



The Housing Trust

2008 ANNUAL REPORT



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Letter from the Chairman & President

It is our pleasure to share with you our accomplishments and highlights from 2007. Throughout these pages you will see examples of how The Affordable Housing Trust for Columbus and Franklin County (Housing Trust) provides gap financing to housing providers at interest rates significantly below market rate. In further of our mission, these low interest loans allow for the production and preservation of housing that is affordable to low and moderate income families throughout Franklin County.

Creating housing for the extremely low income residents of Franklin County is a vital mission of the Housing Trust. Financing housing for extremely low income households and populations with special needs is highly complex. Supportive service funding, equity sources and very low interest debt are all needed to make these housing projects work. Housing Trust loans address the need for low interest debt. As loans are repaid and more capital becomes available, the Housing Trust will be able to offer more creative assistance in the production of affordable housing.

In 2007, The Trust closed \$7.3 million in loans. These loans will result in the creation or preservation of 907 units of housing. Of the \$7.3 million in loans, \$2.1 million went to create 229 units of housing for the residents of Franklin County whose incomes are below 30 percent Area Median Income (AMI). A thirty percent median income equates to each adult in the household earning less than \$7 an hour.

The Housing Trust is rarely the only lender in these affordable housing efforts. Our success is built on relationships with our private developers, community organizations and government partners. By partnering with various lending sources, the Housing Trust leverages its loans to spur a much greater investment in affordable housing. In 2007, the total amount of housing investment funding leveraged with Trust loan money was over \$43 million.



Donald B. Shackelford
Board Chairman



Steven D. Gladman
President

In addition, last year The Trust continued its partnership with The City of Columbus' Home Again program by undertaking the redevelopment of vacant homes. Home again focuses on vacant and abandoned homes that are blight to our neighborhoods. The construction and rehabilitation of these homes have created affordable home ownership opportunities for many families earning 80 percent or below Area Median Income (AMI).

The Housing Trust believes in a balanced housing policy, one that includes both rental housing and home ownership opportunities. As foreclosures pressure housing prices downward, we are looking for opportunities to enhance rental housing. We have a stable Board of Directors consisting of business professionals from the banking, real estate, and nonprofit industries. Most importantly, we have a stable group of partners that do business with us because they value our experience, knowledge and integrity.

We are grateful for the many partners who have and will continue to work with us at the Housing Trust. We will continue to be mindful of our responsibilities to wisely invest in affordable housing and be responsive stewards of your funds. We thank you for your past, present and future support and we genuinely welcome your comments, suggestions and donations.

A handwritten signature in black ink that reads "Don Shackelford".

Donald B. Shackelford
Chairman

A handwritten signature in black ink that reads "S.D. Gladman".

Steven D. Gladman, CAE
President

Business Overview

In addition to the \$7.3 million in loans that closed in 2007, the Housing Trust issued commitments for another seven loans totaling \$2.26 million which will result in an additional 481 affordable housing units. With this activity, nearly all available 2007 Trust funds were committed. Also, the Trust received requests for an additional \$2 million in loans for projects that included: serving households below 30% of Area Median Income (AMI), creating a new supportive housing development, preserving existing rental housing and inner-city home ownership projects.

Since its inception, the Housing Trust has made financing available that helped create or preserve 1936 units of affordable housing: 1491 units of rental housing and 445 homes or condos for sale. Because the Housing Trust does not actually build the housing and most of the housing is rental with different families occupying the housing over time, the ultimate number of people that benefit is unknown. However, by using industry standards for occupancy, approximately 2,250 residents of Franklin County will live in the units funded this year.

At present, the increasing number of mortgage foreclosures is an alarming trend. Although the Trust does not make retail loans to individual home buyers, we are monitoring the foreclosure trends and working with our lending partners to do our part. In the short term, the Trust is involved in providing financing for affordable home ownership opportunities and supports local home buyer education programs.



“This money is an important investment in the community. The Housing Trust takes the funding we provide, combines it with funding from the City and uses that to leverage even more investment in affordable housing. Last year, the total amount of housing investment was over \$43 million.”

