



30
YEARS

OF HOMEOWNER
SUCCESS

2016 ANNUAL REPORT

As we celebrate our 30th year, it's a good time to pause and look at the work we've done and the positive impact made for individuals, families, and our communities. Since our founding in 1986, we've helped:

- 13,100+ households through financial education workshops
- 3,600+ people purchase homes
- 2,000+ people make home improvements
- 600+ people refinance their mortgages

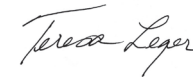
And there is still so much more to come.

This year, we launched several new initiatives that support historically underserved populations and further our mission to help families improve their financial security and strengthen local communities. Our New Americans Lending Program offers those without a social security number a fixed-rate, affordable mortgage option to help break down the traditional barriers to accessing financing to buy a home. We're also excited to launch our newest Homewise Homes community at Oshara Village in Santa Fe. We're building 40 new energy efficient homes to help further support the availability of affordable, quality homes in Santa Fe. With flexible live/work space and a modern, clean design, we're introducing something truly unique into the Santa Fe new home marketplace.

A major focus in the coming year will be to help support the revitalization of Albuquerque's historic but vulnerable neighborhoods. Albuquerque is blessed with older neighborhoods that have rich histories and strong identities. Unfortunately, many of these neighborhoods have experienced disinvestment which threatens to displace existing residents, makes it difficult for families to find a home, and causes instability in the community. By developing and supporting homeowners through financial education and affordable lending, we can help stabilize home values and revitalize these core neighborhoods that are at a critical turning point between destabilization and vibrancy.

We invite you to read more about the work we are doing this year and into the future, as we celebrate 30 years of helping to create successful homeowners and building stronger communities.

The **MISSION OF HOMEWISE** is to help create successful homeowners so that they improve their financial wellbeing and contribute to the vitality of our communities.



TERESA LEGER DE FERNANDEZ
Chair, Board of Directors



MIKE LOFTIN
Chief Executive Officer



OUR HISTORY



Homewise was founded as Neighborhood Housing Services of Santa Fe in 1986. At that time the organization focused on home improvement/rehabilitation services, with two employees working on projects primarily in one Santa Fe neighborhood. In the 1990s, Homewise grew into a full-service agency helping Santa Fe's low and moderate income residents buy homes. Since then Homewise has grown to a 62-employee organization offering a range of homeownership services throughout northern New Mexico.

THE HOMEWISE WAY

At Homewise we have developed and aim to operate under nine guiding principles. These principles were developed collaboratively with the involvement of the entire Homewise staff. At least one of these principles is discussed at our monthly all-staff meeting. From the way we treat our clients, to business partners, to investors, to each other, they are the code we try to live by. We call these principles the Homewise Way, and if you walk through our offices, you will see them proudly displayed on every employee's desk.

Our Principles

We treat everyone with **dignity** and **respect**.

We openly **communicate** with others who can effect improvement, actively **collaborating to find solutions**.

We **listen** carefully to **understand** so that we can be of service.

We are **curious** and **committed to learning** so that we continue to improve.

We seek to **understand** a problem before trying **to solve it**.

We make decisions weighted **on behalf of our customers** and their needs.

We work to **build trust**, and we **act with integrity** in all that we do.

We are **responsible stewards** of our community and environment.

We **value teamwork**, **celebrate accomplishments** and **learn from our mistakes**.

OUR MANAGEMENT TEAM



(l to r): **Mark Vanderlinden**, Chief Lending Officer; **Lisa Wilson**, Chief Financial Officer; **Agiola Bejko**, Manager of Coaching, Education & Outreach; **Mike Loftin**, Chief Executive Officer; **Augusta Candelaria**, Qualifying Broker; **Laura Altomare**, Director of Communications & Resource Development; **Brian Anderson**, Director of Real Estate Development; **Elena Gonzales**, Albuquerque Market Manager

HOMEWISE BOARD OF DIRECTORS



Teresa Leger de Fernandez, Chair

Andrew Spingler, Vice Chair

David Hofmann, Treasurer

Erika Campos, Secretary

David Delgado

Frank Mathew

Anne Messbarger-Eguia

Dee Walsh

Martha Acosta

HOW OLD ARE OUR CLIENTS?



SHEILA & MARVIN
Homeowners, Homewise Homes
at Rincon del Sol

33

18 - 24 years

179

25 - 34 years

128

35 - 44 years

98

45 - 64 years

19

65+ years

WHAT TYPES OF FAMILIES DO WE SERVE?



ERIKA
Homewise
New Americans
Lending Program
participant

209

Single Adult

97

Single Parent

96

Married with Children

55

Married without
Children

WHERE DO OUR CLIENTS WORK?



KALEIGH
Santa Fe Community College Early
Childhood Development Teacher and
Homewise Homeowner

110	National Business
81	Government
77	Other
75	Education
71	Healthcare
57	Local Business
50	Hospitality
43	Construction
35	Nonprofit
27	Self Employed
13	Finance

HOW DO WE IMPACT OUR COMMUNITY?



