



**PROMOTING  
& ADVANCING**  
SUCCESSFUL HOMEOWNERSHIP  
*in Minnesota*



**2010**  
Annual Report

# ABOUT THE MINNESOTA HOMEOWNERSHIP CENTER



The Minnesota Homeownership Center is the state's leading independent, nonprofit provider of information and resources aimed at helping all Minnesotans to begin and maintain homeownership. Since 1993, we have served over 100,000 Minnesotans through our range of homeownership services, from pre-purchase education to foreclosure counseling.



## OUR APPROACH

Through strategic partnerships with nonprofit service providers, government, and business, we provide resources, finances, information and technical assistance to first-time home buyers and homeowners facing foreclosure in Minnesota. In particular, we work to help low- and moderate-income individuals and families achieve and sustain homeownership by leading the *Homeownership Advisors Network*, the 50-member strong network of housing counseling organizations.

# THE HOMEOWNERSHIP ADVISORS NETWORK



## Homeownership Advisors Network

The Homeownership Advisors Network is a statewide association of agencies providing homebuyer (pre-purchase) services, foreclosure counseling, reverse mortgage counseling, and other homeownership support. Led by the Minnesota Homeownership Center, the Network

is committed to ensuring that Minnesotans have access to non-biased, trusted education and personalized advice on topics related to buying a home and sustaining homeownership.

The Homeownership Center and the Homeownership Advisors Network are committed to abiding by the National Industry Standards for Homeownership Education and Counseling to ensure that Minnesotans are provided consistent, current, high-quality services.

We encourage consumers to ask for credentials and adherence to National Standards when seeking homeownership support. Service quality and standards are one way that the Center is advancing homeownership education and support as a necessary step in the homeownership process.

### AGENCY

1st Homes Network  
[African Development Center](#)  
African Families Development Network  
[Albert Lea Housing Authority](#)  
American Dream Services  
[American Indian Community Development Corporation](#)  
Anoka County Community Action Program  
[Arrowhead Economic Opportunity Agency](#)  
Austin Housing and Redevelopment Authority  
[Bi-County Community Action Program](#)  
Build Wealth Minnesota  
[Carver County Community Development Agency](#)  
CCCS of The Village Family Service Center  
[Central Minnesota Housing Partnership](#)  
Children's Home Society & Family Services  
[City of Mankato Economic Development Agency](#)  
City of Owatonna Housing & Redevelopment Authority  
[City of Saint Paul Planning and Economic Development](#)  
Community Action Duluth  
[Community Action Partnership of Suburban Hennepin](#)  
Community Neighborhood Housing Services  
[Dakota County Community Development Agency](#)  
Family Life Credit Services  
[Headwaters Regional Development Commission](#)  
Heartland Community Action

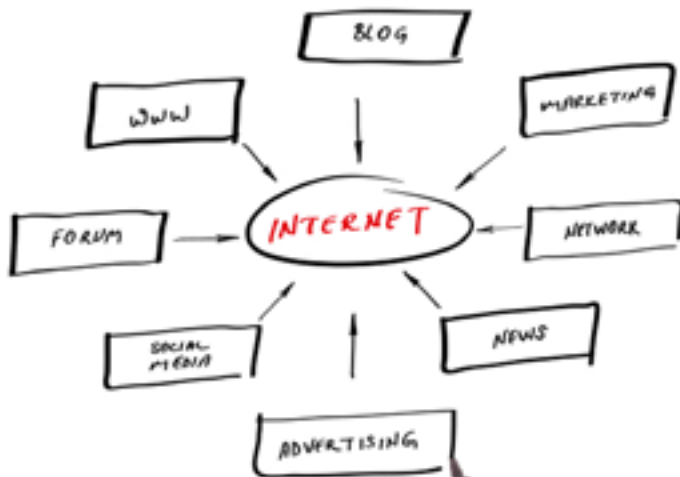
[Hmong American Partnership](#)  
Inter-County Community Council  
[KOOTASCA Community Action, Inc.](#)  
Lao Assistance Center of Minnesota  
[LSS Financial Counseling](#)  
MCASA – Model Cities Community Development Corporation  
[Neighborhood Development Alliance](#)  
Neighborhood Housing Services of Duluth  
[Neighborhood Housing Services of Minneapolis](#)  
Northwest Community Action  
[Otter Tail-Wadena Community Action Council](#)  
PRG, Inc.  
[Reverse Mortgage Counselors, Inc.](#)  
Rochester Olmsted Community Housing Partnership  
[RW Media, Inc](#)  
Scott County Community Development Agency  
[Southwest Minnesota Housing Partnership](#)  
Strickland and Associates  
[Three Rivers Community Action](#)  
Tri-Valley Opportunity Council  
[Twin Cities Habitat for Humanity](#)  
Washington County Housing and Redevelopment Authority  
[West Central Minnesota Communities Action](#)  
White Earth Investment Initiative  
[Wright County Community Action](#)

# OUTREACH

# DURING CHANGING TIMES



In 2010 the Center formalized our efforts to reach consumers and professionals through electronic and social media. Using free or near-free social media tools and dramatically improving the consumer experience with our primary website, the Center has been able to increase the range of our outreach throughout the state. The Center's website was used as a resource by more than 200,000 people in 2010, and our blog, electronic newsletter and other social media reach thousands with important information about issues facing Minnesota families, affordable housing, and the real estate & lending industries.



