



2011 Annual Report

NeighborWorks[®]
SALT LAKE

Rebuilding

Neighborhoods

neighbor by neighbor...

house by house...

block by block!

The McKinney Family, Salt Lake City

MISSION
STATEMENT

NeighborWorks® Salt Lake builds on strengths of neighborhoods, creating opportunities through housing, resident leadership, youth and economic development. We work in partnership with our residents, government, and businesses to build and sustain neighborhoods of choice.



Message to Stakeholders:

THANK YOU. Simple yet heart-felt words that echo the appreciation and gratitude extended personally to each of you for your selfless efforts made for the benefit of a stronger, more vibrant community. You are the fabric of our neighborhood woven inseparably into the lives of its residents. From the innocence of our children to the wisdom of our elders, we draw together and build a place we call home.



Together in 2011, we continued to promote our mission of building sustainable neighborhoods of choice. With a solid financial foundation, an exceptional staff, and critical partnerships between residents, government, and businesses, we are poised for even greater accomplishments as we enter our 35th year in 2012. As we exit 2011, some key highlights of the year include the following:

- Successful launch and deployment of the Affordable Housing Mission Investment Fund (AHMI Fund). A 15 million dollar loan fund made possible by Ally Bank that was invested across 16 NeighborWorks® organizations throughout the country to leverage more than \$60,000,000. This fund, receiving national attention and accolades for innovative acquisition and distribution of capital, creates a sustainable revenue source for NeighborWorks® Salt Lake while making hard-to-find enterprise level capital available to our sister organizations throughout the country.
- Co-recipient of a \$100,000 grant provide by The Home Depot Foundation for community development. The funds are being used for the development of neighborhood business districts, particularly along the new Nine-Line Trail which connects 900 West to 900 East at 900 South. This effort connects NWSL to its 1977 origins when the original office was opened at 900 East and 900 South in the neighborhood of East Liberty Park.
- Both staff and board continue to be recognized for their accomplishments. Resident Board Member and long-time volunteer, Tiffany Sandberg, received the Dorothy Richardson Award from NeighborWorks® America for resident leadership.
- Witnessed the re-opening of the North Temple viaduct on August 17 that will build a stronger connection between our neighborhood and downtown Salt Lake City while helping local businesses during the construction period.
- Broke ground on October 3 on Rendon Terrace Apartments, a new senior assisted-living facility which will bring 63 units of much needed additional affordable housing for our neighborhood seniors who wish to stay close to home.
- We continued our focus on developing community leadership through the Westside Leadership Institute (WLI) and graduated 45 students which increased our alumni pool to 185 residents.
- YouthWorks™ engaged 52 young people in community building; bringing the total number of youth served to more than 1750 since the program was launched in 1982. Many of our youth graduates continue to be contributing members to the community and have been recognized for their accomplishments through scholarships and community awards.
- Through the efforts of our dedicated staff and volunteer, more than 16,000 residents have been engaged in different community events/fairs/meetings and we received more than \$186,000 of in-kind donations.

We are excited to wrap up 2011 as another successful year and move into a new year where we will continue to strengthen our community, neighbor by neighbor, house by house, block by block. This is only made possible through the many funders who continue to support our cause through financial contributions and volunteer services and to NeighborWorks® America for continuing to provide grants and training. Finally, our many successes can only be attributed to the leadership on our Board of Directors, wonderful staff, hundreds of volunteers, and the many partnerships that enable us accomplish our mission. Again, THANK YOU for your support and look forward to your participation in 2012.

Sincerely,
Maria J. Garcia
Maria J. Garcia
Executive Director

Robert J. Pedersen
Robert Pedersen
President

“This is only made possible through the many funders who continue to support our cause through financial contributions and volunteer services.”

Affordable Housing Mission Investment Fund

The \$15 Million Affordable Housing Mission Investment Fund (AHMI) was created via a line of credit available in partnership with Ally Bank in 2009. The original intent was to use the line of credit to purchase foreclosed homes and help refinance high interest loans for struggling homeowners. The focus shifted when it was determined that NeighborWorks® Salt Lake could best serve families experiencing foreclosure through counseling and loan modifications.

The demand for capital in the NeighborWorks® (NWO) network of more than 240 organizations created an opportunity for NeighborWorks® Salt Lake (NWSL) with the Ally Bank line of credit to offer loans up to \$1,000,000. The AHMI Fund provided loans to network organizations with exemplary ratings to support their organizational mission in community development and revitalization.