**Marilyn Brown
President
Franklin County Board of Commissioners**

The single family for sale housing that is created through Housing Trust financing is done almost exclusively by our not for profit partners. These mission driven organizations require home buyer education for their buyers and fixed rate, 30 year conventional financing as the norm. In 2007, the Housing Trust provided funding to three organizations; Mid Ohio Regional Planning Commission (MORPC), Columbus Housing Partnership and Homes On The Hill to supplement those organization home buyers education efforts. The Housing Trust believes home buyer education is prudent and a proactive way to avoid home foreclosures.

While the Housing Trust’s mission is to help create affordable housing, benefits of creating housing are that employment opportunities result from construction, the ongoing management of the rental housing and from the supportive services that are provided in much of the housing financed by the Trust.

We are much better at counting dollars loaned and units of affordable housing created than determining employment opportunities that we produce. We supplied the economist for the Chamber of Commerce with our loan information and asked them to determine employment opportunities and total investment created by Trust dollars. The Trust’s \$7.3 million in loans leveraged an additional \$36.1 million external investment. Together this created \$43.4 total investment in housing within our community. According to the Chamber of Commerce, this activity added \$99.5 million to total regional output (GDP) and sustained 900 direct and indirect jobs in the region. Of these totals, \$86.7 million of output was created and 600 jobs were sustained in Franklin County.

Community Development for All People



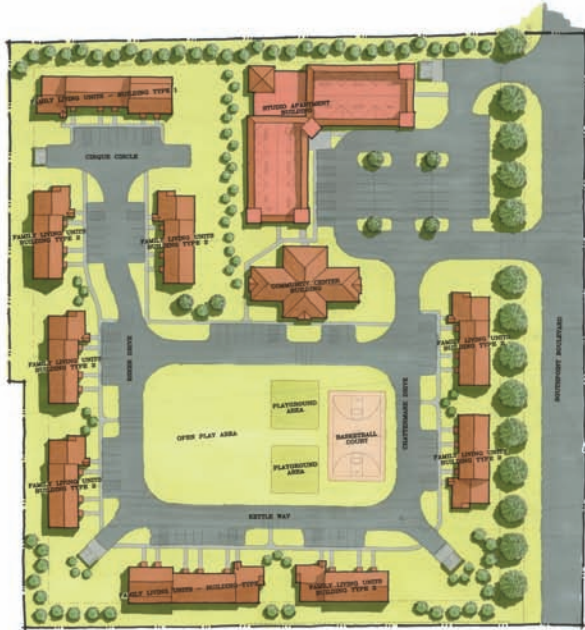


Just One Way We Build Community

Community Development for All People Corporation is a faith-based, non-profit community development organization dedicated to creating a community that welcomes and cares for all people. They work to improve the economic, social and spiritual quality of life for residents of the south side. In cooperation with The City of Columbus and Enterprise Community Partners, Community Development for All People renovates homes and makes them available at a reduced cost to low-income buyers. The program also employs marginalized individuals for some of the renovation process.

Most recently, The Housing Trust has contributed significantly by providing additional loans in excess of \$500,000 to Community Development for All People's project on the south side of Columbus. The overall goal of this development project is to strengthen the neighborhood surrounding the south side where people come to work, reinvest and contribute to the holistic betterment for the community.

Community Housing Network



SOUTHPOINT PLACE APARTMENTS

A NEW RESIDENTIAL DEVELOPMENT FOR
COMMUNITY HOUSING NETWORK





Rebuilding Lives

Community Housing Network's (CHN) mission is to house individuals with mental illness who are capable of independent living. The effort is part of a larger initiative to maximize opportunities for patients of the mental health system. In doing so, it has also presented a much less costly model by delivering supportive services to tenants. The organization has developed and now owns and manages more than 850 apartments scattered throughout the area. Community Housing Network is recognized nationally for their success in operating a compassionate business that transforms lives. Over the last few years, CHN's mission has grown to include those with substance abuse issues and the chronically homeless.

For its part, The Housing Trust has worked to support Community Housing Network with its real estate projects. Previous loans from The Housing Trust enabled CHN to acquire and restructure projects that provided 72 units of such housing. Last year a loan of \$250,000 was made for CHN to purchase land planned for the Southpoint Place Apartments. Upon completion of Southpoint, this 80 unit apartment development will provide supportive housing for individuals and families with disabilities and histories of homelessness.

