn't seen before. Angel immediately jumped into her car and drove to the location to check it out. There was not even a 'For Sale' sign on the property yet but she immediately knew she wanted it. It was a cozy pueblo style home in a quiet neighborhood with a lovely yard. She called Ambrose

while standing outside of the house and told him, "This is my house! I want it!" To her delight, the house was just as charming inside as it was outside. It needed some minor work, but Angel already decided she would do the work herself. She put an offer on the home, and before she knew it, she was a homeowner!

Moving in was the most exciting moment for her, and she recalled a similar experience from her childhood when her family moved into a new home. Back then, she had her own room with red carpet and walls that were adorned with Raggedy Ann wallpaper. She loved her bedroom so much that she never wanted to leave. She would sit and look out the window and sing with happiness. That feeling returned when she purchased her home, but on an even larger scale. "I felt like I won the lottery!" she said. During her first moments in her own home she danced around in happiness, feeling as though it was a dream. It wasn't a dream though — she finally had a home of her own and would never have to fear being homeless again. Angel now enjoys making repairs on her own, cooking in her new kitchen, and she even loves to clean.

"I tell everyone about Homewise!" Angel said. She loved the Homebuyer Education class where she learned about what to expect as a homeowner, the loan process, and earnest money. As a result, she felt completely prepared when the time came to purchase her home. She even includes a little extra money along with her monthly payment to help pay the loan off early, as she learned in the Homebuyer Education class. "My heart is bursting with happiness!" she exclaimed, adding that there are many reasons to be grateful, but she is most grateful for having gained back her independence.



1/8/19 official groundbreaking with Santa Fe Mayor Alan Webber



2,500 number of modest income families we can help work toward financial stability and homeownership over the next 3 years as a result of expansion.



a bigger home for Homewise

THE SANTA FE HOMEOWNERSHIP CENTER EXPANSION

28 estimated number of new, high-quality jobs we can create as a result of the expansion.

6,600 square feet of additional office and collaborative spaces.

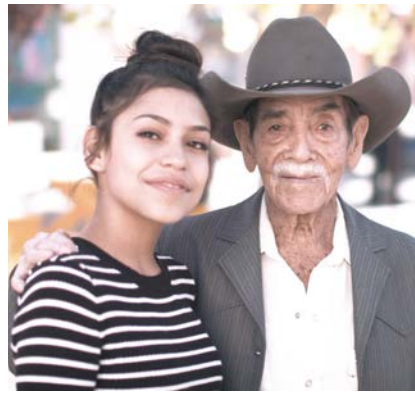




feeling at home in the Barelas community

HISTORIC ORPHEUM BUILDING BECOMES NEW SITE FOR ABQ HOMEOWNERSHIP CENTER AND COMMUNITY HUB

1898
year the Orpheum
was built



22,000
amount of square feet
for offices, classroom
and collaborative space,
and 19 1-bedroom
apartments.



26+ employees engaged in homeownership services and community development projects.



5 ways

our community can utilize space at the Orpheum Hub: art showings, performances, community-related gatherings, organization meetings, and training sessions.

Learn more and reserve space at www.orpheumcommunityhub.org



BARELAS
PHOTO EXHIBIT

home ownership and beyond

Homewise is deepening our impact through a neighborhood-focused community development strategy. Our community development work strengthens neighborhoods in both Albuquerque and Santa Fe, using different strategies tailored to each city's specific challenges. For example, in Santa Fe where the housing market is extremely tight, we build new developments that include both homes and businesses to increase density, walkability and neighborhood vibrancy. In Albuquerque, we buy and restore empty residential and commercial buildings and then get homeowners and businesses back into them. Our redevelopment efforts have a catalytic impact, attracting new investment into neighborhoods that have experienced decades of disinvestment.



El Camino Crossing

is a mixed-use development in Santa Fe that showcases the vibrancy of higher-density communities with homes, live/work spaces, and businesses near each other.

Read Vecinos, a blog about our Baretas neighbors, at homewise.org/category/vecinos



renovations

Our Residential Home Acquisition and Rehabilitation Program

helps strengthen communities by restoring vacant homes that may have been foreclosed on or are problem properties contributing to neighborhood distress.



The Ruppe building was

home to the oldest drugstore in Albuquerque—operational from 1883 to 2017. As we redevelop the space, we're focused on partnering with the surrounding community to keep the Ruppe's history alive in the future use.