NWSL partnered with NeighborWorks® America's Rocky Mountain District, network member Community Housing Capital and local law firm Parson, Behle and Latimer to create, underwrite and close the loans.

As of September 2011, NWSL funded twelve Network organizations nationally and locally to the Housing Authority of Salt Lake for a total of \$14.7 Million. These loans finance projects that range from building a homeownership center, multi-family apartments, loans for small businesses and constructing single family houses. These funds leveraged in excess of \$60,000,000 and will provide benefit to >>>



thousands of families throughout the United States. The fund offered a lending product with strong demand due to its uniqueness in underwriting the organization's mission.

The AHMI FUND made it possible to support the following network organizations:

- Affordable Homes of South Texas, Inc (McAllen, TX)
- AEON, Inc (Minneapolis, MN)
- AVESTA, Inc (Portland, ME)
- Business Community Lenders, Inc (Austin, TX)
- Cabrillo Economy Development Corporation (Ventura, CA)
- Community HousingWorks (San Diego, CA)
- DHIC, Inc (Raleigh, NC)
- Ithaca Neighborhood Housing Services (Ithaca, NY)
- Madison Park Development Corporation (Roxbury, MA)
- Neighborhood Development Services (Ravenna, OH)
- NeighborWorks Waco (Waco, TX)
- Self Help Enterprise (Visalia, CA)

Westside Leadership Institute

Westside Leadership Institute (WLI) is a nationally-recognized program which was created in 2004 to help build capacity and wealth of knowledge in Salt Lake City's west side neighborhood through a formal leadership training designed specifically for community residents.

WLI is a partnership between NeighborWorks Salt Lake (NWSL), University Neighborhood Partners and Center for Public Policy and Administration. Residents who attend the program, participate in a 10-week course, involved in collective group projects and eligible for a three credit hours from University of Utah. Upon graduation, the residents will have the opportunity to undertake an Individual Project and apply for a mini-grant with NWSL to help with that effort.

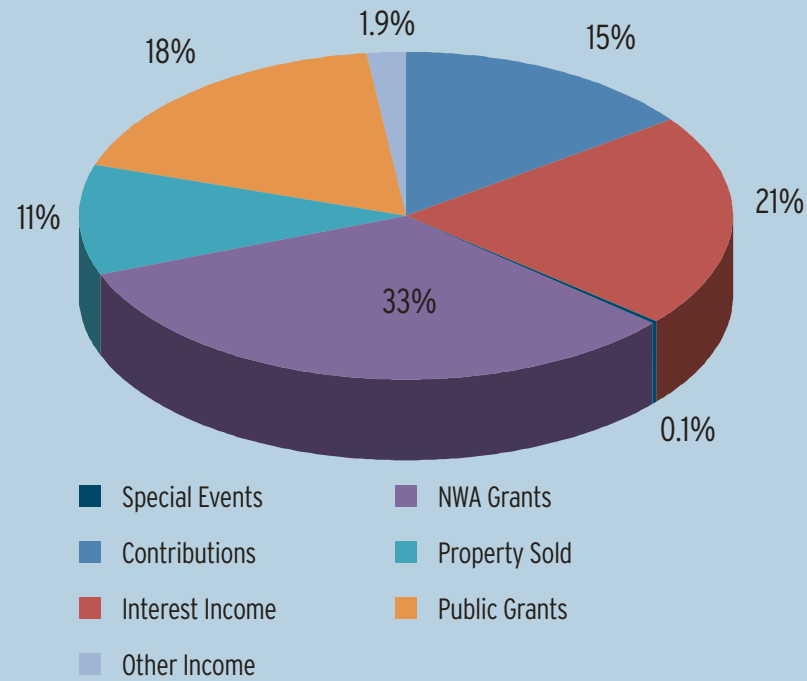
There are 185 graduates who have been involved in many different projects, established not-for-profit organizations and served in decision-making bodies. Many graduates have attributed their successes in both personal and professional levels to WLI. Since 2004, WLI graduates have been instrumental in promoting community and economic development investments in the millions of dollars and involved more than 1,500 volunteers.