MiraCit Development Corporation



Building Green



MiraCit Development Corporation, Inc. is a not-for-profit, certified community development organization formed in 1993 for the purpose of spearheading revitalization in economically distressed areas within Franklin County. MiraCit's principal boundaries are 17th Avenue, Joyce Avenue, Agler Road and Sunbury Road; centering on the Mock Road community.

Green View Estates is Franklin County's first green housing initiative recognized nationally. A 30 unit residential subdivision located in the 1900 block of Woodland Avenue in north central Columbus features homes built with energy-efficient, durable, high performance construction materials and practices in order to provide optimal living environments for home owners.

The site also features a 2-acre, regional storm water retention pond which will serve the North Central community, helping improve storm water management for the area. With support from The City of Columbus, The Housing Trust and other partners, development incentives are in place to ensure the success of the project. This includes donation of the land to reduce lot costs to builders, infrastructure improvements, and a 15-year tax abatement on all new construction in this designated area. Builders in the project include: PDG Domus, Sovereign and MiraCit Homes.

City County Holding Company



EHAB[®]
CERTIFIED

EHAB[®] Certified
Green Approved/Energy
Efficient Specifications:

1. New 30 Year Dimensional Shingles with Ice Guard
2. New 7/16" Roof Sheathing where required
3. Energy Star Rated Weatherization System
(10 Year Warranty): " 1/4" R1 Fan Foam Residing Board,
Dupont Tyvek Home Wrap and Dupont Windows and Doors Flashing
4. New Crane Market Square or Approved Equal 4 1/2" Dutch lap Vinyl Siding
5. JELD-WEN or Approved Equal Lifetime Warranty
Low E/Argon Windows
6. New Aluminum 5" Gutters and Downspouts
7. New 3" Underground PVC Gutters/Downspouts
Exterior Drainage to Curb
8. 13 SEER High Efficiency Air Conditioner Unit
9. New Sewer, Water and Gas Services where required
10. 95% High Efficiency Gas Fired Furnace with
High Efficiency Media Air Filter
11. New 7 day Programmable Digital Thermostat
12. 50 Gallon High Efficiency Power Vent Hot Water
Tank with Green Choice Gas Burner
13. Energy Star Rated Cellulose
Insulation for Exterior Walls
14. R38 Attic Blown Insulation (Where applicable)
15. R30 Formaldehyde Free Batt
Roof Rafters Insulation (Where applicable)
16. Mold Resistant Drywall in Bathrooms
17. Combination Carbon Monoxide/Smoke Detector
18. Green Approved Carpet and Glue
19. Energy Star Rated Fluorescent lighting
20. Green Approved Low VOC Paint
21. Home Radon Detector



Revitalizing Our Neighborhoods

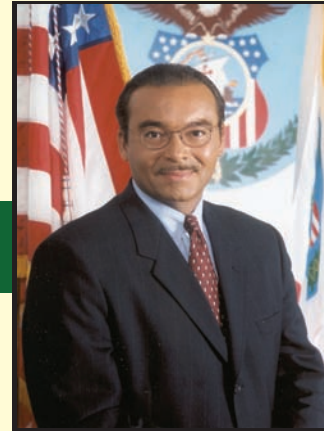
City County Holding Company (The Holding Company) is a wholly owned subsidiary of The Housing Trust for Columbus and Franklin County. The Holding Company manages the acquisition, rehabilitation and sale of the Home Again properties.

Home Again is an initiative of Mayor Michael B. Coleman and the City of Columbus to combat the blight of vacant and abandoned houses in our neighborhoods and return them back to productive use by offering them for sale to home owners. His ambitious goal is to favorably impact 1,000 such properties with projected funding of \$25 million.

In 2007, The Holding Company acquired eighteen properties in Franklinton on the Westside of Columbus. To date, sixteen properties have sold; two properties are for sale and currently under construction.

Home Again homes offer families an option of quality, affordable home ownership. Home Again properties are available for purchase by anyone who is credit worthy to secure a mortgage and who is willing to occupy the home for five years. Each buyer is eligible for a 10 year tax abatement. The average sale price for Home Again properties is expected at about \$95,000.

