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
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

- 87+ employees in Santa Fe and Albuquerque
- 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.
- 69 free classes covering financial fitness, homebuyer education, and the basics of owning a home.
- $142.3 M total assets
- $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.
- $6.4 M downpayment assistance provided to qualified borrowers
- $469 M in loans serviced each month
## Consolidated Statement of Financial Position

### ASSETS

#### CURRENT ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$17,172,902</td>
</tr>
<tr>
<td>Broker receivables and other accounts receivable</td>
<td>2,313,573</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>546,677</td>
</tr>
<tr>
<td>Amortizing mortgage loans receivable, current portion</td>
<td>1,558,431</td>
</tr>
<tr>
<td>Inventory</td>
<td>4,684</td>
</tr>
<tr>
<td>Development costs, current portion</td>
<td>11,279,999</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>32,876,266</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and equipment, net</td>
<td>4,064,923</td>
</tr>
<tr>
<td>Mortgage loans receivable</td>
<td></td>
</tr>
<tr>
<td>Amortizing, net of current portion</td>
<td>62,897,595</td>
</tr>
<tr>
<td>Allowance on amortizing loans</td>
<td>(1,347,048)</td>
</tr>
<tr>
<td><strong>Total amortizing mortgage loans receivable</strong></td>
<td><strong>61,550,547</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred mortgage loans receivable</td>
<td>26,806,283</td>
</tr>
<tr>
<td>Allowance on deferred loans</td>
<td>(5,362,000)</td>
</tr>
<tr>
<td><strong>Total deferred mortgage loans receivable</strong></td>
<td><strong>21,444,283</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total long-term mortgage loans receivable</td>
<td>82,994,830</td>
</tr>
<tr>
<td>Other real estate owned</td>
<td>200,000</td>
</tr>
<tr>
<td>Mortgage servicing rights</td>
<td>2,736,924</td>
</tr>
<tr>
<td>Development costs, net of current portion</td>
<td>9,221,685</td>
</tr>
<tr>
<td>Qualified low income community investment</td>
<td>9,716,398</td>
</tr>
<tr>
<td>Other assets</td>
<td>447,781</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$142,258,807</strong></td>
</tr>
</tbody>
</table>
# 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

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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.
## Consolidated Statement of Activities

### REVENUES, GAINS & SUPPORT

<table>
<thead>
<tr>
<th>Description</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home development sales</td>
<td>$17,807,338</td>
<td>–</td>
<td>$17,807,338</td>
</tr>
<tr>
<td>Loan origination fees</td>
<td>2,920,997</td>
<td>–</td>
<td>2,920,997</td>
</tr>
<tr>
<td>Real estate sales commissions</td>
<td>2,004,998</td>
<td>–</td>
<td>2,004,998</td>
</tr>
<tr>
<td>Loan portfolio interest</td>
<td>3,547,711</td>
<td>58,922</td>
<td>3,606,633</td>
</tr>
<tr>
<td>Loan servicing income</td>
<td>847,306</td>
<td>–</td>
<td>847,306</td>
</tr>
<tr>
<td>Amortization and valuation of mortgage servicing rights</td>
<td>795,189</td>
<td>–</td>
<td>795,189</td>
</tr>
<tr>
<td>Loan capital grants and contributions</td>
<td>3,998,688</td>
<td>3,279,496</td>
<td>7,278,184</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>1,574,972</td>
<td>–</td>
<td>1,574,972</td>
</tr>
<tr>
<td>Bank interest</td>
<td>7,088</td>
<td>–</td>
<td>7,088</td>
</tr>
<tr>
<td>Gain on sale of asset</td>
<td>135,946</td>
<td>–</td>
<td>135,946</td>
</tr>
<tr>
<td>Other revenue</td>
<td>441,027</td>
<td>–</td>
<td>441,027</td>
</tr>
<tr>
<td>Net asset transfers</td>
<td>58,922</td>
<td>(58,922)</td>
<td>–</td>
</tr>
<tr>
<td>Released from restrictions</td>
<td>814,206</td>
<td>(814,206)</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total revenues, gains and support</strong></td>
<td><strong>34,954,388</strong></td>
<td><strong>2,465,290</strong></td>
<td><strong>37,419,678</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of home development sales</td>
<td>15,063,158</td>
<td>–</td>
<td>15,063,158</td>
</tr>
</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program</td>
<td>14,064,955</td>
<td>–</td>
<td>14,064,955</td>
</tr>
<tr>
<td>Administrative</td>
<td>2,990,476</td>
<td>–</td>
<td>2,990,476</td>
</tr>
<tr>
<td>Fundraising</td>
<td>245,837</td>
<td>–</td>
<td>245,837</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>17,301,268</strong></td>
<td>–</td>
<td><strong>17,301,268</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change in net assets</strong></td>
<td><strong>2,589,962</strong></td>
<td><strong>2,465,290</strong></td>
<td><strong>5,055,252</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets at beginning of year</td>
<td>35,329,930</td>
<td>12,453,840</td>
<td>47,783,770</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td><strong>$37,919,892</strong></td>
<td><strong>$14,919,130</strong></td>
<td><strong>$52,839,022</strong></td>
</tr>
</tbody>
</table>

---

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

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Parent</td>
<td>107</td>
</tr>
<tr>
<td>Unrelated &amp; Single Adults</td>
<td>300</td>
</tr>
<tr>
<td>Married + Children</td>
<td>167</td>
</tr>
<tr>
<td>Married, No Children</td>
<td>70</td>
</tr>
</tbody>
</table>

### by age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 - 24 years</td>
<td>61</td>
</tr>
<tr>
<td>25 - 34 years</td>
<td>322</td>
</tr>
<tr>
<td>35 - 44 years</td>
<td>260</td>
</tr>
<tr>
<td>45+ years</td>
<td>251</td>
</tr>
</tbody>
</table>

### by employer

<table>
<thead>
<tr>
<th>Employer Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Business</td>
<td>121</td>
</tr>
<tr>
<td>Education</td>
<td>95</td>
</tr>
<tr>
<td>Hospitality</td>
<td>87</td>
</tr>
<tr>
<td>Healthcare</td>
<td>82</td>
</tr>
<tr>
<td>Construction</td>
<td>80</td>
</tr>
<tr>
<td>City, State &amp; Federal Govt</td>
<td>76</td>
</tr>
<tr>
<td>Self Employed</td>
<td>76</td>
</tr>
<tr>
<td>Local Business</td>
<td>62</td>
</tr>
<tr>
<td>Nonprofit</td>
<td>45</td>
</tr>
<tr>
<td>Finance</td>
<td>14</td>
</tr>
</tbody>
</table>
THE STORY OF ANGEL, OUR 5,000TH HOMEOWNER

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

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.

a bigger home for Homewise

THE SANTA FE HOMEOWNERSHIP CENTER EXPANSION
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

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

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

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
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.

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

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.

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.

El Camino Crossing

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.

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

renovations
partners help to make it possible

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

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

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

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

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-Egua

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

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 Nanasi 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
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
Kay Naranjo, Treasurer
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!