

Portraits of Affordable Housing



Annual Report 2007



Accomplishments of FY '07

- ◆ Purchased an office building in Georgetown, Delaware to serve our Sussex County clients. (*Office pictured on Back Cover.*)
- ◆ NCALL's Loan Fund originated, provided underwriting, and approval for 13 community development loans valued at \$6.8 million through our own and participating capital.
- ◆ Counseled and assisted 332 first-time homebuyer closings, leveraging over \$59 million in attractive mortgages and over \$2 million in down payment and settlement assistance.
- ◆ Counseled and assisted 27 rural households to obtain USDA Rural Development mortgages, leveraging \$4.8 million in subsidized federal mortgages.
- ◆ Counseled and assisted 264 clients in various financial literacy programs to overcome financial hardships and prepare for independence and homeownership.
- ◆ Assisted 23 operating Mutual Self-Help Housing grantees that closed 100 homeownership loans for an average sweat equity savings of \$37,579.
- ◆ Two multi-family apartment communities completed construction totaling 118 units in Seaford and Millsboro, Delaware. Additionally, two smaller projects in Claymont and Townsend resulted in the completion of 3 affordable units.
- ◆ NCALL was the largest homeownership producer in Delaware and the Mid-Atlantic District in the NeighborWorks America network.

“At its January 2007 meeting, the Organizational Health Tracking System Committee made up of senior officers and directors, affirmed that NCALL’s current Exemplary rating will be continued for your NeighborWorks organization. We commend you for achieving and maintaining the highest NeighborWorks America rating. Congratulations.” *Eileen M. Fitzgerald, Chief Operating Officer, NeighborWorks America*

“My overall impression is that NCALL could be used as a HUD Model Agency. They are professionally staffed, have wonderful facilities for both individual and group sessions, provide an extensive array of services and workshops, and are easily handicap accessible. The Counselors have current training in an array of required topics, are all proficient using the on-line CMS system, keep organized and comprehensive files, and are dedicated and knowledgeable. It is recommended that HUD re-approve this agency unconditionally.” *Susan Noce, Program Support Specialist, from the Biennial Performance Review by HUD of NCALL’s Homeownership Counseling Program.*

This annual report reflects the activity of the National Council on Agricultural Life & Labor Research Fund, Inc. (NCALL) during the time period of October 1, 2006-September 30, 2007. Throughout the report NCALL uses quotes from a housing study, “Who Can Afford to Live in Delaware?,” by Jeanine Kleimo for the Delaware Housing Coalition (DHC). These quotes are denoted with a small DHC logo, as shown below. The entire study can be found at www.housingforall.org.



Message from the President and Executive Director

Dear Friends:

2007 represents another productive and rewarding year for NCALL as we worked at implementing creative affordable housing solutions. Market changes, new initiatives, and substantial results help lay the foundation for NCALL's work. The year was full of celebrations as milestones were reached and new challenges were unveiled.

During 2007, NCALL celebrated reaching its 6,000th first-time homebuyer closing. This staggering number demonstrates how NCALL has played a significant role in Delaware's high rate of homeownership. Yet, this work was done one family at a time and NCALL's customers were informed consumers who selected quality mortgage products.

Increasing default and foreclosure pressures by households facing hardships or entangled in the sub-prime crisis, has resulted in action by NCALL. These needs are being addressed through education and counseling, accessing available

products, and from a resource and policy standpoint as a member of the Lt. Governor's Foreclosure Task Force.

NCALL purchased our office building in Georgetown where we provide homeownership counseling, financial literacy, Rural Development mortgage packaging, and default counseling for our Sussex customers. Purchasing this office keeps operating costs low while providing trust and permanency that NCALL's services will be available to Delaware's most rural county.

Increasing NCALL's CDFI Loan Fund's infrastructure and capacity was a goal for 2007 that has been accomplished through improved servicing, reporting, and loan closings. Investors and loan participants are growing as NCALL works to serve the Delmarva Peninsula with this new financial resource. A growing portfolio with a healthy pipeline demonstrates the continuing need for our unique products and services.

