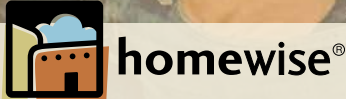




FY2020 ANNUAL REPORT: STRENGTH IN NUMBERS



When we chose this year's annual report theme, 'Strength in Numbers', we had no idea how important that concept would become throughout the year.

With the COVID-19 pandemic, we've all had to change the way we approach just about everything we do. This is true in the way we live, work, interact, and take care of ourselves and each other. Here at Homewise, our approach to continuing to deliver our programs and services has changed dramatically over these past months.

Many of our services have traditionally relied on in-person activities such as financial coaching and workshops with our Home Purchase Advisors and Coaches, home showings and tours with our Realtors, loan meetings and closings with our Loan Officers, and community-based arts and culture events with our Community Development team. Our staff quickly pivoted to finding new and innovative ways to work in partnership with our clients and community to provide all of these services, without interruption, through virtual formats. We also took quick action to establish the Emergency Mortgage Assistance fund, providing support to those most financially vulnerable in the COVID19 crisis to ensure they can continue to make their mortgage payments and keep their homes. Our staff has recently grown to 100 strong, and it is through our own Strength in Numbers that we pulled together to stay focused on our mission during these uncertain and uneasy times.



MIKE LOFTIN
Chief Executive Officer



DAVID DELGADO
Chair, Board of Directors

We know that we are only successful when our clients and communities are successful, and it is with this motivation that we operate as a team to support our clients and communities on the path to financial wellbeing and improved quality of life. For every client who achieves their dream of homeownership, there is a Homewise team behind them, supporting them every step of the way. From our financial coaches to our Realtors to our homebuilders to our lenders, we serve as a trusted guide, encouraging and empowering clients to reach their goals. In our communities, we serve as collaborative partners in sustainable, community-led redevelopment with a cultural preservation heart.

We invite you to read more about our work, and meet some of the people who have experienced its transformative impact, in the pages of this year's annual report. During these difficult times, we remain deeply committed to serving individuals, families and communities across New Mexico and continuing to deliver on the promise of our mission. Thank you for supporting Homewise.



Visit us online
to see a video
featuring David.

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

\$153M
total assets

\$485M
in loans serviced
each month

\$6M
in grants and
contributions

95+
employees
in Santa Fe and
Albuquerque

8,959
hours of free
individualized
financial coaching in
English and Spanish

5
Homewise
Homes®
communities
in development

71
free classes to
help people make wise
financial and home
purchase decisions

11
distressed properties
beautifully renovated
into **affordable**
homes

\$3.7M
downpayment
assistance provided
to 201 families and
individuals

97.7%
of our clients make
their montly mortgage
payment **on time***

To read more about these
numbers, visit us at
2020annualreport.homewise.org

*a significantly higher rate than the national average

FINANCIALS

Homewise, Inc. March 31, 2020

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.

Consolidated Statement of Financial Position

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$11,894,187
Other restricted cash and interest-bearing deposits in banks	3,417,674
Broker receivables and other accounts receivable	2,326,782
Grants receivable	97,473
Amortizing mortgage loans receivable, current portion	1,730,942
Inventory	20,923
Development costs, current portion	9,911,986
Total current assets	29,399,967

Property and equipment, net	9,843,284
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Mortgage loans receivable

Amortizing, net of current portion	70,908,893
Allowance on amortizing loans	(1,597,993)

Total amortizing mortgage loans receivable	69,310,900
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Deferred mortgage loans receivable	28,554,651
Allowance on deferred loans	(5,710,931)

Total deferred mortgage loans receivable	22,843,720
---	-------------------

Total long-term mortgage loans receivable	92,154,620
--	-------------------

Mortgage servicing rights	3,076,787
Development costs, net of current portion	8,615,130
Qualified low income community investment	9,497,773
Other assets	401,278

TOTAL ASSETS	\$152,988,839
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FINANCIALS

Homewise, Inc. March 31, 2020

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.

