

Knowledge is the Key



CHARLOTTE-MECKLENBURG HOUSING PARTNERSHIP, INC.

Annual Report 2004

[**The subject is affordable housing.**]

We've spent 16 years studying and responding to the critical need for affordable housing in this community and developing long-term solutions. At Charlotte-Mecklenburg Housing Partnership, it all comes down to knowledge, which is the power behind any significant change. We're sharing what we know about affordable housing on many levels and in many different ways for the betterment of all. Read on.

We Could Write A Book.



First, we were the student. We learned by listening, by gathering feedback from city leaders and fellow citizens, by analyzing what worked in other cities, by extensive study, research and experimentation. Then we became the teacher. Today Charlotte-Mecklenburg Housing Partnership is at the forefront of education, advocacy and change in all matters regarding affordable housing. Now we are known as a role model for other metropolitan areas.

In the process of becoming experts on our subject, we became the catalyst for positive change here in our city. CMHP is at the forefront of public policy decisions and behind the blueprints of extensive new development. Current priorities include establishing affordable housing along the proposed light rail corridor, providing affordable housing for families and seniors, and educating consumers on predatory lending practices. Knowledge leads the way.



Mayor Pat McCrory, city and county officials join CMHP for the Gables at Druid Hills Grand Opening.

SUGGESTED READING

Better Places, Better Lives - A Biography of James Rouse
by Joshua Olsen



Mayor Pro Tem Patrick Cannon and City Executive Stanley Watkins at Housing Bond Kick-Off.



A New Chapter.



With homeownership education a major focus of our organization, class is always in session at CMHP. This year we formalized, energized and expanded our unique, in-house homeownership education program by creating The Homeownership Center of Charlotte. A valuable resource for the entire Charlotte-Mecklenburg community, this is where qualified buyers receive education, personal budgeting, financing with below market rates and even downpayment assistance. All under one convenient roof.

Enrolling in the educational curriculum automatically puts buyers on track for the best loan products, special offers and programs. Most importantly, a personal homeownership advisor is assigned to assist each customer overcome budget obstacles and save money while learning mortgage and homebuying basics. The Homeownership Center of Charlotte will serve hundreds of new customers in 2005.



Homeownership Advisor Brenda Lewis discusses financial details with a customer.

SUGGESTED READING

*The Builder -
The Croslands and How
They Shaped A Region*
by Ross Yockey



Saussy Burbank homes at the Park at Oaklawn have surpassed sales expectations.



Ralphine Summers, Vice President of Homeownership, leads a class.

Success Stories.



It's not enough to merely educate potential homeowners. A thriving community must have desirable affordable homes available for them. That's why CMHP continues to expand such opportunities throughout the area. Our long-term, master developer role continues in the HOPE VI transformation of the Park at Oaklawn near Uptown Charlotte which features new homes for sale, rental units and apartments for senior living. Rivermere Apartments near Mountain Island Lake, CMHP's first bond-financed project, and Tyvola Crossing Apartments are now open. In addition, CMHP is the housing development partner of the Lakewood Community Development Center Corporation. Other projects recently completed and now leased are Rosedale II and Pleasant View II. We brought on line a total of 344 new apartments in 2004. Our impact continues as we work to build a strong sense of community in these neighborhoods as well.



Rivermere Apartments is CMHP's first bond-financed project.

SUGGESTED READING

Fixing Broken Windows - Restoring Order and Reducing Crime in Our Communities
by George L. Kelling & Catherine M. Coles



Construction at Tyvola Crossing is nearing completion.



The 192-unit Rivermere Apartments are now open.

Read All About It.



Educating the public is key as we reach milestones and set ever higher goals. Our website, www.cmhp.org, was completely retooled this year to not only reflect the spirit of CMHP but to be a hands-on tool for potential homeowners. We are excited to be one of the first non-profit organizations in the U.S. to offer on-line mortgage brokerage services for our customers, and we actually originate loans directly for Wachovia Bank and Bank of America. Several pivotal groundbreakings and special events put us in the public eye in 2004, including co-sponsorship of the second annual Home Giveaway Contest with the Charlotte Regional Realtors® Association (CRRRA) and a major loan to the YWCA of Central Carolinas to remodel its Women In Transition facilities. We continue to expand relationships with our current public and private partners as well as adding new ones.



