



Housing Initiative Partnership, Inc.

2017 ANNUAL REPORT

OUR MISSION

Housing Initiative Partnership, Inc. (HIP) is an innovative, green nonprofit housing developer and counseling agency based in Prince George's County, Maryland dedicated to revitalizing neighborhoods. HIP creates housing and economic security for low- and moderate-income households and provides services that improve the quality of life in the communities we serve.

A Message From Our Executive Director & Board Chair

It's hard to believe that another year has come and gone – and what a year it was! 2017 saw HIP continue its tradition of excellence in revitalizing neighborhoods and strengthening communities while growing the impact of its programs and providing innovative responses to new challenges.

As you will see throughout this report, HIP certainly had a year to remember. From the sale of our 75th “HIP Home,” to the opening of the 100-unit Bladensburg Commons, to the expansion of our counseling staff and programs, HIP remained on the forefront of affordable housing development and housing and financial counseling.

HIP's excellence has always stemmed from its exceptional and dedicated staff, and in 2017, they continued to go above and beyond to deliver the best possible experiences



Mel Thompson and Maryann Dillon

and outcomes to our homebuyers and clients. We are continually amazed and inspired by the attention to detail, hard work, and care that our team shows for HIP's work and mission.

The coming year will present new challenges – we face uncertainty with regards to federal funding and continued challenges to the development of affordable housing. In spite of these challenges, one thing remains certain: HIP will continue to innovate and lead as it carries out its mission to revitalize neighborhoods by creating housing and economic opportunities ... and improving the quality of life in the communities we serve.

Sincerely,

Maryann Dillon
Executive Director

Mel Thompson
Board Chair

OUR TEAM

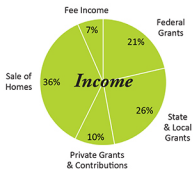
Glenda Carpenter, *Resident Service Coordinator*
Carmen Castro-Conroy, *Managing Counselor,
Montgomery County Housing*
Maryann Dillon, *Executive Director*
Lorena Fuentes, *Case Manager*
Jocelyn Harris, *Housing Developer*
Laura Hernandez, *Intake Specialist*
Mary Hunter, *Director, Housing Counseling Program*
Nathaniel McDonald, *Financial Capability Administrator*
Christian Mechlin, *Director, Resources &
Communications*

Claudia Medina, *Intake Specialist*
Flavio Medina, *Housing Counselor*
Zulma Miranda, *Housing Counselor*
Barbara Neathery, *Resident Service Coordinator*
G. Lee Oliver, *Housing Counselor*
Luis Perez, *Housing Counselor*
Sonia Posada, *Housing Counselor*
Stephanie Prange Proestel, *Deputy Director*
Audrey Tillery, *Resident Service Coordinator*
Shanise Williams, *Homebuyer Education Coordinator*



On the cover: First-time homebuyers Dominique and Shawn with their son in their new HIP Home.

FINANCIALS



BOARD OF DIRECTORS

Mel Thompson, *Chair*
 Jay Endelman, *Vice Chair*
 Anne Balcer, *Secretary*
 Wanda Ellison-Osborne, *Treasurer*
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 Reginald Exum
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 Martin Mellett
 Jada Owens
 Samuel Parker
 Derrick Perkins
 Peggy Sand
 Alexia Clark, *Outgoing*
 Michelle Pittman, *Outgoing*
 Ari Schnitzer, *Outgoing*

FY 2017 Audited Financial Balance Sheet*

Assets:

Current Assets	\$2,371,019
Property, Equipment	\$1,230,853
Other Assets	\$319,823
TOTAL ASSETS:	\$3,921,695

Liabilities:

Current Liabilities	\$239,415
Long-term Liabilities	\$1,560,982
TOTAL LIABILITIES:	\$1,800,397

Net Assets:

\$2,121,298

Total Liabilities and Net Assets:

\$3,921,695

*For period ending June 30, 2017

Income Statement

Revenue:

Federal Grants	\$958,209
State, Local Grants	\$1,149,424
Private Grants, Contributions	\$455,243
Sale of Homes	\$1,617,075
Fee, Program Income	\$293,705
TOTAL INCOME	\$4,473,656

Expenses:

Program Services	\$3,763,356
Supporting Services	\$383,510
TOTAL EXPENSES	\$4,146,866

Change in Net Assets from Operations:

\$326,790

Less:

Loss in Mt. Rainier LLP Investment \$(89,427)

CHANGE IN NET ASSETS

\$237,363

Net Assets, Beginning of Year:

\$1,883,935

Net Assets, End of Year:

\$2,121,298



7108 E. Lombard St.

HIP Homes

HIP acquires dilapidated, vacant single-family homes in distressed communities and substantially rehabilitates them with new kitchens, baths, porches, and a variety of other green, energy-efficient features. HIP also develops new-construction, green single-family homes. HIP focuses its single-family development within the inner-beltway communities of Prince George's County, and uses State and County funds to ensure that "HIP Homes" are affordable to families earning 80% or less of the area median income. In 2017, HIP revitalized and sold nine single-family homes to first-time homebuyers.

Multi-Family Development

HIP develops both existing and new-construction apartment communities. The most recently completed, Bladensburg Commons, is a 100-unit property in Prince George's County developed in partnership with The Shelter Group and opened in May 2017. Other HIP-developed properties include Mount Rainier Artist Apartments, Renaissance Square, Newton Green Senior Apartments, Elkton Senior Apartments, New East Crossing, and Parklands at Cecilton. HIP staffs its multi-family developments with Resident Service Coordinators who connect residents with services and support as well as organizing community events and programs.