The Board of Directors spent time planning in September having strategic discussions about NCALL's lines of business while setting direction for future work. Please note the updated Mission, new Vision, and Values within the report.

NCALL is blessed with an engaged Board of Directors which keeps work focused on mission while being accountable to stakeholders. We appreciate all of our many partners whose collaboration makes the accomplishments within this report possible.

Roland R. Ridgeway

Roland R. Ridgeway, President

Joe L. Myer

Joe L. Myer, Executive Director



NCALL's Executive Director Joe Myer and Board President Roland Ridgeway.

47,690 Delaware families have incomes below \$35,000, making it difficult for them to afford to buy or rent adequate housing.



Housing Development



NCALL's development services add to the affordable housing stock of apartments and homes addressing the current deficit of affordable units.

◀ Old Landing II, a Low Income Housing Tax Credit complex sponsored by Millsboro Housing for Progress, Inc. (MHP) was completed in 2007. The development is a 30-unit complex, consisting of 6 one-bedroom units, 12 two-bedroom units, and 12 three-bedroom units. It also has a community building which offers services to residents. It was 100% occupied as of July 2007.

Not only did NCALL provide the technical assistance and financial packaging for this community, but MHP received permanent financing through NCALL's Loan Fund as well.

Many of the development team and financing partners voiced their de-

light in working with NCALL for the Old Landing II project. According to MHP Board Member Elva D. Allen, "Without the assistance from NCALL, this community, as well as all of our developments, could not have happened."

NCALL's technical assistance helps put together the complicated financing puzzle required to develop affordable apartments serving lower income households, the elderly, and farmworkers in need of decent, affordable housing. Packaging and leveraging federal and state assistance along with private resources, helps create quality rental communities for the local workforce.

Over 26,000 households are severely burdened, paying over 50% of their income for housing.



Under Construction and Completed in FY '07

- Chandler Heights Renovation, Better Homes of Seaford, Inc., Seaford, DE – 88 units
- Knollwood Revitalization, New Knollwood Civic Association, Claymont, DE – 2 units
- New Discovery Road, Ap-poquinimink Development, Inc., Townsend, DE – 1 unit
- Old Landing II, Millsboro Housing for Progress, Inc., Millsboro, DE – 30 units

Moving Towards Construction in FY '08

- Crispus Attucks Apartments, Accomack-Northampton Housing and Redevelopment Corporation, Exmore, VA – 22 units
- Knollwood Revitalization, New Knollwood Civic Association, Claymont, DE – 3 units
- New Road Village, New Road Community Development Group, Exmore, VA – 16 units

57% of all workers statewide have insufficient income to afford a two-bedroom apartment at the prevailing Fair Market Rent for their county of employment.



Mutual Self-Help Housing



NCALL supports mutual self-help housing grantees in achieving their production goals through technical and training services.

◀ Pictured left is a group of participants at Milford Housing Development Corporation's Self-Help Build Day in June 2007.

▶ "I believe the Self-Help Housing Program is instrumental in helping to build communities and neighborhoods. It assists families to obtain homes who would not normally believe they have the right or the means to provide decent housing for their families.

Self-Help Housing builds relationships. Our partner families work together to achieve the goal of simple, decent affordable homes. Partnerships and continued friendships de-

velop. I believe the lives of those who participate in the self-help program are transformed by removing the stigmatism of 'low income.'

NCALL helps by expanding home production, educating and offering a guidance system for the staff.

Education and experience are key. It opens doors and provides opportunities for the staff to broaden its expectations and challenge themselves.

The dedication of the NCALL staff has been invaluable to our organization." *Jane Iery, Volunteer Coordinator, Marquette County Habitat for Humanity, Marquette, Michigan*

Every dollar invested in affordable housing generates \$7 in economic output.