Consolidated Statement of Financial Position

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$1,720,069
Accrued expenses	1,430,352
Escrows and deposits	3,311,380
Lines of credit	3,770,930
Notes payable, current portion	4,893,306
Notes payable community investment, current portion	2,559,113

Total current liabilities	17,685,150
----------------------------------	-------------------

LONG-TERM LIABILITIES

Notes payable, net of current portion	70,518,082
Notes payable, equity equivalent investment	3,300,000
Notes payable, community investment, net of current portion	2,897,707
Deferred revenue	230,188
Due to grantor agency	910,978

Total long-term liabilities	77,856,955
------------------------------------	-------------------

Total liabilities	95,542,105
--------------------------	-------------------

NET ASSETS

Without donor restriction	40,134,587
With donor restriction	17,312,147

Total Net Assets	57,446,734
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TOTAL LIABILITIES AND NET ASSETS	\$152,988,839
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FINANCIALS

Homewise, Inc. March 31, 2020

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.

Consolidated Statement of Activities

	Without donor restrictions	With donor restrictions	Total
REVENUES, GAINS & SUPPORT			
Home development sales	\$16,702,610	–	\$16,702,610
Loan origination fees	2,875,678	–	2,875,678
Real estate sales commissions	2,006,541	–	2,006,541
Loan portfolio interest	4,074,411	–	4,074,411
Loan servicing income	983,371	–	983,371
Amortization and valuation of mortgage servicing rights	773,611	–	773,611
Loan capital grants and contributions	1,978,620	1,753,017	3,731,637
Operating grants and contributions	1,611,868	640,000	2,251,868
Loss on sale of asset	(79,679)	–	(79,679)
Other revenue	531,461	–	531,461
Total revenues, gains and support	31,458,492	2,393,017	33,851,509
Cost of home development sales	13,705,027	–	13,705,027
EXPENSES			
Program	12,806,279	–	12,806,279
Administrative	2,859,127	–	2,859,127
Fundraising	274,802	–	274,802
Total expenses	15,940,208	–	15,940,208
Change in net assets	1,813,257	2,393,017	4,206,274
Net assets at beginning of year	37,919,892	14,919,130	52,839,022
Cumulative effect of accounting change	401,438	–	401,438
Net assets at end of year	\$40,134,587	\$17,312,147	\$57,446,734

Behind every
successful
homeowner
like Karla and
Gabriel...



...there's a
Homewise team
who helped them
through each
step of the home
buying process



Ambrose, Realtor®



Maria Jose, Home Buyer Coach



Anna, Mortgage Loan Officer

"We felt like we were more than just a business transaction. It was much more humane and caring. Homewise wants people to be successful homeowners."

- Karla & Gabriel [read their full story at www.homewise.org/a-home](http://www.homewise.org/a-home)

"We couldn't have picked a better team. They were so respectful and professional. We were blessed to have Homewise."



Clients Dagoberto and Zahira holding their son, with Loan Officer Sarahi (left) and Realtor® Gloria

How we
impact our
communities



1,498
Class attendees
who learned to proactively
manage their money
and become confident
homebuyers

512
New homeowners
who are increasing
their financial wellbeing
and strengthening their
neighborhoods

142 Refinance and
home improvement loans
that help clients lower their
monthly mortgage payments
and invest in their homes with
energy-efficient upgrades

56 New
Homewise Homes
to provide much-needed
affordable, high-quality
homes in Santa Fe



Visit us at 2020annualreport.homewise.org to see a short video about the additional ways we impact our communities.

How we improve our clients' financial wellbeing



We help them increase their
CREDIT SCORE

77 points

Average increase for clients who started with a score under 640*

We help them increase their
SAVINGS

\$4,000

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

We help them decrease their
monthly **DEBT**

\$127

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

81	248
SINGLE PARENT	UNRELATED & SINGLE ADULTS
130	53
MARRIED + CHILDREN	MARRIED, NO CHILDREN

by age group

31	18 - 24 years
283	25 - 34 years
223	35 - 44 years
188	45+ years

by employer

88	HEALTHCARE	68	NATIONAL BUSINESS
85	LOCAL BUSINESS	62	HOSPITALITY
84	EDUCATION	47	SELF EMPLOYED
81	CONSTRUCTION	30	NONPROFIT
79	CITY, STATE & FEDERAL GOVT	9	FINANCE



a dream come true

.....

ANDREA'S STORY

Despite her success as a private chef and caterer, Andrea found she could not afford to buy a home in her native Santa Fe. She felt fortunate to be living in a casita owned by her parents, but yearned for a place she could truly call her own. Then she discovered Homewise.

Andrea learned that with the right resources, homeownership is possible.