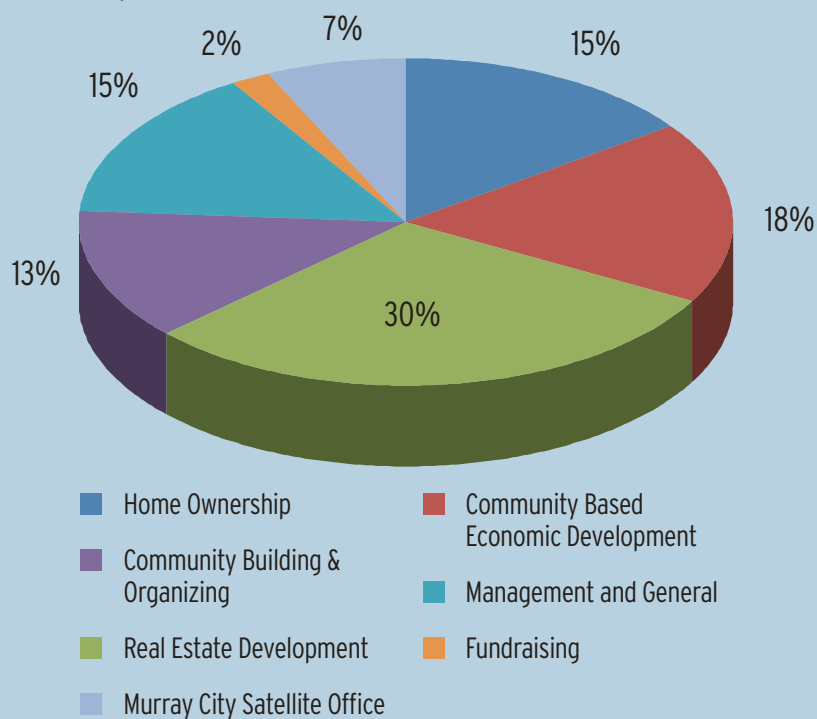
“With a solid financial foundation, an exceptional staff, and critical partnerships between residents, government, and businesses, we are poised for even greater accomplishments as we enter our 35th year in 2012.”

**Robert Pedersen,
Board President**

Revenues



Expenses



Statement of Financial Position

| Assets | June 30, | |
|--|-------------------|-------------------|
| | 2011 | 2010 |
| Cash | 1,938,572 | 819,513 |
| Restricted cash | 326,396 | 321,812 |
| Certificates of deposit | 492,263 | 872,203 |
| Grants receivable | 118,096 | 429,184 |
| Prepaid expense | 16,566 | 19,263 |
| Deposits | 3,500 | 122,414 |
| Mortgage loans receivable, less loss reserve of \$124,892 and \$130,695 and deferred origination fees of \$25,240 and \$26,175 | 3,449,179 | 2,623,595 |
| AHMI loans receivable, less loss reserve of \$150,000 | 2,775,000 | - |
| Property held for development, rehabilitation and sale, less allowance for loss of \$160,920 and \$73,348 | 3,632,865 | 3,338,955 |
| Loan origination fees, net | 4,525 | - |
| Investment in and advances to related real estate limited liability company | 1,387,198 | 1,449,787 |
| Property and equipment, net | 200,447 | 192,207 |
| | 14,344,607 | 10,188,933 |

Liabilities and Net Assets

| | 2011 | 2010 |
|--|-------------------|-------------------|
| Accounts payable | 44,185 | 45,182 |
| Accrued expenses | 86,429 | 45,846 |
| Accrued obligation - Citifront | 163,130 | 194,191 |
| Escrow deposits | 43,459 | 43,042 |
| Deposits | 75,000 | - |
| Notes payable - rehabilitation and development | 2,660,890 | 2,314,246 |
| Notes payable - other | 3,795,000 | - |
| Long-term debt - revolving loans | 1,350,000 | 1,350,000 |
| Total liabilities | 8,218,093 | 3,992,507 |
| Net assets: | | |
| Unrestricted | 1,994,226 | 2,259,799 |
| Temporarily restricted | 418,780 | 388,444 |
| Permanently restricted | 3,713,508 | 3,548,183 |
| Total net assets | 6,126,514 | 6,196,426 |
| | 14,344,607 | 10,188,933 |

Homeownership Services

NWSL offers low-interest first and second mortgages to first-time buyers, first mortgage refinance loans and low-interest home-improvement loans for repair, energy conservation, and hazard abatement.