CMHP rolls out a new and user-friendly website, www.CMHP.org.

SUGGESTED READING

*Sorting Out The New South
- Race, Class and Urban
Development in Charlotte
1875-1975
by Thomas W. Hanchett*



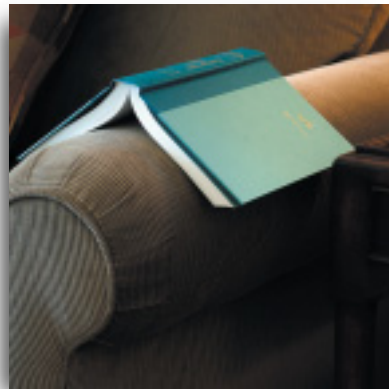
Congressman Mel Watt shares a moment with Board Chairman Mike Rizer and Kaye Moore, Director of Homeownership Education



The Next Chapter.



What's next for Charlotte-Mecklenburg Housing Partnership? More of the same. Yet much more than that. We'll continue to be the area's premier resource for homeownership education. We'll keep expanding affordable housing opportunities in this community and keep working to strengthen neighborhoods. We'll continue to manage our assets and real estate portfolio with diligence. We'll keep reaching. We'll keep learning. And we'll definitely keep sharing our knowledge.



The key to homeownership is knowledge.



*The model home
at the Park at Oaklawn.*

Letter from the Chairman



We started on a journey in the late 1980s when a diverse group of Charlotte leaders came together to address the pressing issue of affordable housing in our community.

We began our journey as students, learning how to bring together our community's leaders and citizens to focus on one common goal. We talked. We listened. We looked to role models outside of Charlotte – towns and cities that had started on the journey before us.

Then we took the knowledge we'd gathered and used it to literally change our community. We've spent the past 16 years passing on what we've learned to help our community members achieve the dream of homeownership and the security of affordable rental housing.

In fact, we've learned so much that our role has evolved – once the novice hungry for advice, we've become a mentor for other cities new to affordable housing advocacy.

But community development is a dynamic industry, requiring us to always be learning. As we've progressed on our journey, our willingness to learn has allowed us to be flexible and able to adapt to our community's needs.

We've learned a lot – but it's not just what we know. It's our willingness to apply that knowledge to find creative solutions to meet the needs of our community.

As we look to the future, we'll continue to apply our knowledge – but we'll also continue to learn. We know that doing so is the only way we will be able to effectively address the critical need for affordable housing in our community.

Michael P. Rizer

Letter from the President



It's hard to believe that it has been 16 years since the beginning of the Partnership. In that time we've been fortunate to have an excellent board to guide us and a staff willing to learn new things and take on new projects. These have been the most important factors in our success.

The average length of employment of CMHP staff is 7.5 years. That ability to retain capable, experienced staff has given us the expertise to take on many complicated developments with multiple funding sources and a myriad of regulations. We continually take advantage of training opportunities, both formal and informal.

CMHP is truly in the education business and while it starts in-house, it continues with our commitment to train our customer. An educated consumer is a good homeowner and a good neighbor. That's why we spend time, money and effort on our homebuyer advisory and education program. And we don't just reserve that program for first time homebuyers, but open it up to anyone who wants to improve their knowledge of the home buying process. We even offer a post-closing educational opportunity after the sale.

Finally, we have partnered with a number of other organizations and gained knowledge from them. In return, we have shared what we know with them. CMHP will continue to value knowledge as we explore new and exiting ways to provide affordable housing.