Self-Help Housing Program Statistics for NCALL's 21 State Region

Total 502 Loans Closed:	100
502 Loan Dollars Leveraged:	\$10,594,573
Total Other Funds Leveraged:	\$1,163,571
Average Sweat Equity Earned:	\$37,579
Average Appraised Value:	\$154,441
Very Low Income Served: (Below 50% of Median Income)	64%
Low Income Served: (Below 80% of Median Income)	36%



NCALL's Region

NCALL Loan Fund



This is an architectural rendering prepared for Interfaith Community Housing of Delaware by Tetra Tech.

NCALL's Loan Fund is facilitating increased affordable housing production and capacity through its financial products.

◀ The NCALL Loan Fund is proud to be a part of New Hope Place in Wilmington's Southbridge community. Interfaith Community Housing of Delaware (Interfaith) is the developer of this 15 townhome community in Southbridge, the city's first designated "Hope Zone."

A Hope Zone is a specially designated area of the city that has been targeted for a long-term revitalization plan where social services and other programs would be intensified.

Interfaith contacted NCALL in reference to financing the project as Interfaith and the Fund have enjoyed a solid relationship for several years. This was a great opportunity to foster a substantial community development impact. As both Interfaith and

NCALL are Neighborworks organizations, NHSA-CDFI agreed to be an additional lender in the project.

Also, New Hope Place will be the first LEED-built residential construction project in Delaware. The LEED rating system is a nationally recognized standard for "green" building practices.

Phill Raffan, Housing Development Manager for Interfaith shares, "We are pleased to be a part of the revitalization of the Southbridge community. Our relationship with NCALL is instrumental in that success."

▶ The NCALL Loan Fund also provided financing for the Community Legal Aid Society's new Georgetown office.

Loan Fund Activity

\$6,880,000 of loans committed during FY '07

- \$3,940,000 NCALL portion
- \$2,940,000 participant portion

13 loans originated with 10 different borrowers

- 3 loans for multi-family dwellings (48 units)
- 2 loans to assist Self-Help Housing projects (20 homes)
- 3 loans for community based facilities
- 3 lines of credit for Homeownership Development (15+ units)
- 1 working capital loan
- 1 infrastructure improvement loan to a rural municipality



For every 100 renter households with incomes at or below 30% of the area median, Delaware has only 49 affordable units and only 41 units both affordable and available. 

Homeownership Counseling



NCALL's homeownership education and counseling helps strengthen many of our neighborhoods by maintaining an owner occupied base.

◀ Jennifer Cropper became a homeowner in May of 2007. Her journey to homeownership was longer than some families who have utilized NCALL's services, and she faced many personal challenges along the way. As a single mother of a young baby, she never wavered in her pursuit of finding the right home for raising her daughter. Jennifer always appreciated the constant communication that was available to her through her counselor at NCALL. Even when there were no immediate issues that needed to be addressed, she could call and just check in to make sure that her counselor knew she was keeping on track.

Like most families, credit issues seemed to be daunting. But focusing

on learning the required budgeting skills, and maintaining her new financial habits enabled Jennifer to prevail. She found she would always receive honest answers about her financial status along with a lot of support to help make positive changes. Previously in a rental situation, Jennifer and her two-and-a-half year old daughter are now living comfortably and securely in a new townhouse in Dover.

▶ In July 2007, NCALL honored and celebrated our 6000th Homeowner. Lisa Brown purchased a home in Dover in April 2007 through the Delaware State Housing Authority's Affordable Housing Program.

Homeownership Counseling Statistics

New Clients this Year:	796
Clients Assisted this Year:	1004
Mortgage Loans Closed:	332
Mortgage Dollars Leveraged:	\$59,348,862
Average Mortgage:	\$178,762
Clients Who Used DPSA*:	260
DPSA Leveraged:	\$2,282,534
Female Head of Household:	40%
Minority Households:	44%

*DPSA is Down Payment & Settlement Assistance Programs.