Learn more at www.theruppe.org



The Orpheum Community Hub

was originally a vaudeville theater, and more recently had become a mix of studio spaces and apartments. Homewise purchased and renovated the building to serve as our Albuquerque Homeownership Center and a vibrant community hub.



partners help to make it possible

WE GRATEFULLY
ACKNOWLEDGE THE
ACTIVE ENDORSEMENT
OF OUR MISSION BY
OUR INVESTORS AND
CONTRIBUTORS:

Financial Institutions

Ally Bank
Bank of Albuquerque
Bank of America
Bank of the West
BBVA
Century Bank
Enterprise Bank & Trust
First National 1870
Kirtland Federal Credit Union
New Mexico Bank & Trust
Self-Help Credit Union
Southwest Capital Bank
Texas Capital Bank
UBS Bank
United Business Bank
U.S. Bank
Washington Federal
Wells Fargo

Foundations

Albuquerque Community
Foundation
Calvert Impact Capital
Frost Foundation
Los Alamos National Laboratory
Foundation
McCune Charitable Foundation
Jessie Smith Noyes Foundation
Onota Foundation
Erich and Hannah Sachs
Foundation
Santa Fe Community Foundation
Wells Fargo Housing Foundation

Community Businesses, Government Agencies and Nonprofits

Anchorum St. Vincent
Barelas Community Coalition
CHRISTUS Health
CHRISTUS St. Vincent Regional
Medical Center
City of Albuquerque
City of Santa Fe
CDFI Fund, US Treasury
Engage Albuquerque
Housing Partnership Network
HUB International & Central
Insurance
National Association for Latino
Community Asset Builders
NeighborWorks America
NeighborWorks Capital
New Mexico Mortgage Finance
Authority
Opportunity Finance Network
Prosperity Now
Prosperity Works
State Farm

Religious Institutions

Adrian Dominican Sisters
Lutheran Family Services
Mercy Investment Services
Religious Communities Impact
Fund
Seton Enablement Fund
Sisters of Charity of the
Incarnate Word



Individuals and Investment Funds

Ann Alexander and
Richard Khanlian
Anonymous
Avalon Trust
Avalon Trust clients
Joel Frederick Barber
Anne Beckett
Beth Beloff and Marc Geller
Erika and Glenn Campos
Lawrence Carreon
Jill and Paul Cook
Quarrier and Phillip Cook
Susan and Conrad De Jong Fund
Lori and David Delgado
Anne Messbarger-Eguia

Cliff Feigenbaum
Fresh Pond Capital clients
Elena Gonzales
Edward Grasskamp
John Guffey
Naomi and Robb Hirsch
Michael Kelly
Teresa Leger de Fernandez
Nahum Ward-Lev
Ann Lockhart
Michael Loftin
Viola Lujan
Genevieve and A. Paul Mitchell
Monarch Community Fund
Felicia and Daniel Morrow
Julie Moss
Mariel Nanasí and Jeffrey Haas
Kay Naranjo
Agnes Noonan
Laura M. Orchard
Karen E. Orso
Joseph and Lynne Ptacek
Stacy S. Quinn
Celia D. Rumsey Charitable Trust
Miriam Sagan
Gail Saunders
Tom Saunders
Wilson Scanlan
Elizabeth and Richard Schnieders
Nan Schwanfelder
Martha and Patterson Simons
Linda and Andrew Spingler
The Sustainability Group clients
Alexis Tappan
Trillium Asset Management
clients
Kathy Ulibarri
Paul Vogel
Debra A. Walsh



invest close to home

If you would like to contribute to helping lower-income individuals and families across New Mexico achieve long-term financial wellbeing through successful homeownership, Homewise offers a unique investment opportunity through the Homewise Community Investment Fund. The Homewise Community Investment Fund is for investors seeking to achieve social impact while earning a financial return.

With a minimum investment of \$1,000, the Fund offers interest rate returns between 1-4% and investment terms of 1 to 15 years. Investments in the Fund are used to support the Homewise mission, specifically to finance safe and affordable

fixed-rate mortgages, energy and water conserving home improvement loans, and the development of affordable energy-conserving homes.

Your investment into the Fund directly impacts community vitality and the financial security of the families in our local communities.

If you'd like to learn more about the Fund, contact Laura Altomare, Homewise's Chief Communications Officer, at **505.955.7039** or laltomare@homewise.org. You can also visit us at: www.homewise.org/invest-in-homewise

OUR MANAGEMENT TEAM

Mike Loftin
Chief Executive Officer

Laura Altomare
Chief Communications Officer

Jill Geltmaker
Chief Financial Officer

Elena Gonzales
Director of Albuquerque
Operations

Daniel Slavin
Director of Real Estate
Development

Johanna Gilligan
Director of Community
Development



OUR BOARD OF DIRECTORS

David Delgado, Chair
Dee Walsh, Vice Chair
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Anne Messbarger-Eguia, Secretary
Teresa Leger de Fernandez
Andy Spingler
Erika Campos
Agnes Noonan
Dr. Shelle VanEtten de Sanchez
Paul Vogel
Katherine Ulibarri



Santa Fe Homeownership Center
505.983.9473 1301 Siler Rd, Bldg D

Albuquerque Homeownership Center
and Orpheum Community Hub
505.243.6566 500 2nd St SW ABQ

**GET TO KNOW US
EVEN BETTER...**

Go to homewise.org and check out our Facebook, Twitter and other social media pages!