The Holding Company's comprehensive technique for rehabilitation ensures the home buyer a quality product. After an engineering study is completed to assure structural soundness, each home is completely remodeled with new plumbing, electric and energy star rated windows, heating and cooling systems. All homes are green approved/energy efficient. In addition, manufacturer and contractor warranties are provided to each new home owner.



“We are proud to see the growing impact of the Housing Trust in Columbus and Franklin County. Safe, affordable housing is critical for families, especially in tough economic times, and we are investing in a proven effort that leverages millions of dollars in private investment for our neighborhoods.”

Mayor Michael B. Coleman

Projects Financed in 2007

LOANS CLOSED IN 2007

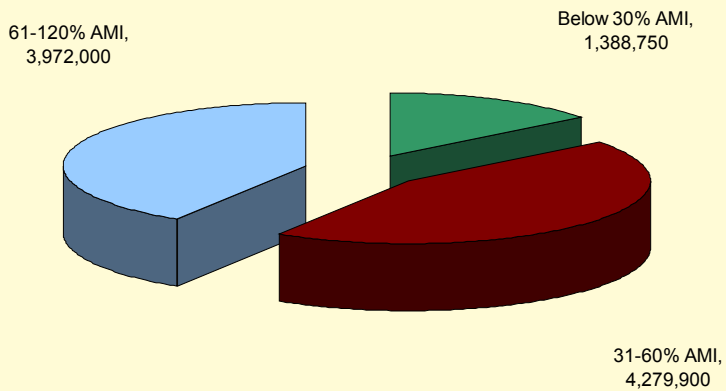
| Project Name | Loan Amount | # of Units | % of AMI |
|--|------------------|------------|----------|
| Columbus Housing Network/Neil Avenue | 335,600 | 8 | Below 30 |
| Columbus Housing Network/Whitehall | 442,650 | 35 | Below 30 |
| City West/Gates at Schuster Place | 640,500 | 14 | 31 - 60 |
| Columbus Housing Network/Jefferson Apartments | 600,000 | 35 | 31 - 60 |
| Community Development for All People/Acquisition | 200,000 | 13 | 31 - 60 |
| Community Development for All People/Acquisition | 300,000 | 14 | 31 - 60 |
| Community Development for All People/Carpenter | 42,900 | 1 | 31 - 60 |
| Community Development for All People/Lockbourne | 42,000 | 1 | 31 - 60 |
| Community Development for All People/Wilson | 37,000 | 1 | 31 - 60 |
| Hilltop Christian Community Development/Richardson Acquisition | 68,000 | 1 | 31 - 60 |
| Ohio Capital/Marigold Hill | 1,000,000 | 150 | 31 - 60 |
| Provident Partners/Dartmouth Place | 640,000 | 78 | 31 - 60 |
| Columbus Compact/City Heritage | 200,000 | * | 61 - 120 |
| Columbus Housing Partnership/American Addition | 480,000 | 34 | 61 - 120 |
| Columbus Housing Partnership/Joyce Infrastructure | 250,000 | * | 61 - 120 |
| Columbus Housing Partnership/Joyce Model | 200,000 | 2 | 61 - 120 |
| Columbus Housing Partnership/New Market Tax Credits | 1,000,000 | 315 | 61 - 120 |
| Total Closings | 6,478,650 | 702 | |