ADRIANNA & ROSY
Devoted Bronco fans and
Homewise Homeowners

1,015

Number of people who are better able to manage their money as a result of participating in our financial literacy and homebuyer education workshops

483

Number of new homeowners, all of whom have substantially increased their financial wellbeing

101

Number of homeowners who were able to save money by refinancing their mortgage or who wisely invested in their home through a home improvement

40

Number of Homewise Homes that were built with an emphasis on quality, value and energy efficiency

FINANCIALS

Consolidated Statement of Financial Position

Homewise, Inc. For the year ending March 31, 2016

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$5,953,592
Broker and other receivables	567,936
Grants receivable	72,000
Amortizing mortgage loans receivable, current portion	1,301,797
Inventory	39,990
Development costs	4,992,717

Total current assets	12,928,032
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Property and equipment, net	2,451,053
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Mortgage loans receivable

Amortizing	50,924,312
Allowance on amortizing loans	(1,102,111)

Total amortizing	49,822,201
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Deferred	18,117,919
Allowance on deferred loans	(3,623,584)

Total deferred	14,494,335
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Total long-term mortgage loans receivable	64,316,536
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Other real estate owned	367,611
Mortgage servicing rights	1,465,399
Development costs, net of current	9,463,512
Infrastructure deposits	27,920
Other assets	263,966

TOTAL ASSETS	\$91,284,029
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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

Consolidated Statement of Financial Position

Homewise, Inc. For the year ending March 31, 2016

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$3,190,752
Notes payable, community investment, current portion	69,138
Escrows and deposits	1,524,757
Lines of credit	3,682,558
Notes payable, current portion	4,324,891

Total current liabilities	12,792,096
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LONG-TERM LIABILITIES

Notes payable, net of current portion and unamortized discount	35,681,574
Notes payable, equity equivalent investment, net of unamortized discount	900,514
Notes payable, community investment, net of current portion and unamortized discount	1,798,383
Deferred grants revenue	85,668
Due to grantor agency	1,031,281

Total long-term liabilities	39,497,420
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Total liabilities	52,289,516
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NET ASSETS

Unrestricted	27,662,413
Temporarily restricted	8,273,975
Permanently restricted	3,058,125

TOTAL NET ASSETS	38,994,513
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Total liabilities and net assets	\$91,284,029
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See Notes to Financial Statements.

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FINANCIALS

Consolidated Statement of Activities

Homewise, Inc. For the year ending March 31, 2016

SUPPORT AND REVENUES

Home development sales	\$14,576,023
Government grants	1,073,745
Loan portfolio interest	2,757,761
Loan servicing income	466,841
Real estate sales commissions	1,245,173
Loan origination fees	1,548,669
Contributions and grants	666,018
Bank interest	2,609
Amortization and valuation of mortgage servicing rights	465,345
Loss on sale of asset	(53,673)
Other revenue	242,993
Total support and revenues	22,991,504

EXPENSES

Cost of home development sales	12,830,846
Program	7,175,504
Administrative	1,676,195
Fundraising	349,207
Total expenses	22,031,752

Change in net assets	959,752
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Net assets at beginning of year	38,034,761
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Net assets at end of year	\$38,994,513
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See Notes to Financial Statements.

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2016 HIGHLIGHTS



BREAKING DOWN BARRIERS TO HOMEOWNERSHIP

The Homewise New Americans Lending Program is already proving to be highly successful at helping our underserved immigrant population attain affordable mortgage financing. The Program allows clients to use an ITIN (Individual Tax Identification number) instead of a Social Security number in the application process, making it possible for them to pursue their dream of homeownership.

A TRULY UNIQUE OPPORTUNITY FOR SANTA FE HOME BUYERS



Our newest Homewise Homes community at Oshara Village offers quality built, energy efficient homes with flexible work/live space and a modern, clean design. Homebuyers can also opt for innovative features such as solar energy packages and second story garage space that can be built as studio space or a rooftop deck.



HOMEWISE IN THE NATIONAL SPOTLIGHT

A CNBC national report highlights Homewise and the strong impact we are making in our communities. The in-depth story, entitled 'Some Americans Can't Afford to Buy Homes in Their Hometowns,' focuses on why minority borrowers have been hurt the most by tight lending constraints, and what organizations like Homewise are doing to help.



30 YEARS OF HOME- OWNER SUCCESS

On June 7, Homewise hosted our 30th Anniversary celebration as part of NeighborWorks Week, a national week-long celebration of strengthening communities through homeownership. Nearly 200 guests enjoyed live mariachi music, refreshments, and presentations by Homewise leaders, clients and advocates.



