

YEAR IN REVIEW

As we begin the second full year of our Sustainable Business Initiative, we are buoyed by the knowledge that we are producing significant results in all of our lines of business which translates into better delivery of programs and services throughout our community!

Our HomeOwnership Center has never had more prospective buyers and our home buyer orientations are so full that we've had to change the venue to our large conference room as it seats up to 50 people per session. Our participation in the new **Syracuse Financial Empowerment Center** has allowed us to better educate all consumers in the city of Syracuse about the importance of making good financial decisions and choices irrespective of whether they are planning to purchase a home in the near future.

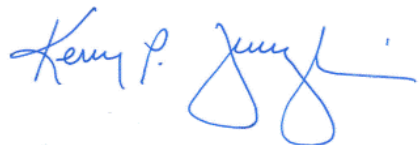
This year, we had record production with our **first mortgage origination** as more than \$8 million in first mortgages was provided to more than 100 first-time home buyers. Having completed our first mortgage sales to Geddes Federal Savings and Loan, Solvay Bank, NBT Bank and a sale pending with Pathfinder Bank, we have now firmly established the continuity of this line of business – a tremendous benefit to new home buyers. Changes to our home improvement loan processes have helped assure that we deploy these scarce resources more expeditiously so that our owner-occupant customers have more timely home improvements on critical items such as roof replacement, and furnace and sewer issues.

Working with the City, the County and the Community Foundation, we are meeting the challenge of **lead paint** poisoning in our community by making more properties lead safe. Home HeadQuarters was honored to be one of five organizations across the United States selected as Lead Catalytic Awardees this past year. At the same time, demand for our investor loan program has been so strong that we will need to identify new sources of financing to meet the demand.

Our **real estate activities** have been quite robust this program year. In addition to our typical substantial rehab and new construction efforts with residential properties, we have infused life back into long-neglected mixed-use and commercial properties such as 1022 W. Fayette, 429 Ulster and the DeJulio's Building at 664 Burnet. These efforts present a special risks for Home HeadQuarters and we are most thankful for the vital support of the Allyn Family Foundation which has helped mitigate those risks.

The bottom line is that the vision of our Board of Directors, the support of our partners and the hard work of our staff is bearing fruit which not only benefits our community with greatly improved outcomes, but also makes our efforts more sustainable so that even more people will be able to participate with the programs and services we offer here at Home HeadQuarters.

Thank you to all!



Kerry P. Quaglia
Chief Executive Officer



Lending

"First and foremost, Home HeadQuarters is a lender," is a saying so often repeated in the organization, that it may as well be canon. Community development lending, or the hard stuff that makes our work so worthwhile, is really the "meat and potatoes" of HHQ's mission. What gaps in the housing market can be addressed effectively and affordably? Investor financing for vacant properties? High risk mortgage lending? No equity home improvement loans? Whatever the need, HHQ works to answer the call.

Last year, HHQ deployed more than \$15 million in community development lending in a myriad of ways; many of them new like our Lease Purchase Program and some ever growing like our First Mortgage program which outpaced all expectations with more than \$6 million going to Central New York home buyers who would otherwise be unable to borrow.

\$15+ MILLION

COMMUNITY DEVELOPMENT LENDING WHERE IT'S NEEDED MOST

In the last five years, HHQ has deployed more than \$39 million in First Mortgages, Down Payment Assistance and Home Improvement loans (not incl. grants) to mostly city of Syracuse new and existing homeowners. The majority of those lending dollars went to areas with the highest rates of overall poverty and childhood poverty in our region.