LOANS COMMITTED IN 2007

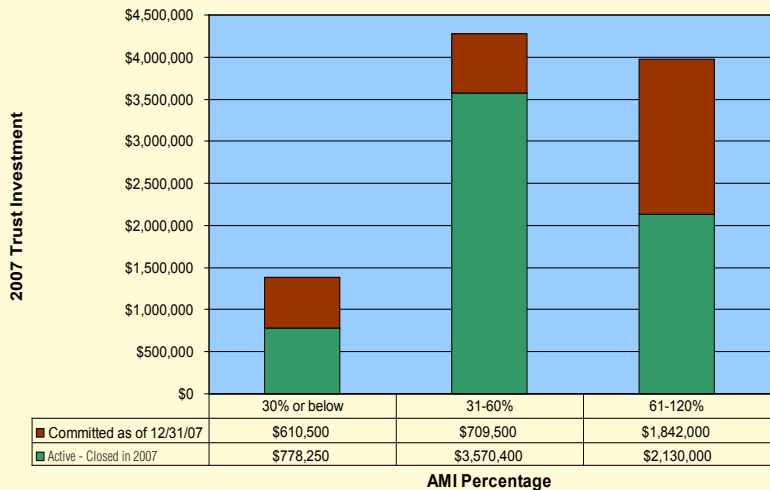
| Project Name | Loan Amount | # of Units | % of AMI |
|--|------------------|------------|----------|
| Columbus Housing Network/Gahanna | 360,500 | 16 | Below 30 |
| Columbus Housing Network/SouthPoint (Cashflow) | 250,000 | 80 | Below 30 |
| Columbus Housing Network/Mayfair Dale | 152,800 | 48 | 31 - 60 |
| JR Robinson | 56,700 | 8 | 31 - 60 |
| Ohio Capital/Nazareth Towers | 500,000 | 208 | 31 - 60 |
| Bluebird Properties/Mt. Carmel | 500,000 | 50 | 61 - 120 |
| National Church Residences/Westerville II | 92,000 | 30 | 61 - 120 |
| Ohio Capital/Network Restoration III | 750,000 | 150 | 61 - 120 |
| Whitney Young | 500,000 | 28 | 61 - 120 |
| Total Committed Loans | 3,162,000 | 586 | |

* Units counted in previous projects

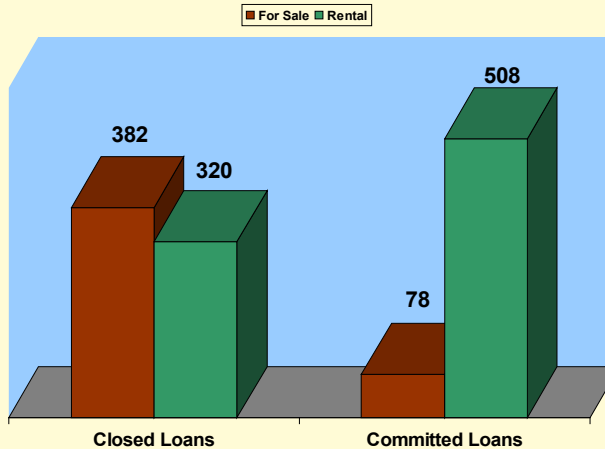
Total Loans Made By Affordability



Affordability of 2007 Loans



Types Of Housing Units



Statement of Financial Position

| ASSETS | 2007 |
|---|----------------------|
| Undisbursed from Lines of Credit | \$ 1,005,150 |
| Committed for Affordable Housing | 2,259,200 |
| Restricted for Program Activity | 2,030,073 |
| Operating Reserve | 1,002,231 |
| Accounts Receivable | 508,320 |
| Notes Receivable (net of allowance of \$ 1,056,101) | 10,668,367 |
| Accrued Interest | 362,565 |
| Investment in Real Estate | 1,438,221 |
| Other Assets, Net of Depreciation | 232,041 |
| | <hr/> |
| Total Assets | \$ 19,506,168 |
| | <hr/> <hr/> |
| LIABILITIES AND NET ASSETS | |
| Accounts payable | \$ 8,497 |
| Accrued expenses | 23,039 |
| Security deposit | 20,000 |
| Deferred loan fees | 86,069 |
| | <hr/> |
| Total Liabilities | \$ 137,605 |
| | <hr/> |
| Total Net Assets | 19,368,563 |
| | <hr/> |
| Total Liabilities and Net Assets | \$ 19,506,168 |
| | <hr/> <hr/> |

Statement of Activities

| REVENUES | 2007 |
|--|---------------------|
| Operating Revenues | \$ 413,261 |
| Franklin County contribution | 3,106,442 |
| City of Columbus—hotel/motel tax revenue | 1,354,616 |
| City of Columbus—housing preservation bond grant | 1,632,071 |
| Property Sales | 1,061,700 |
| Grant Income | 201,940 |
| Other | 224,700 |
| | <hr/> |
| Total Revenues | \$ 7,994,730 |
| | <hr/> |
| EXPENSES | |
| Program expenses | \$ 2,676,704 |
| Loan loss reserve | 349,117 |
| Operating expenses | 716,683 |
| | <hr/> |
| Total Expenses | \$ 3,742,504 |
| | <hr/> |
| NET INCOME | \$ 4,252,226 |

The Columbus Foundation provides accounting services to The Housing Trust.
The Housing Trust is audited annually as part of the City of Columbus' audit by an independent audit firm.