Rural Delaware Homeownership Initiative Statistics

New Clients this Year:	173
Clients Assisted this Year:	408
RD 502 Loans Closed:	27
Total RD 502 Mortgage Funds Leveraged:	\$4,815,045
Average Mortgage:	\$179,983
Average Income:	\$24,897
Moved out of Overcrowded or Substandard Housing:	52%
Minority Households:	78%
Below 50% of County Median Income:	41%



Only an estimated 150,000 workers (36% of the total) earn \$60,000 or more, enough to afford the typical house price of \$228,000.



Financial Literacy



NCALL empowers people to become financially informed consumers, ready and able to make sound financial decisions for their housing future.

◀ Charlotte Banice, *pictured left*, is a single mom whose three teenagers and one grandchild live with her. As part of her year-long homeownership process, Charlotte successfully graduated from the Growing Your Money Financial Fitness classes. She purchased a single family home in Dover using the Dover First Start Grant Program in September 2007.

Prior to owning a home and due to credit issues, she lived with family and then rented an apartment. Through Growing Your Money, she cleared up her credit and learned budgeting skills that she now passes along to all of her friends! She was a little afraid to think about maintain-

ing a home with all of the news of the foreclosure problem, but developed the confidence to believe that her new skills would see her through. “NCALL coaches you. No one tells you what to do, but you’re given honest answers and choices about what to do about your situation.”

Charlotte enjoys the privacy of being in her own home and the safety of having her own driveway for her and her kids, as opposed to coming in at night from a parking lot. And her teenagers certainly enjoy their own rooms!

▶ NCALL Counselor Nathaniel Horsey leads a financial literacy class.

Over 1,800 Delawareans are homeless on any given night, with nearly 7,000 residents experiencing homelessness during the year.



Growing Your Money

Participants: 179
 Graduates: 136
 Minority Households: 88%
 Below 80% of County
 Median Income: 85%

Default Counseling (Began April '07)

Inquiries: 120
 Households counseled: 21
 Foreclosure Relief Loans: 9
 Positive Resolutions: 9

Individual Development Account Program

Clients Enrolled: 39
 Clients Matched: 10
 Matched Savings: \$35,313
 Average Client Savings: \$1,252
 Average Client Income: \$21,708
 Average Family Size: 3.4

Finanzas (Basic Banking Curriculum)

Graduating households: 27



The Delaware Rural Housing Consortium



Consortium Members

Appoquinimink Development, Inc.
Better Homes of Seaford, Inc.
Delmarva Rural Ministries, Inc.
InterFaith Mission of Sussex
County, Inc.
Milford Housing Development
Corporation
Millsboro Housing for Progress, Inc.
NCALL Research, Inc.

*“Doing together what we cannot
do alone”*

▲ Ms. Louise Williamson was the first resident to move into Charleston Place and she says, “it’s a wonderful place to live; I’ve found great neighbors and friends.” This elderly rental community, located in Seaford, Delaware was sponsored by Better Homes of Seaford.



The Delaware Rural Housing Consortium is a collaborative of central and southern Delaware based nonprofits that have worked in concert for ten years with a goal of “Doing Together What We Cannot Do Alone.” This work has resulted in coordinated housing development, unique and creative housing types, leveraging valuable resources into rural Delaware, and significant measurable outcomes serving lower income households.

The Delaware Rural Housing Consortium completed its 2004-2006 Housing Development Plan yielding a detailed Spring 2007 report to stakeholders. The goal of 740 households impacted was

exceeded by 109, for a total served with improved housing of 849 households. A total of \$106,950,837 in housing financing and assistance was leveraged by this work.

During this plan, \$495,190 in performance and capacity building resources were passed-through to Consortium member organizations.

Strategic planning resulted in an asset management initiative beginning in 2008 designed to provide the tools and systems necessary to preserve multi-family apartment assets and improve portfolio performance.