NWSL also offers minimal to no cost workshops for pre and post purchase homebuyer education, both online and in-house, financial fitness, homeownership planning, and foreclosure prevention. Workshops are offered in several languages.

- Funded first and second mortgages for a total of \$199,100
- Facilitated 21 first mortgages for a total of \$2,914,650
- Counseled 601 households for:
 - o 130 Homebuyer Education
 - o 23 Pre-purchase counseling
 - o 1 Post-purchase counseling
 - o 120 Financial Fitness customers
 - o 327 Pre-foreclosure totaling 1200 hours, saved 14 homes

Community Based Economic Development

NWSL facilitates partnership between local businesses and residents to help precipitate the improvement of economic structure in Salt Lake City's West side.

- Facilitated 55 workshops for small business marketing education
- Facilitated 35 small business development meetings
- Involved in 12 different marketing outreach events
- Managing North Temple Gift Certificate program involving over 25 businesses and over \$10,000 injected into local businesses
- Developed branding campaign for River District Gardens, the neighborhood business node from 700-1100 South along 900 West
- Co-sponsored the 2nd Annual Neighborhood Business Conference at Westminster College

Community Building and Organizing

NWSL facilitates and engages neighborhood stakeholders in creating and sustaining neighborhoods of choice through education, civic participation and celebration of community:

- Engaged 16,099 residents of which 6,551 are new residents that has not been involved before
- 61 special events promoting NWSL services
- 30 positive media coverage for Salt Lake City's westside
- 45 Westside Leadership Institute resident graduates
- Involved more than 2,500 volunteers in community building activities
- 10 homes painted for senior citizens and disabled individuals with 300 volunteers

YouthWorks™

YouthWorks™ employs young people ages 14-18 and gives them a skill set acquired through affordable housing projects.

- Provided employment opportunity to 52 youth as community builders
- 4,674 cumulative hours spent on management and technical training
- 96% High School attendance rate while attending the program
- 32 graduates completed a 10-part prevention program
- 80% of the youth who graduated the program have either graduated High School or on track for graduation
- Involved youth in 21 community building activities
- Completed Mother Earth Mural on the Bridge Over Barriers Art Project
- \$36,978 invested as stipends for youth in the community

Real Estate Development

NWSL builds mixed-income houses to increase net housing, acquires blighted properties for revitalization and preserves existing housing stock to stabilize neighborhoods.

- Rehabbed two Real Estate Owned properties
- Constructed three residential homes
- Strategically acquired seven problem properties
- Invested \$1,000,000 of federal funds in the community

“I am happy to report that I have received the documents finalizing my home loan modification.

With the help of NeighborWorks Salt Lake,

my mortgage payments have been reduced by

\$347.00 per month,

allowing me to stay in my home. I am most grateful for the assistance, advice

and encouragement I received from staff at

NeighborWorks Salt Lake

who made me believe

this day would eventually come!”

Judy Alexander

“I did a loan modification!

With determination, time,

sincerity, and the persistence

of Wells Fargo, good friends,

and NeighborWorks, we

saved my daughters future,

my future, my business and

my HOME. They guided

me through the process with

an open heart, an open

mind, and all the knowledge

required reaching a joyous

end, “I DID A LOAN

MODIFICATION” and it

was grander then I could

have ever expected.

Thank you ‘Wells Fargo’, ‘My

friends’, and NeighborWorks

Salt Lake.”

Elona Burakas

“NWSL has the active participation and commitment of key community partners (government, private) and resident leadership.

This partnership model has sustained an effective Board and Executive staff leadership and provides regular performance feedback consistent with annual and multi-year plans.”

NeighborWorks®
America Program Review

2011 Staff Members



2011 Staff: (Left to Right) Rachael Skidmore, Luz Baxley, David Moffitt, Vanessa Anderson, Joy Cosby, Esther Herrera, Bob Lund, James Singer, Maria Garcia, Larry Hansen, Geoff Hardies, Tham Soekotjo

YouthWorks™ Steering Committee

Billy Palmer, Resident
Carla Nguyen, US Bank
Cuong Nguyen, Commission on Criminal & Juvenile Justice
Michael Plaizier, Zions Bank
Patsy Miller, US DOL Office of Apprenticeship
Todd Plumley, Web Bank
Wendy Jack Alvarado, Horizonte School