Read the full version of these highlights along with additional stories and media coverage at www.homewise.org/2016-annual-report

INVEST IN HOMEWISE



MELISSA & JESSE
Financial Fitness class attendees
and Homewise homeowners

HOMEWISE COMMUNITY INVESTMENT FUND

You can directly impact the financial wellbeing of local families and individuals by supporting the Homewise Community Investment Fund (HWCIF). As a HWCIF investor, you will earn a monetary return on your investment while providing the necessary funding for:

- affordable fixed rate mortgages
- energy and water conserving home improvement loans
- the development of quality built homes that provide value and energy efficiency

SOLAR OPPORTUNITY LOAN (SOL) FUND

Help homeowners significantly reduce their electric costs by contributing to the SOL Fund. The Fund provides low interest, long-term fixed rate loans to low and moderate income families in Santa Fe so that they can incorporate solar power into their homes. Your tax-deductible donation will be matched up to \$50,000 by our generous SOL Fund underwriting donors.

When you invest in our efforts to create successful homeowners, you become a partner with Homewise in building a strong future for New Mexico.



BREECE & CHRISTINA
Solar power users and Homewise home purchase,
home improvement and refinance clients

Contact Homewise today to learn more about our Funds and the various options available; we can help you choose how to best support your investment goals.

505.983.9473
invest@homewise.org

This notice is not an offer to sell securities.

OUR PARTNERS

Throughout our history Homewise has had the generous support of local and national financial institutions, foundations, religious institutions, city, state and federal government agencies, community businesses and individuals. We gratefully acknowledge the active endorsement of our mission by our investors and contributors.

Financial Institutions

Ally Bank
Bank of America
Century Bank
First National Santa Fe
First National Rio Grande
Los Alamos National Bank
New Mexico Bank and Trust
Self-Help Credit Union
UBS Bank
U.S. Bank
Washington Federal
Wells Fargo

Foundations

Calvert Social Investment Foundation
Citi Community Development Foundation
Frost Foundation
McCune Charitable Foundation
Jessie Smith Noyes Foundation
PNM Resources Foundation
Erich and Hannah Sachs Foundation
Santa Fe Community Foundation
St. Vincent Hospital Foundation
Wells Fargo Housing Foundation

Religious Institutions

Adrian Dominican Sisters
Episcopal Diocese of Iowa
Alternate Investment Fund
Lutheran Family Services
Mercy Investment Services
Religious Communities Investment Fund
Seton Enablement Fund
Sisters of Charity of the Incarnate Word

Community Businesses, Government Agencies and Nonprofits

CHRISTUS Health
CHRISTUS St. Vincent Regional Medical Center
City of Santa Fe
CDFI Fund, US Treasury
HUB International
NeighborWorks America
New Mexico Mortgage Finance Authority
Opportunity Finance Network
Santa Fe Public Schools
Santa Fe Association of Realtors
Stewart Title Company
SVHsupport

Individuals and Investment Funds

Access Strategies Fund	Ann Lockhart
Ann Alexander and Richard Khanlian	Viola Lujan
Anonymous	F.J. Mathew
Avalon Trust	Alicia and William Miller
Joel Frederick Barber	Genevieve and A. Paul Mitchell
Rutgers and Leslie Barclay	Monarch Community Fund
Mikaela and Craig Barnes	Anja Murmann
Anne Beckett	Laura M. Orchard
Lawrence Carreon	Karen E. Orso
Fay M. Chandler	Joseph and Lynne Ptacek
Jill Cook	James DeWolf Perry
Quarrier and Phillip Cook	Stacy S. Quinn
Harriet McKnight Crosby	Katharine W. Reynolds
Anne E. Delaney	Jennifer Roberts
Lori and David Delgado	Celia D. Rumsey
Elizabeth C. Derringer	Wilson McAllen Scanlan
Julie E. Dolin and Bradford Armstrong	Elizabeth and Richard Schnieders
Cliff Feigenbaum and Julie Moss	Nan Schwanfelder
Fresh Pond Capital clients	Barbara Seeley
Phyllis J. Hatfield	Martha and Patterson Simons
Connie and Jonathan Heller	Linda and Andrew Spingler
Cynthia C. Hermes	The Sustainability Group
David Hofmann	Travis Family Gift Fund
The Karuna Trust	Trillium Asset Management
Elaine and Dennis Kelly	Richard T. Tyner, Jr.
Michael Joseph Kelly	Debra A. Walsh
Shannon K. Kendrick	Donna Wardenaar
Suzanne L. Lafetra	Christopher Watson
Marta Jo Lawrence	M. Thomas Wilson
Teresa Leger de Fernandez	Woodlands Investment Management
Nahum Ward-Lev	Peyton Young and Harry Shapiro

LEARN MORE homewise.org
homestartnm.org

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facebook.com/HomestartNM

BE INSPIRED homewise.org/blog
homestartnm.org/blog



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4401 Lomas Blvd NE, Ste B, Albuquerque



AMANDA
Homewise Solar Opportunity
Loan (SOL) program participant

