



# Homewise 2013 Annual Report



**homewise®**

*your partner in homeownership*



# Homewise Mission

The mission of Homewise is to help working New Mexicans become successful homeowners in order to achieve financial security, strengthen families and increase the economic and social vitality of our communities.

## Message from Homewise Executive Director and Board Chair

Dear Friends,

Homeownership affects a community in a variety of ways that reaches beyond the homeowner. As an organization that helps working families achieve homeownership, Homewise sees the impact firsthand with the people it serves, as well as in the community as a whole.

Homeownership can help stabilize the local economy. When people own their own homes, they are more likely to procure steady long-term employment and patronize local businesses. In other words, when they own, they have a vested interest in seeing their employers and the businesses within their sphere of influence grow and thrive.

The benefits of homeownership have a domino effect on many aspects of a person's life and community. For one, ownership encourages social vitality within neighborhoods. People who own a home move less often, and they are more likely to develop social ties with their neighbors. It is well documented that strong social support within a person's community results in greater overall health and well-being. The financial and life management skills needed to buy and maintain a home are often transferred to the children, who also change schools less often, improving behavior and educational performance. Additionally, homeownership promotes financial stability resulting in more engaged parenting due to reduced stress.

Pride of ownership, with all its social, financial and familial gains, still remains an important goal for most American households today. What we hope to achieve through supporting working families become homeowners in Santa Fe through Homewise, and in Albuquerque through Homestart, is to influence the four pillars that are so important to building a strong, healthy community: access to education, health care, economic opportunity and affordable housing.

Sincerely,



Teresa Leger de Fernandez

*Teresa Leger*  
Board Chair



Mike Loftin

*Mike Loftin*  
Executive Director





## Homewise Board of Directors

Teresa Leger de Fernandez, *Chair*  
David Hofmann, *Treasurer*  
Sam Baca  
David Delgado  
Frank Mathew

Andrew Spingler, *Vice President*  
Ann Lockhart, *Secretary*  
Erika Campos  
Steve Kopelman  
Sandra Wechsler

## Our Investment Partners

Throughout our history Homewise has had the generous support of local banks, religious institutions, local and national foundations, city, state and federal government agencies and community businesses. Individuals also invest in Homewise through our Community Investment Fund. We gratefully acknowledge the active endorsement of our mission by our investors.

### Banks

1st National Bank of Santa Fe  
Century Bank  
Federal Home Loan Bank of Dallas  
Guadalupe Credit Union  
Los Alamos National Bank  
New Mexico Bank and Trust  
U.S. Bank  
Wells Fargo

### Foundations

Calvert Foundation  
Citi Foundation  
Frost Foundation  
Ira Gribin Workforce  
Housing Foundation  
McCune Charitable Foundation  
PNM Foundation  
Santa Fe Community Foundation  
St. Vincent Hospital Foundation  
svhSupport  
Washington Federal Foundation

### Religious Institutions

Mercy Partnership Fund  
Religious Communities  
Investment Fund  
Seton Enablement Fund

### Nonprofits, Community and Government Agencies

CHRISTUS Health  
CHRISTUS St. Vincent Regional  
Medical Center  
City of Santa Fe  
Community Development Financial  
Institutions Fund  
NeighborWorks America  
New Mexico Mortgage Finance Authority  
Opportunity Finance Network  
Santa Fe Public Schools  
Santa Fe Association of Realtors

### Individuals

Anonymous  
Anne Beckett  
Teresa Leger de Fernandez  
Julie Moss and Cliff Feigenbaum  
Elizabeth and Richard Schnieders  
Linda and Andrew Spingler  
Richard T. Tyner, Jr.

For more information on how you can make an impact in your community through the work of Homewise, contact: Cece Derringer, Director of Resource Development and Communications at [cderringer@homewise.org](mailto:cderringer@homewise.org) or 505.955.7020.

**HOMEWISE, INC. AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*For the year ending March 31, 2013*  
*Thousands of Dollars*

**ASSETS**

Current assets	
Cash and cash equivalents	4,569
Broker receivables	1,434
Grants receivable	115
Amortizing mortgage loans receivable, current portion	872
Inventory	44
Development costs	4,444
<b>Total current assets</b>	<b>11,479</b>
Amortizing mortgage loans receivable	29,046
Allowance on amortizing loans	(843)
<b>Total amortizing loans</b>	<b>28,203</b>
Deferred mortgage loans receivable	17,014
Allowance on deferred loans	(5,437)
<b>Total deferred loans</b>	<b>11,578</b>
<b>Total mortgage loans receivable</b>	<b>39,780</b>
Property and equipment, net	1,828
Other real estate owned	234
Mortgage servicing rights	692
Development costs	9,893
Infrastructure deposits	140
Other assets	592
<b>Total assets</b>	<b>64,639</b>