Consortium Member Projects within the 3-Year Plan

- New Discovery Road, southern New Castle, ownership, ADI
- Charleston Place, 11 elderly rental units, Seaford, BHS
- Chandler Heights renovation/preservation, 88 family rental units, Seaford, BHS
- Elizabeth Landing II, 16 farmworker rental units, Bridgeville, DRM
- Elizabeth Landing Annex, 12 family rental units, Bridgeville, DRM
- Adams Street SRO, 9 single worker rental units, Georgetown, IFMSC
- Emergency repairs, 71 owned homes, Sussex County, IFMSC
- Self-help housing, 30 owned homes, Sussex County, MHDC
- Spec homes/rehabilitations, 5 owned homes, Kent and Sussex, MHDC
- Old Landing II, 30 family rental units, in Millsboro, MHP
- First-time homebuyer closings, 567 households, Kent and Sussex, NCALL

NCALL's Mission, Vision & Values



MISSION

To provide opportunities for safe, decent, affordable homes and improve housing conditions of low and moderate income people primarily in rural communities. To that end we seek to:

- Provide training, technical assistance, and support to organizations to enhance their capacity.
- Encourage, support, and educate people to obtain and preserve decent, affordable housing.
- Provide financing for affordable housing and community development efforts with a goal of fostering borrower capacity and community impact.
- Increase public awareness about effective community housing efforts and the need to improve housing conditions.
- Formulate and advocate improved public policy.

VALUES

As guiding principles for the organization, as concepts honored when making decisions, and as the manner in which we relate to our stakeholders, NCALL embraces these values as we strive for excellence:

- Professionalism
- Resourcefulness
- Responsiveness
- Accountability
- Integrity

Professionalism—Exemplifying quality in all aspects of the organization.

Resourcefulness—Opening every door possible to create opportunities and reach solutions.

Responsiveness—Learning community needs with a motivation to act.

Accountability—Exercising stewardship of resources and achieving measurable results.

Integrity—Openness and honesty in decisions, finances, and all we do.

VISION

A decent and affordable home and a suitable living environment for every family.

Comprehensive Financial Statements

Below are comprehensive financial statements excerpted from NCALL's Fiscal Year 2007 (October 1, 2006 - September 30, 2007) audit performed by the accounting firm of Barbacane, Thornton and Company, Certified Public Accountants, Wilmington, Delaware. Complete audited statements are available from NCALL upon request.

Balance Sheet

As of Sept. 30, 2007

Assets	NCALL	Loan Fund
Cash and Investments	\$3,475,118	\$1,607,238
Cash restricted by the Consortium	27,979	-
Accounts receivable	-	140,000
Loans receivable	3,031,536	3,031,536
Grants receivable	213,237	-
Prepaid insurance	14,392	-
Fixed assets, net	<u>1,227,917</u>	<u>11,117</u>
Total Assets	<u>\$7,990,179</u>	<u>\$4,789,891</u>
Liabilities and Net Assets		
Funds on behalf of Consortium	27,979	-
Line of credit for the loan fund	1,500,000	1,500,000
Note payable for the loan fund	650,000	650,000
Other liabilities	172,932	35,179
Net assets	<u>5,639,268</u>	<u>2,604,712</u>
Total Liabilities & Net Assets	<u>\$7,990,179</u>	<u>\$4,789,891</u>

Statement of Revenue and Expenses

Year Ended Sept. 30, 2007

Revenue	NCALL	Loan Fund
Program revenue	\$2,740,173	\$735,297
Other revenue	<u>11,678</u>	<u>-</u>
Total Revenue	<u>\$2,751,851</u>	<u>\$735,297</u>
Expenses		
Program activities	1,545,806	225,107
Support services	<u>464,085</u>	<u>40,574</u>
Total Expenses	<u>\$2,009,891</u>	<u>\$265,681</u>
Increase in Net Assets	<u>\$741,960</u>	<u>\$469,616</u>