To watch her inspiring story, visit us at 2020annualreport.homewise.org

making a difference in Albuquerque

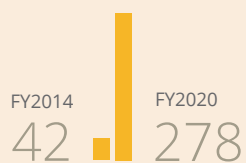
In 2012, Homewise opened a second location in Albuquerque, NM and expanded our programs and services in that area of the state. What started with only two employees working out of a small office on Lomas Boulevard has now grown to a team of over two dozen employees working at our Albuquerque Homeownership headquarters at the Orpheum Community Hub. “We are all actively engaged in helping clients become successful homeowners,” says Elena Gonzales, Senior Director, Policy & Community Engagement. “Everyone deserves the chance to build family wealth through homeownership.”

Homewise has also taken on a specific focus of serving the Barelmas neighborhood, where the Orpheum Community Hub is located, by supporting the local arts community and renovating distressed residential and commercial properties to create energy-efficient, affordable homes and community spaces.

Great neighborhoods make a great city, and we seek to continue to work with our partners and neighbors for the benefit of the entire city.

homeowners

Homewise clients who became homeowners in ABQ:



growth rate: over 6 times more homeowners

total ABQ homeowners over 6-year period **1,292**



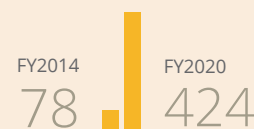
“Everyone deserves the chance to build family wealth through homeownership.”

Elena Gonzales
Senior Director, Policy & Community Engagement



education

Number of ABQ clients (by household) who attended our Financial Fitness for Life and Homebuyer Education classes:

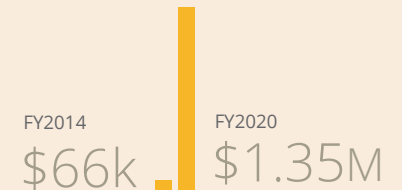


growth rate: over 5 times more attendees

total attendees over 6-year period **2,211**

downpayment assistance (DPA)

DPA funds provided to help low-to-moderate-income individuals and families in ABQ achieve homeownership:



growth rate: 20 times more funds

total ABQ funds over 6-year period **\$9.47M**



Number of low-to-moderate-income individuals and families in ABQ that received DPA funds:



growth rate: 4 times more recipients

total ABQ households over 6-year period **735**

a perfect fit

We've completed the second phase of our popular El Camino Crossing community: 13 one-bedroom condos. Quality built with energy-efficient features, the 705 s.f. condos are designed to be a perfect fit for those who are ready to downsize or prefer to live more simply and don't want to be encumbered with a lot of maintenance and upkeep. The condo units are grouped into three buildings: a single-story with 3 units, and two 2-story with 5 units each. Two of the 2nd floor units feature a 500 s.f. rooftop deck.

El Camino Crossing is an all-solar, mixed-use community consisting of residential homes, condos, and live/work space in close proximity to local, neighborhood friendly businesses. Located in the heart of Santa Fe within the newly revitalized Siler and Agua Fria corridors, El Camino Crossing also provides residents with easy access to walking and biking paths.



"El Camino Crossing reflects so many of Santa Fe's unique values and needs. It provides reasonably priced housing, revitalizes a neighborhood, supports local businesses, promotes creative entrepreneurship and values sustainability."