In addition, the Center combined traditional and social media strategies in implementing the successful *Look Before You Leap* program. In partnership with over 100 companies, non-profit organizations and community leaders, the Center implemented Minnesota's version of a national anti-foreclosure rescue scam campaign. With these partners, we've reached tens of thousands of Minnesota families struggling with their mortgage and helped them avoid becoming a victim of a foreclosure rescue scam.

For more information about *Look Before You Leap*, visit the campaign website: [www.LookBeforeYouLeap.org](http://www.LookBeforeYouLeap.org)

# PROVIDING RESOURCES FOR HOMEBUYERS AND THE INDUSTRY



Homeownership  
Advisors Network

Affordable Loan  
Product Matrix

Down-Payment  
and Entry Cost  
Assistance Matrix

Emerging Markets  
Homeownership  
Initiative (EMHI)

The Center understands that engaging with housing partners is key to achieving our goal of assisting Minnesotans achieve sustainable homeownership. In 2010 the Center conducted trainings for hundreds of real estate and lending professionals about the services available to their clients through the Homeownership Advisors Network and other tools the Center creates specifically for our industry partners.

For the first time, the Center released its “Affordable Loan Product Matrix,” originally created to assist Homeownership Advisors find affordable mortgages for their clients, to a broader professional audience on our website. Given the positive response and additional requests we received from industry partners, the Center created a second matrix, our “Down-Payment and Entry Cost Assistance Matrix.” Both matrices are available free for download on the Center’s website. Center staff not only created and disseminated these matrices but connected with several Realtors® Associations and their members directly through a series of trainings on the use of the matrices.

The Center also directs Minnesota’s Emerging Markets Homeownership Initiative (EMHI) designed to increase homeownership opportunities for emerging markets communities through collaborations and partnerships with housing professionals. By offering a forum to share best practices and linking these professionals with research, data and proven successful programs, EMHI strives to promote parity in homeownership among Minnesota’s diverse populations.



# HOMEBUYER SERVICES

The Minnesota Homeownership Center is committed to making new homeownership attainable for Minnesota families and communities through its first-time home buyer education and counseling services.



## Supporting homebuyers in 2010, the Homeownership Advisors Network:

- Prepared 6,617 households for homeownership through Home Stretch workshops.
- Offered individualized counseling services to 2,067 households.
- Dedicated programming to emerging markets consumers: 29 workshops were offered in Spanish and ten in Hmong. Five workshops were offered to Native American communities using a culturally specific curriculum, and 33 workshops were offered to African immigrant communities.

# FORECLOSURE COUNSELING



Throughout 2010, the foreclosure crisis continued unabated. The Center remained committed to empowering Minnesota homeowners to keep their homes during challenging economic times. In 2010, the Homeownership Advisors Network:

- Provided foreclosure counseling services to 12,158 households, the second-highest number of clients served in the network's history.
- A remarkable 66% of homeowners receiving counseling were able to avoid foreclosure, and almost 90% of those who avoided foreclosure were able to remain in their homes.
- In addition to the financial devastation to the individual homeowner, the Joint Economic Committee and other academic studies calculate that each foreclosure costs communities, municipalities and lenders a total of more than \$52,000. By this metric, the Homeownership Advisors Network saved Minnesota communities an astounding \$417,000,000 through its foreclosure prevention efforts in 2010.