**LIABILITIES AND NET ASSETS**

Current liabilities	
Accounts payable and accrued expenses	1,394
Escrows and deposits	712
Lines of credit	2,737
Notes payable, current portion	1,579
<b>Total current liabilities</b>	<b>6,422</b>
Long-term liabilities	
Notes payable, long-term, net	22,950
Community investment deposits	291
Due to grantor agency	1,430
<b>Total long-term liabilities</b>	<b>24,672</b>
<b>Total liabilities</b>	<b>31,094</b>
Net assets	
Unrestricted	20,630
Temporarily restricted	9,176
Permanently restricted	3,739
<b>Total net assets</b>	<b>33,545</b>
<b>Total liabilities and net assets</b>	<b>64,639</b>

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.



# **HOMEWISE, INC. AND SUBSIDIARY** **CONSOLIDATED STATEMENT OF ACTIVITIES**

*For the year ending March 31, 2013*

*Thousands of Dollars*

Support and Revenues	
Home development sales	8,242
Government grants	2,671
Loan portfolio interest	1,753
Real estate sales commissions	626
Loan origination fees	1,585
Contributions and grants	1,721
Bank interest	8
Mortgage servicing rights	692
Other revenue	442
<b>Total support and revenues</b>	<b>17,740</b>
Expenses	
Program	4,483
Cost of home development sales	6,761
Administrative	1,179
Fundraising	240
<b>Total expenses</b>	<b>12,663</b>
<b>Change in net assets</b>	<b>5,077</b>
<b>Net assets at beginning of year</b>	<b>28,469</b>
<b>Net assets at end of year</b>	<b>33,545</b>

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# Increasing the



## **Marvin and Sheila Canaca-Matute** **Creating Jobs, Creating Neighborhoods**

Marvin and Sheila were intent on buying a new home in one of the Homewise Homes® developments specifically for one reason: Marvin pounded the nails in himself. For the past three years, Marvin has worked for Platinum Sky, a construction company based in Santa Fe. He helped frame the homes at Rincon del Sol, the Homewise subdivision on the south side of Santa Fe, where the family is now settling in.

The couple is most excited about the drastic reduction in their utility bills due to the home's energy-efficient high-performance construction.

Marvin is proud of the homes he helps build, and grateful that Platinum Sky is scheduled to construct Homewise Homes® for years to come.





# economic and



## **Michael, Jaime Lyn and Vincent Rocco** **New Beginnings with Homestart in Albuquerque**

Michael and Jaime Lyn's vision for their lives never included buying a home or starting a family. That all changed in 2012. Jaime Lyn was expecting a baby, and with their excitement for their new arrival came the decision to buy a home. They met with Homestart and developed a financial action plan to become buyer ready. After several months, they had improved their credit and saved for a down payment. Vincent Jaxon Rocco was born on January 4, 2013. Six weeks later, the Roccos closed on their new home.

What's next for the Roccos? "Relaxing," Jaime Lyn says with a laugh. And, they're also enjoying paying \$400 less each month on their mortgage payment than they were previously paying in rent.





# social vitality of



## **David and Stefanie Sundberg** **Greening Their Dream Home**

The Sundbergs couldn't believe their good fortune in finding the home of their dreams through Homewise. Originally built by an architect as his own home, the resale property included two acres of land and plenty of one-of-a-kind features.

The couple had no hesitation coming back to Homewise for a home improvement loan when they were ready to go solar. Their new panels are now generating about 1,000 kilowatt-hours of electricity each month.

David and Stefanie are now ambassadors for "going solar" within the community, encouraging their colleagues and friends to consider the financial and environmental advantages of harnessing, while preserving, the planet's resources.





# our communities

## Loans Made in the Community

**\$58,673,148** was loaned by Homewise, increasing the economic vitality of the communities we serve.

Total amount loaned in the community since founding: **\$346,266,508**

## Jobs Created

**69** jobs were created through the development of new homes, home improvement services and the growth of Homewise this past year

## Refinance

**173** homeowners refinanced their homes.

Since 1993, average annual number of refinance loans: **91**

## Homeownership

**161** families and individuals became new homeowners in Santa Fe, Albuquerque and Rio Rancho. Since 1993, average annual number of homeowners: **130**

## New Homes Built

Homewise built **29** homes meeting the New Mexico Green Building Gold Standard for Sustainable Homeownership. Since 1999, average annual number of homes built: **39**

## Home Improvement

**89** homeowners improved their homes with energy- and water-saving home improvements. Since 1987, average annual number of home improvement loans: **75**

## Financial Literacy and Homebuyer Education

**528** individuals attended these foundation classes held in our communities. Since 1995, average annual number of individuals educated: **513**



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