Housing Trust Board of Directors, Partners & Staff

BOARD OF DIRECTORS

Donald B. Shackelford

(Board Chairman)
City County Holding Company Trustee
Chairman, Fifth Third Bank of
Columbus

Victor Davis

Pastor, Trinity Baptist Church

William Faith

Executive Director, Coalition on
Homelessness and Housing in Ohio

Cynthia Flaherty

Director of Special Projects
Ohio Housing Finance Agency

Darrell Gammell

Business Agent, Plumbers and
Pipefitters Union, Local 189

Harold Keller

President, Ohio Capital
Corporation for Housing

Chip Santer

President, Santer Communities

Frank Watson

President, Central Ohio
Minority Business Association

Robert Weiler

City County Holding Company Trustee
Chairman, The Robert Weiler Company

Sharon Young

Agent, Dooley & Company Realtors

PARTNERS

THE CITY OF COLUMBUS

Michael B. Coleman, Mayor

FRANKLIN COUNTY

BOARD OF COMMISSIONERS

Marilyn Brown, President

Paula Brooks

Mary Jo Kilroy

COLUMBUS CITY COUNCIL

Michael C. Mentel, President

Kevin L. Boyce

Hearcel F. Craig

Andrew Ginther

Maryellen O'Shaughnessy

Charleta B. Tavares

Priscilla R. Tyson

STAFF

Steven D. Gladman, CAE

President

City County Holding Company Trustee

Susan Jones

Vice President

Robert Eaton, III

Underwriter

Ken Eppstein

Administration

Jessica Gross

Administration

Diane Pohlman

Accounting

Victoria Troy

Communications

CITY COUNTY HOLDING COMPANY

Clarence Simmons

Director

Housing Trust Acknowledgements

HOW TO SUPPORT THE HOUSING TRUST

The Housing Trust is a not-for-profit 501(c)(3) corporation. In addition to funding from Franklin County and The City of Columbus, it also receives contributions from individuals and businesses who want to invest in affordable housing for the greater community. Your contributions of any amount will be gratefully received and efficiently used to further our shared mission.

Please direct your contribution to:
The Columbus Foundation
Attention: Mr. Terry Schavone
1234 E. Broad Street
Columbus, Ohio 43205
Phone: (614) 251-4000

ACKNOWLEDGEMENTS

The Housing Trust gratefully acknowledges the continuing support of Columbus Mayor Michael B. Coleman, the members of the Columbus City Council, and the Franklin County Commissioners. The Housing Trust could not continue its work without their participation in the public/private partnership that is the foundation of the Trust's mission.



THE AFFORDABLE HOUSING TRUST FOR COLUMBUS AND FRANKLIN COUNTY

Founded in October 2001, The Housing Trust is the result of an ongoing effort by The City of Columbus and Franklin County to strengthen neighborhoods by creating additional home ownership and affordable rental housing to working households and seniors.

OUR MISSION

The threefold mission of The Housing Trust is to:

- Serve as a catalyst for the production of affordable homes and apartments
- Invest in residential development and construction with a focus in older and overlooked areas throughout Columbus and Franklin County
- Stimulate affordable housing in and near employment centers

The Housing Trust acts as an independent, not-for-profit lender for affordable home and apartment development. The Housing Trust directs its resources toward builders and developers rather than individual households. However, the primary beneficiaries of The Housing Trust programs are in fact people - the working families and seniors in low-to-moderate income households who benefit from additional affordable housing in the community.



The Housing Trust
185 S. Fifth Street, Suite 201
Columbus, Ohio 43215
(614) 228-6488
(614) 228-6439 Fax
www.TheHousingTrust.org