*Complete information about the programming offered in 2010 is available in our comprehensive programming reports.*

*Visit the "Reports" section of the Minnesota Homeownership Center's website.*



# FINANCIAL STATEMENT



## ASSETS

### Current Assets

Cash & Cash equivalents	\$2,474,245
Accounts receivable	\$286,619
Contributions receivable	\$70,500
Prepaid expenses	\$4,006
Inventory	<u>\$25,860</u>
Total Current Assets	\$2,861,230

## LIABILITIES AND NET ASSETS

### Current Liabilities

Accounts payable	\$364,075
Due to HECAT	\$250,000
Accrued expenses	\$44,961
Funds held for others	\$11,855
Capital lease - short term	<u>\$3,246</u>
Total Current Liabilities	\$674,137

### Non-Current Liabilities

Capital lease - long term	<u>\$5,692</u>
Total Liabilities	\$679,829

## NET ASSETS

### Unrestricted

Undesignated	\$1,034,733
<b>Board designated:</b>	
- Mortgage foreclosure prevention loan pool	\$180,394
- Reserves	<u>\$122,974</u>
Total Board Designated	<u>\$303,368</u>
Total Unrestricted	\$1,338,101

<b>Temporarily Restricted</b>	<u>\$880,179</u>
<b>TOTAL NET ASSETS</b>	\$2,218,280

Total Liabilities and Net Assets	\$2,898,109
----------------------------------	-------------

## SUPPORT AND REVENUE

Contributions	\$984,927
Grants and contracts	\$1,602,759
Loan repayments	\$10,969
Sales of workshop manuals	\$28,186
In-kind contribution	\$73,412
Interest	\$11,398
Other	<u>\$38,934</u>
Total support and revenue	\$2,750,585

Expenses:	
Program services	\$2,451,968
Management and general	\$136,071
Fundraising	<u>\$48,161</u>
Total expenses	\$2,636,200

Change in net assets	\$114,385
----------------------	-----------

Net assets - beginning of year	\$2,103,895
--------------------------------	-------------

Net assets - end of year	\$2,218,280
--------------------------	-------------

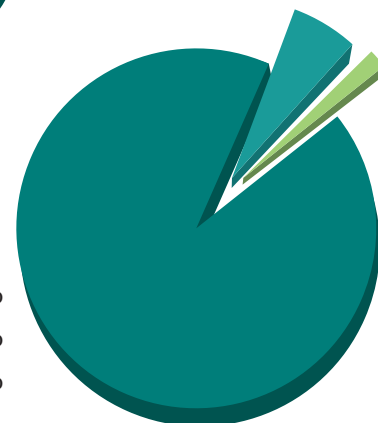
## REVENUE

Contributions	36%
Grants & Contracts	58%
Other	6%



## EXPENSES

Program Delivery	93%
Administration	5%
Fundraising	2%



## BOARD OF DIRECTORS

### Board

President – Michael Haley, Minnesota Housing

Vice President – Vicki Shipley, U.S. Bank

Treasurer – David Lindstrom, M & I Bank

Secretary – David Eide, Western National Mutual  
Insurance Company

### Members

Jerry Boardman, Fannie Mae Minnesota Business Center

Marilyn Bruin, University of Minnesota

Joe Collins, City of Saint Paul, Planning and Economic Development

Jim Erchul, Dayton's Bluff Neighborhood Housing Services

Muffie Gabler, Wells Fargo Bank

Karen Gajeski, Bremer Bank

Chris Galler, Minnesota Association of Realtors®

Jacqueline King, Federal Reserve Bank of Minneapolis

Repa Mekha, Nexus Community Partners

Robin Peterson, Coldwell Banker Burnet

Elfric Porte, City of Minneapolis Community

Planning & Economic Development

Jim Roth, Metropolitan Consortium of Community Developers

Jorge Saavedra, The Saavedra Law Firm PLLC

Bill Sarvela, TCF National Bank

Todd Sipe, Thrivent Financial Bank

Joan Trahan, USDA Rural Development

Nicola Viana, Washington County HRA

*Representing Minnesota Home Ownership Center's Advisory Council*

Stephanie Omersa Vergin, Greater Minnesota Housing Fund

Lowell Yost, Family Housing Fund



## THANK YOU FUNDERS

### **\$100,000 and above**

City of Minneapolis, Community Planning and Economic Development  
Hennepin County  
Minnesota Housing  
Target Foundation  
The McKnight Foundation  
U.S. Bancorp Foundation and U.S. Bank  
Wells Fargo

### **\$50,000 to \$99,000**

City of St. Paul Planning and Economic Development  
Fannie Mae  
Housing Partnership Network  
Minnesota Association of Realtors®  
Thrivent Financial for Lutherans Foundation  
USDA Rural Development

### **\$10,000 to \$49,000**

Ameriprise Financial  
F.R. Bigelow Foundation  
Family Housing Fund  
Greater Minnesota Housing Fund  
M&I Bank  
Minnesota Department of Commerce  
Otto Bremer Foundation  
St. Paul Foundation  
TCF Foundation  
Western National Mutual Insurance Company

### **Up to \$9,999**

Austin Mutual Insurance Company  
Bremer Bank  
Bank of the West  
Coldwell Banker Burnet  
Freddie Mac  
Minneapolis Area Association of Realtors®  
Nexus Community Partners  
St. Paul Area Association of Realtors®  
Valspar Foundation