Areas of HHQ's Highest Lending Deployment by Dollars

1. 13204

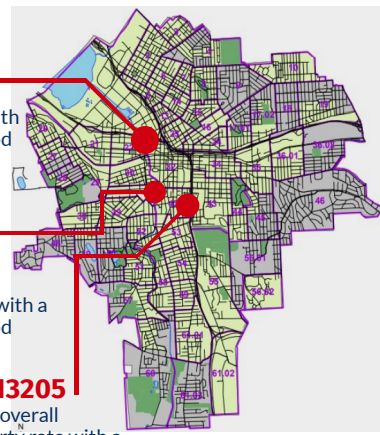
36% overall poverty rate with a 53% childhood poverty rate (highest in city)

2. 13207

20% overall poverty rate with a 34% childhood poverty rate

3. 13205

34% overall poverty rate with a 50% childhood poverty rate



Lending

INVESTOR LOANS



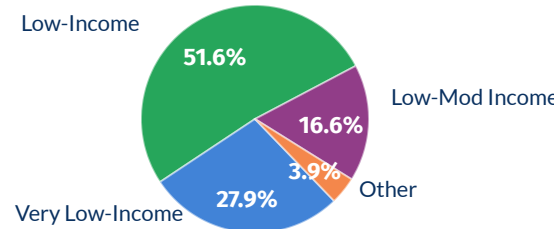
66% of all HHQ Investor Loans go to People of Color

89% of all HHQ Commercial Loans fund activities located in Syracuse's Neighborhood Revitalization Stabilization Area (NRSA)

"HHQ understands what we do, the obstacles we face in this business every day. We want to achieve the same goal, to improve our community."

Mike Harper Sr.
Dwell Equity Group

Down Payment Closing Cost Assistance Customer Household Income (2018-2019)



More than 120 individuals and families took advantage of almost \$635,000 in Down Payment & Closing Cost Assistance helping to leverage more than \$8.5 million in local first mortgage financing.

HomeOwnership Center, Financial Empowerment Center and Foreclosure Services

HHQ's housing counseling staff met new rigorous U.S. Department of HUD training and certification standards this year, while new Financial Empowerment Center staff got up to speed with the latest in one-on-one professional financial know-how and foreclosure staff closed shop outside of the city and then reopened activity once state funding was restored. HHQ is proud to serve as the non-profit partner with the City of Syracuse for the innovative Syracuse Financial Empowerment Center. With the kick off just this summer, financial counselors located throughout the city are already seeing great outcomes like reduced debt and increased savings. By welcoming more than 800 people through their doors every year for education and counseling, HomeOwnership Center staff is most often the bright beginning and most important step to HHQ's lifelong relationship with its customers.

344 HOC Counseling staff helped create 344 new CNY homeowners

Syracuse Financial Empowerment Center

Counseling Sessions Held 259

162 Unique Clients Served

Outcomes Generated to Date 54

Property Development

Home HeadQuarters redeveloped 40 properties last year through substantial rehab on vacant single and two-family homes, mixed-use development, new construction and rental rehab on unique multi-unit properties and single-family homes for first-time buyers through our new Lease Purchase Program. The old Lasher Hardware building was completed, highlighting a local taqueria and three affordable apartments and helped solidify the transformation of Fayette and Geddes on the city's Westside. The first new construction in more than a decade was completed on the city's Northside.

40 Properties Redeveloped

Homsite

Our Homsite affiliate, serving Cayuga County, has been busy over the past year delivering on programming – six new, first time homebuyers were assisted with closing cost assistance in the City of Auburn and 54 home improvement loans were closed. There were several projects in the works including the renovation of nearly 20 units of affordable rental housing in Auburn and we will have closed on nearly \$2 million of funding to renovate 24 senior rental units at Salato Gardens. Over the program year, Homsite worked with nearly 600 renters and local landlords to deliver the Section 8 Housing Choice Voucher Program facilitating access to affordable rental housing.