- Mike Loftin, CEO



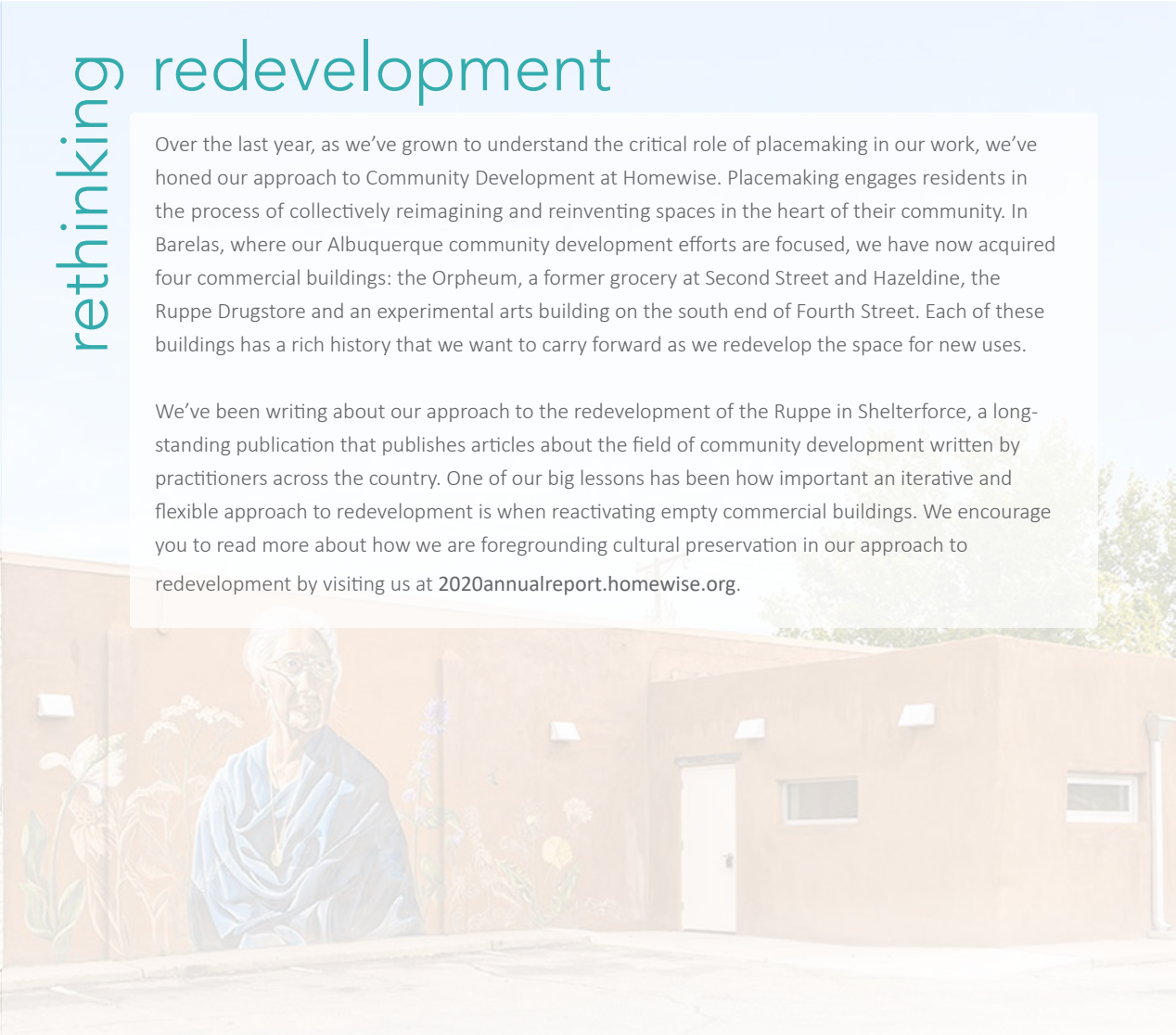
To see more photos, take a virtual tour of a condo, or do a virtual 'walk through' of our planned live/work space, visit us at 2020annualreport.homewise.org



rethinking redevelopment

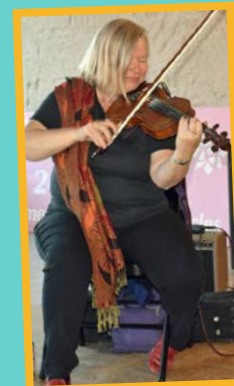
Over the last year, as we've grown to understand the critical role of placemaking in our work, we've honed our approach to Community Development at Homewise. Placemaking engages residents in the process of collectively reimagining and reinventing spaces in the heart of their community. In Baretas, where our Albuquerque community development efforts are focused, we have now acquired four commercial buildings: the Orpheum, a former grocery at Second Street and Hazeldine, the Ruppe Drugstore and an experimental arts building on the south end of Fourth Street. Each of these buildings has a rich history that we want to carry forward as we redevelop the space for new uses.

We've been writing about our approach to the redevelopment of the Ruppe in Shelterforce, a long-standing publication that publishes articles about the field of community development written by practitioners across the country. One of our big lessons has been how important an iterative and flexible approach to redevelopment is when reactivating empty commercial buildings. We encourage you to read more about how we are foregrounding cultural preservation in our approach to redevelopment by visiting us at 2020annualreport.homewise.org.



"It's time for developers and preservationists to do more than preserve buildings; we must also work to maintain the cultural identity of the places we are redeveloping."