Pat Garrett

Board of Directors - 2004



Andrea Young Bebbler Legal Services of the Southern Piedmont	Jay Harris, Treasurer PriceWaterhouseCoopers	Stephen Schemmel Wachovia Bank
Tim Breslin, Vice Chair Duke Power Company	Randy Hughes, Jr. Wachovia Bank	Tom Shoup Wood Partners
Councilwoman Susan Burgess (a) Charlotte City Council	Chris Keber Trinity Partners	Jose Sonera * TIAA-CREF
Julius L. Chambers Ferguson Stein Chambers Law Offices	Lorenzo McIver Neighborhood Representative	Chief Darrel W. Stephens (a) Charlotte-Mecklenburg Police Department
Caroline Dellinger * Bank of America	Councilman James Mitchell * Charlotte City Council	Ken Szymanski Charlotte Apartment Association
Dean Devillers Charter Properties, Inc.	Norman Mitchell Mecklenburg County Commission	Robert L. Warfield ** Bank of America
Dianne English Community Building Initiative	Mike Mulvaney Mulvaney Properties	Priscilla Wills, Vice Chair Bank of America
Kim Graham, Secretary Branch Banking & Trust	Patrick T. Mumford ** Wachovia Bank	
Mae Ruth Harrell Neighborhood Representative	Mike Rizer, Chair Wachovia Bank	<i>* Retired Member</i> <i>** Newly Elected member</i> <i>(a) Appointed Member</i>

Balance Sheet

	<u>JUNE 30 2004</u>	<u>JUNE 30 2003</u>
Cash	\$ 4,160,718	\$ 2,384,414
Accounts Receivable	\$ 3,044,414	\$ 2,350,610
Notes Receivable	\$ 22,455,514	\$ 24,796,320
Projects in Development	\$ 4,441,245	\$ 4,331,880
Rental Property	\$ 8,613,759	\$ 6,433,169
Other Assets	\$ 1,144,168	\$ 33,375
Total Assets	<u>\$ 43,859,818</u>	<u>\$ 40,329,768</u>
Accounts Payable & Accrued Expenses	\$ 2,036,822	\$ 1,100,138
Notes Payable	\$ 16,356,850	\$ 15,315,558
Total Liabilities	\$ 18,393,672	\$ 16,415,696
Net Assets	\$ 25,466,146	\$ 23,914,072
Total Liabilities & Net Assets	<u>\$ 43,859,818</u>	<u>\$ 40,329,768</u>
Statement of Activities		
Grants & Contributions	\$ 3,368,200	\$ 5,175,256
Home Sales	\$ 1,079,100	\$ 811,370
Other Income	\$ 3,204,855	\$ 3,269,338
Total Revenue & Support	\$ 7,652,155	\$ 9,255,964
Program Costs	\$ 4,991,449	\$ 5,467,385
Support Services	\$ 1,108,632	\$ 1,083,813
Total Expenses	\$ 6,100,081	\$ 6,551,198
Increase in Net Assets	<u>\$ 1,552,074</u>	<u>\$ 2,704,766</u>



This annual report of Charlotte-Mecklenburg Housing Partnership is dedicated to all past and current employees who deserve credit for our tremendous success and accomplishments over the years.

CURRENT CHARLOTTE-MECKLENBURG HOUSING PARTNERSHIP STAFF

Pat Adair	Lori Clark	Eric Fletcher	David Howard	Felicia Morgan	Larry Samuels
Rebekah Baker	Lee Cochran	Pat Garrett	Jackie Jimoh	Barbara Nash*	Harry Shipman
Glenn Biggs	Stan Cook	Vicki Grady	Brenda Lewis	Cliff Roberts	Johnny Shout
Steve Cartee	Fred Dodson	Linda Hall	Virginia Little	Yolanda Rivers	Ralphine Summers
Bill Carter	Jim Dunn	Linda Hill	Kaye Moore	Rick Rogers	Altreia J. Wilson
Vivian Cherry					

*not pictured

Our Mission

Charlotte-Mecklenburg Housing Partnership, Inc. is a broad-based, private, non-profit housing development and finance corporation organized to expand affordable and well-maintained housing within stable neighborhoods for low and moderate income families in Charlotte and Mecklenburg County with a continuing interest in the ability of occupants to more fully enter the economic mainstream.

Our Vision

Everyone in Mecklenburg County lives in a decent, affordable home.



Charlotte·Mecklenburg
Housing Partnership

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The HOMEOWNERSHIP
CENTER of CHARLOTTE