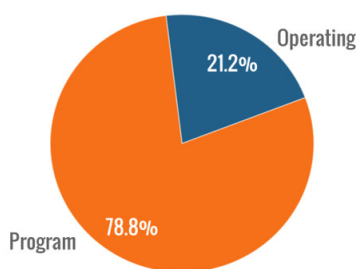
Financial Overview

May 1, 2018 - April 30, 2019

Revenue

Program Revenue \$13,662,694
Operating Revenue \$3,665,372
Total Revenue: \$17,328,066

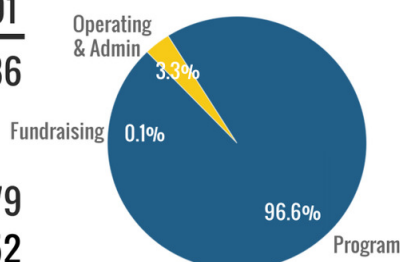
REVENUE



Expenditures

Program Expenses \$14,796,105
Operating & Admin Expenses \$505,490
Fundraising Expenses \$19,191
Total Expenditures: \$15,320,786

EXPENDITURES



Total Assets/Liabilities

Total Assets \$53,458,179
Total Liabilities \$12,061,952
Total Net Assets: \$41,396,227



Home HeadQuarters is a chartered and Exemplary-rated member of NeighborWorks America, a congressionally chartered nonprofit organization that supports community development in the United States and Puerto Rico.

ANNUAL REPORT 2018-2019



“I really have to pinch myself—living in this house, it’s the perfect thing. I didn’t think this would ever happen for us. My son has to keep reminding me that we’re going home to our house.”

Brenna Galligan
Inaugural Lease Purchase Program Participant

Thank You! For Your Support



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Richard Shirtz
Carl Spencer

LENDING PARTNERS

- | | |
|-------------------------------|-----------------|
| Bank of America | KeyBank |
| Community Bank | M&T Bank |
| Cooperative Federal | NBT Bank |
| Empower Federal Credit Union | Pathfinder Bank |
| Five Star Bank | Solvay Bank |
| Geddes Federal Savings & Loan | Tompkins Trust |

FUNDERS & DONORS

- | | |
|---|------------------------------------|
| 538 Master Tenant LLC | JP Morgan Chase |
| 780Gms Baked Goods | KeyBank Foundation |
| 84 Lumber | Lead Safe, LLC. |
| Allyn Family Foundation | William LeBeau |
| City of Auburn | M&T Bank |
| Bank of America | The Marrone Law Firm |
| Berkshire Bank | Greg May |
| Bonadio Group | Middle Ages Brewing Co. |
| Built It Reliable | National Grid |
| CC Paving & Excavating | NBT Bank |
| Carol Watson Greenhouse | NeighborWorks America |
| Central New York Community Foundation | NYS Office of the Attorney General |
| Christopher Community | NYS Affordable Housing Corporation |
| Cities for Financial Empowerment Fund | NYS Homes & Community Renewal |
| CNY Fair Housing | Housing Finance Agency |
| Community Development Financial | NYSERDA |
| Institutions Fund | Onondaga Builders |
| Cooperative Federal | Onondaga County - Alliance for |
| CORE Federal Credit Union | Economic Inclusion |
| Costco | City of Oswego |
| Dwell Equity Group | Pathfinder Bank |
| Edwards Home Improvement | Plus Sign & Graphics |
| Empire State Development | Kerry Quaglia |
| Empower Federal Credit Union | Timothy Rittenhouse |
| Energy Savers | Santangelo's |
| Geddes Federal Savings & Loan | Karen Schroeder |
| Generations Bank | Gladys J. Smith |
| The Gifford Foundation | Solvay Bank |
| G. Page Properties | SONYMA |
| Greater Syracuse Association of Realtors | City of Syracuse |
| Greater Syracuse HOPE Initiative (United Way) | Syracuse Housing Authority |
| Greater Syracuse Land Bank | Syracuse University |
| Health Foundation of Western & CNY | Tompkins Trust |
| Home Builders & Remodelers of CNY | U.S. Department of Housing |
| Home Depot Foundation | and Urban Development |
| Housing Visions Unlimited | Wainwright Photo |
| Jan Caster | Wegmans |
| JK Construction | Paula Worrell |
| | Westside TNT |



Creating Housing & Investment Opportunities in
Syracuse & Central New York that improve people's lives
and revitalize the communities in which they live.



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