- Johanna Gilligan
Senior Director,
Community Development



empowering our healthcare workers

Homewise is proud to partner with local healthcare provider CHRISTUS St. Vincent and Anchorum St. Vincent in the creation of two special programs designed to help CHRISTUS employees enjoy greater financial stability and wellbeing.

Homeownership Program

For most people, purchasing a home is one of the most important financial investments they will make. By working with Homewise, CHRISTUS employees can receive downpayment assistance, save money through a special interest rate and low downpayment, and work with a dedicated housing navigator to find a home that will fit their lifestyle and budget.

Matched Savings Program

A healthy savings goes a long way toward creating financial wellbeing. We encourage CHRISTUS employees to save more by providing up to \$500 in matched savings rewards. The more they save, the more they are rewarded, helping to boost their balance, build a more robust savings, and develop a strong savings habit.



To find out more about our partnership with CHRISTUS St. Vincent, visit us at 2020annualreport.homewise.org

Want to learn more about creating a business partnership with Homewise? Contact Ken Brown, Outreach Manager, at 505.795.7581, or kbrown@homewise.org

CHRISTUS employee Melissa and her husband Caleb took advantage of our Homeownership Program and are now proud homeowners who are able to live in the same community where they work.



supporting arts & culture in Barelas



In August of 2019, Homewise resumed First Friday events at the Orpheum Community Hub after a hiatus during the renovation of the building. Our inaugural First Friday began with a Barelas photography exhibit presented by the Barelas Neighborhood Association and the Barelas Community Coalition. Other events included *Cultura - Photography* by Bobby Gutierrez (photo above) and *Jotería Undocumented: Tierra, Identidad, Y Transformacion*, a collection of work by non-binary artist Gaby Hernandez.



Homewise expanded First Fridays to include events at the Ruppe and has collaborated with ABQ Artwalk/Secret Gallery to curate and host art events at the iconic space, including:

The Bird's Eye - a painting collaboration between local artists Cloudface and George Evans (artwork above)

Altar - a Dia de los Muertos celebration featuring custom artist ofrendas, local art, and music.



In May 2020, *Social Distance*, a public photography installation, premiered at the Ruppe in partnership with Secret Gallery and IGers (Instagrammers) ABQ. The installation highlighted New Mexico perspectives of the COVID-19 pandemic, highlighting societal adaptations, experiences of isolation, and self-preservation. The installation remained on display in the windows of the Ruppe for two months and is still available to view as a virtual gallery.

To view additional art, watch a video from our 'Altar' event, and check out the full 'Social Distance' exhibit, visit us at 2020annualreport.homewise.org

in the spirit of giving



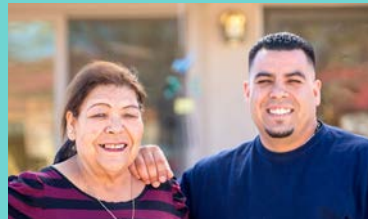
**WE GRATEFULLY
ACKNOWLEDGE THE
ACTIVE ENDORSEMENT
OF OUR MISSION BY
OUR INVESTORS AND
CONTRIBUTORS:**

Foundations

Albuquerque Community Foundation
Anchorage St. Vincent
Calvert Impact Capital
Frost Foundation
Kalliopeia Foundation
Los Alamos National Laboratory Foundation
McCune Charitable Foundation
Jessie Smith Noyes Foundation
Onota Foundation
Erich & Hannah Sachs Foundation
Santa Fe Community Foundation
Wells Fargo Housing Foundation

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
WaFd Bank
Wells Fargo



Religious Institutions

Mercy Investment Services
Religious Communities Impact Fund
Seton Enablement Fund
Sisters of Charity of the Incarnate Word



Community Businesses, Government Agencies and Nonprofits

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
Sandia National Laboratories

**NO ONE HAS
EVER BECOME POOR
FROM GIVING.**

- Anne Frank

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
Gwen Gilligan
Elena Gonzales
Edward Grasskamp
John Guffey
Naomi and Robb Hirsch
Michael Kelly
Sally Kuhn
Teresa Leger de Fernandez
Nahum Ward-Lev
Ann Lockhart
Michael Loftin
Viola Lujan