Funding Sources

Grants, Contributions, Contracts, & 30th Anniversary Sponsors

(October 1, 2006 - September 30, 2007)

Governmental

Delaware Grant-in-Aid
Delaware State Housing Authority
NeighborhoodWorks® America
New Castle County
Sussex County Council
US Dept. of Treasury (CDFI)
US Department of HUD
USDA, Rural Housing Services

Private

Advanta National Bank
Allstate Foundation
Artisans' Bank
Bank of America
Bank of America United Way
Bank of New Castle
Bank of New York
CFC Fund Manager, LLC
Citigroup Foundation
Citizens Bank
Combined Federal Campaign
Delaware Federation of Housing
Counselors
Delaware National Bank

Deutsche Bank
Discover Financial Group
Federal Home Loan Bank of Pittsburgh
Felton Bank
Florida Non-Profit Housing, Inc.
Freddie Mac
Gilpin Mortgage
GMAC Bank
HBSC Bank
JPMorgan Chase Foundation
Laffey-McHugh Foundation
Marmot Foundation
PNC Foundation
Premier Building Group, LLC
State Employees Charitable Campaign
State Farm Mutual Insurance
United Way of Delaware
Wachovia National Bank
Whirlpool Financial National Bank
Wilmington Trust
WSFS

Individuals

Julie Abplanalp
Zionna Adamolekun
Kym Alvarado

Tara Amsterdam
Debbie Andrews
David Annis
Robert Arnold
Joe Belden
Lucia Campos
Theresa Carter
Tara Clifford
Tomeka Crawford
Joel Crumpley
Frank DeFroda
Sherry DeZwarte
Erin Dobey
Clarence Donovan
Joan Edwards
Angela Fraley
Denise Freeman
Marlene Gibson
Demetric Griffin
Lynn Grubb
Cathy Harrington
John D. Hazelton
Blanche Horsey
William Hughes
Theresa Johnson
Jay Jones

Karen Kollias
Jaafar Lakhsassi
Mark Lasocha
Julia Loescher
Connie Louder
Diogenin Matos
James McDowell
James McGiffin, Jr.
Betty Merrill
Ulla Moore
Marilyn Morris
Joe Myer
Glenn Neal
Leslie Prime
Donald Rianear
Denise Roberson
Debra Singletary
Cindy Small
Thornton Spellman, Sr.
Kevin Thomas
Harold Truxon
Laquinta Wallace
Christopher Webb
Harold Wilson
Mary Wilt
Tracee Wortham

NCALL's Board of Directors



Pictured left to right. Back row: *William Hughes; Harold Truxon; Helen Stewart; James McGiffin; Daniel Kuennen—Treasurer; Jeanine Kleimo—Vice President; Roland Ridgeway—President and Hal Wilson.* Front row: *Maria Isabel Torres and Marilyn Morris—Secretary.*

Not Pictured: *David Annis, Joe Belden, Douglas Hazelton, Jerry Redden, and Debra Singletary.*

NCALL's Staff



Pictured left to right. Back row: Lucia Campos, Connie Louder, Lisa Spellman, Ulla Moore, Sharon Cephas, Tomeka Cranford, David Callaban, Valerie Thompson and Joan Edwards. Second row: Denise Freeman, Julie Loescher, Carolyn Figueroa, Sherry DeZwarte, Stephanie Johnson, Maggie Pleasant, Karen Kollias and Karen Speakman. Front row: Joyce Stell, Joe Myer, Debbie Andrews, Dorothy Lyman and Nathaniel Horsey. Not Pictured: Mark Lasocha and Contractors Robert Adams, Jill Lordan and Don Pierce.



DOVER

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GEORGETOWN

(Pictured above) 110 S. Bedford Street • Georgetown, Delaware • 19947 • (302) 855-1370

NEWARK

501 Ogletown Road • Room 306 & 307 • Newark, Delaware • 19711 • (302) 283-7505