Housing Development Committee

Robert Nisbet, Wells Fargo Bank
Sheldon Woods, Pitney Bowes Bank
Jeffrey Sandberg, Resident
Daniel McKinney, Resident
Ana Valdemoros, Salt Lake City Planning Department

Loan Committee

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Amy White, Utah Housing Corporation
Anthony Zimmer, Ally Bank
Carolynn Hoskins, Resident
Karl Kiefer, GE Bank
Michele Weaver, Zions Bank
Simon Pearson, Mountain America Credit Union
Thomas Isom, Pitney Bowes Bank
Tiffany Sandberg, Resident

Audit Committee

John Taggart, Medallion Bank
Katrina Holt, GE Capital
Steven Chapton, Woodlands Commercial Bank

Finance Committee

Kent Landvatter, Utah Community Bank
David Verno, Web Bank
Michael Plaizier, Zions Bank
Mark Hales, Ally Bank
John Haymond, Medallion Bank
Robert Pedersen, Sallie Mae Bank
Jared Gleue, Wells Fargo Bank

Executive Committee

Robert Pedersen, Sallie Mae Bank
Curtis Mansfield, Pacificorp
Tiffany Sandberg, Resident
Michael Plaizier, Zions Bank
Veronica Montoya, Salt Lake City Police Department

2011 Board Members



1st ROW, (L to R)

Billy Palmer, Resident
Curtis Mansfield, Pacificorp
James Wood, University of Utah
John Taylor, CIT Bank

2nd ROW, (L to R)

Jordan Jones, Resident
Kisty Morris, Morgan Stanley Bank
Michael Akerlow, Salt Lake City
Michael Plaizier, Zions Bank

3rd ROW, (L to R)

Robert Pedersen, Sallie Mae Bank
Sheldon Woods, Pitney Bowes Bank
Sisilia Taliauli, Resident
Terry Thomas, Resident

4th ROW, (L to R)

Tiffany Sandberg, Resident
Tim Tingey, Murray City
Trinh Mai, Resident
Veronica Montoya, Salt Lake City Police Department, Ex-Officio

5th ROW, (L to R)

Victoria Orme, Resident

2011 Contributors & Public Support

We would like to extend our deepest appreciation to the following individuals and organizations:

| | | | | |
|-------------------------------|---|--------------------------------------|---|---|
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| Amy White | Geoff Hardies | Marybeth Sloan | Shawney Robinson | Veronica Montoya |
| Ana Valdemoros | George S. and Dolores Eccles Foundation | Medallion Bank | Sheldon Woods | Victoria Orme |
| Andrea Maria Garcia | Housing and Urban Development | Merrick Bank | Signature Group Real Estate | Von Hunt |
| Angie Vorher | James Singer | MGIS Property and Casualty Insurance | Simon Pearson | Web Bank |
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| Billy Palmer | Jimmy Lucero | Michele Weaver | Susie Porter | Xmission |
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| Bob Lund | John Taggart | Mountain America Credit Union | Tham Soekotjo | <i>We apologize for any names inadvertently left off our list.</i> |
| Bridge Development Group | John Taylor | Mountain America Credit Union | The Sorenson Legacy Foundation | <i>Thank You very much for your help. We could not do it without you!</i> |
| Carla Nguyen | Jon Robinson | Neighborworks America | Thomas Isom | 622 West 500 North |
| Carolynn Hoskins | Jordan Jones | Patsy Miller | Tiffany Sandberg | Salt Lake City, Utah 84116 |
| Charles Otis | JP Morgan Chase Bank, N.A. | Paul Arguello | Tim Tingey | 801-539-1590 |
| Continental Bank | Julie Boyle | Pitney Bowes Bank | Todd Plumley | Fax: 801-539-1593 |
| Curtis Mansfield | Juvenile Justice Services | Preston Menlove | Trinh Mai | www.nwsaltlake.org |
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| Dave Galvan | Katrina Holt | Rachael Skidmore | University of Utah | |
| Dave Moffitt | Ken Embley | Ramez Halteh | - Center for Public Policy & Administration | |
| David Verno | Kent Landvatter | Raquel Garcia | - College of Architecture & Planning | |
| Donna Harland | Key Bank | Robert Nisbet | US Bank | |
| | Kisty Morris | Robert Pedersen | | |
| | Kyle LaMalfa | Robert Rendon | | |
| | Larry Hansen | | | |