Genevieve & A. Paul Mitchell
Felicia & Daniel Morrow
Julie Moss
Mariel Nanasi & Jeffrey Haas
Kay Naranjo
Agnes Noonan
Laura M. Orchard
Karen E. Orso
Lynne & Joseph Ptacek
Stacy S. Quinn
Celia D. Rumsey Charitable Trust
Miriam Sagan
Gail Saunders
Tom Saunders
Wilson Scanlan
Elizabeth & Richard Schnieders
Nan Schwanfelder
Martha & Patterson Simons
Lidia & Daniel Slavin
Linda & Andrew Spingler
The Sustainability Group clients
Alexis Tappan
Trillium Asset Management clients
Kathy Ulibarri
Paul Vogel
Debra A. Walsh



ensuring New Mexico's most vulnerable residents can keep their homes



Homewise is providing emergency mortgage assistance to those most financially vulnerable in the COVID-19 crisis to ensure they can continue to make their mortgage payments and keep their homes. This assistance is especially critical for those left out of the current federal safety net and those who have lost the majority or all of their household income due to COVID-19 related economic conditions.

Those most at risk include low-income people who are not included in the current federal safety net because they are self-employed or work non-traditional jobs that will not allow them to access unemployment insurance.

Immigrants who do not have access to federal assistance programs are also especially financially vulnerable right now.

Housing costs are most households' biggest monthly expense. Currently there is no federal program available to help those low-income homeowners who do not qualify for unemployment benefits or stimulus checks. Right now, the only clear option for homeowners is a temporary forbearance of monthly payments. This allows borrowers to suspend monthly mortgage payments for up to 12 months. However, most homeowners must pay that money back through a repayment plan on top of their regular payment. This option does not meet the needs of the most financially vulnerable

homeowners who are unlikely to be able to pay a significantly increased monthly mortgage while trying to recover from low or no employment.

Losing your home to foreclosure is a traumatic process that, in the worst-case scenario, can increase the number of homeless people in our community, putting further strain on limited social services. Foreclosures also have negative impacts on neighborhoods when homes remain vacant, possibly becoming problem properties that create public safety issues. The social and economic consequences of foreclosure can and must be avoided by proactively helping low-income homeowners now.

How can you Help? Invest in the Homewise Community Investment Fund

With an investment in the Homewise Community Investment Fund, you can directly impact the financial security of low-income families in our community while also earning a financial return on

your investment. With a minimum investment of \$1,000, the Fund offers interest rate returns between 1- 4% and investment terms of 1 to 15 years.

Your investment helps advance meaningful public policy and funding changes to support low-income families in achieving and maintaining financial stability through successful homeownership. Demonstrating growth in the Fund is also a powerful point in attracting new funding from institutional investors like foundations, corporations, and government entities.

Together we can make a critical difference in keeping our most at-risk homeowners in their homes during these challenging times, making our future economic recovery that much faster and stronger! We appreciate your continued partnership – your support can help the most financially vulnerable in our community weather this storm.

Learn more about how you can make a difference through the Homewise Community Investment Fund by visiting our website at www.homewise.org

You can also send us an email at: invest@homewise.org

Homewise Community Investment Fund Notes are offered to both individual and institutional investors who reside in states in which our Notes are registered or exempt from registration. This currently includes: Alaska, New Mexico, California, Colorado, Connecticut, Hawaii, Illinois, Iowa, Maine, Massachusetts, Mississippi, New Jersey, New York, Rhode Island, Texas, Utah, Vermont, Washington, West Virginia, Wyoming. This notice is not an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in any state in which such offer, solicitation, or sale is not authorized. The offering is made solely by the Prospectus, which more fully describes certain risks involved in a purchase of securities. The securities are not FDIC or SIPC insured, are not bank deposits, and are not guaranteed by any federal agency.

OUR LEADERSHIP TEAM

Mike Loftin
Chief Executive Officer

Laura Altomare
Chief Communications Officer

Jill Geltmaker
Chief Financial Officer

Clay Simmons
Chief Lending Officer

Elena Gonzales
Senior Director,
Policy & Community
Engagement

Daniel Slavin
Senior Director,
Real Estate Development

Johanna Gilligan
Senior Director,
Community Development

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Katherine Ulibarri, Treasurer

Anne Messbarger-Eguia, Secretary

Teresa Leger de Fernandez

Andy Spingler

Agnes Noonan

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Paul Vogel

Paul Aguilar



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

homewise.org

VISIT US ONLINE AND GET TO
KNOW US EVEN BETTER...