Bladensburg Commons



7203 E. Forest Rd.

Neighborhood Revitalization

HIP works with low-income homeowners to coordinate and facilitate exterior upgrades and home repairs necessary to improve energy-efficiency and compliance with current housing codes. The Home Restoration Façade Improvement Program provided 50 Prince George's County homeowners with home improvements including new roofs, windows, siding, landscaping, driveways, and walkways in 2017.

By the Numbers



\$222,039

Average 2017
HIP Home Sale Price



\$50,513

Average HIP Homebuyer
Household Income



\$2,495,316

2017 HIP Single-
Family Development
Dollars Invested



\$6.24 million

Amount Leveraged in
Kentland/Palmer
Park Community

Great Partnerships Doing 'Great Things' for the Affordable Housing Community

Tisa J.D. Clark, President of J.D. Clark Professional Services, LLC, first came to HIP in 2012 as a general contractor for our HIP Homes single-family development program. She quickly became one of our favorites – always going the extra mile to find just the right fixture and finish to make that house a special home for a first-time homebuyer. In five years, Tisa has renovated 12 homes for HIP and has overseen façade improvements for 50 homes in the Kentland neighborhood. Tisa is based in Prince George's County, and was recently selected for a Minority Business Leader award by the Washington Business Journal after being nominated by HIP.

Way to go, Tisa!

What projects have you worked on with HIP?

We support HIP as a property maintenance company and a construction company. Some of the properties that we have touched in either capacity appear below.

Which house or project has been your favorite?

There are several. I love the porch at 3624 Key Turn. I love the front door/entrance to 7108 E. Lombard. I love the full renovation at 6202 Field Street. I love the first floor at 4851 Huron. I love the foyer at 6805 Keystone Manor.

Tell us about a funny experience you had while working with HIP.

During Kentland/Palmer Park Façade Improvement Phase 1, we were doing all of the exterior work during the winter months, starting at the end of November 2015. We would have a weekly walk-through in the community, and each week we would have a great laugh as no matter which day we chose we would be out and about on the most treacherous day. We experienced below freezing temperatures, sleet, rain, and snow. We paralleled ourselves to the United States Postal Service – nothing could keep us from this community.

Is there anything else you want to share with our annual report readers?

Out of all our clients, my heart and passion are most connected to HIP for the great things they are doing for the affordable housing community and making homeownership possible. It gives me great joy to work alongside this organization and to hear all the wonderful, life changing stories that I am able to support.

Some of the properties that Tisa has worked on:

2017 Ray Leonard Road
2327 Lakewood Street
2505 Jameson Street
3201 Prince Ranier Place
3409 Navy Day Drive
3532 Community Place

3624 Key Turn Street
4662 Lamar Avenue
4851 Huron Avenue
5258 Daventry Terrace
5309 Broadwater Court
6202 Field Street

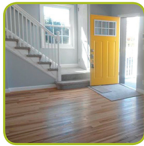
6805 Keystone Manor Court
7108 East Lombard Street
8012 Sheriff Road
Kentland Façade Improvement
Program, Phase 1 and 2



Tisa J.D. Clark



3624 Key Turn St.



4851 Huron St.



HIP housing counselor Lee Oliver leading a homebuyer education workshop

Homebuyer Education

HIP provides HUD-certified “First-Time Homebuyer” workshops and one-on-one counseling to prospective homebuyers, plus an online pre-purchase counseling course. These courses focus on preparing participants for the home purchase process, including identifying the right loan, understanding mortgage payments, and avoiding housing cost burden. Participants receive certificates of completion which can be used when applying for down payment and/or closing cost assistance programs. Through workshops, online courses, and one-on-one counseling HIP educated 775 potential first-time homebuyers in 2017.

Financial Capability Counseling

Through one-on-one counseling and workshops aimed at rebuilding credit, budgeting, and increasing savings, HIP’s financial capability program helps homeowners, potential homebuyers, and renters, as well as families recovering from homelessness, reach their financial goals and provides them with the knowledge and training needed to achieve financial sustainability.

Foreclosure Prevention

HIP’s certified foreclosure prevention counselors work with clients and their mortgage companies to obtain modifications and refinance options for homeowners facing foreclosure. In 2017, HIP provided foreclosure prevention counseling services to 448 homeowners through individualized, one-on-one counseling. Of that number, 40% avoided foreclosure by reaching a work-out agreement with their mortgage provider.

Rapid Rehousing

In partnership with Prince George’s County’s Department of Social Services, HIP provides intensive coaching and case management to families transitioning out of homelessness into permanent housing, providing declining rental subsidies and financial coaching to ensure clients achieve housing security and financial sustainability following a year of support. In 2017, HIP provided 38 families with intensive case management services and financial capability coaching as they transitioned out of homelessness into permanent, secure housing.

HIP Rapid Rehousing, Transitioning Families from Homelessness to Secure Housing

In 2016, the [Smith] family found themselves in a homeless shelter in Prince George's County after a sudden loss of income. Ms. [Smith] had been employed at a state agency but was downsized and unable to locate another job to support her family.

The [Smiths] and their two children spent the next five months living in a shelter, during which time Ms. [Smith] secured a temporary position with MVA and began earning a limited income. Through Prince George's County's Department of Social Services, the family was referred to HIP's Rapid Rehousing program and began the process of transitioning out of the shelter and into permanent, secure housing. HIP counselors helped the [Smiths] negotiate with potential landlords to secure a rental and provided assistance with the security deposit as well as a flexible, monthly rental subsidy. The [Smiths] then began the intensive case management component of HIP's Rapid Rehousing program aimed at helping families access necessary resources to become financially stable.



HIP provides coaching to families in need.

Initially, the [Smiths] struggled as they qualified for a limited number of apartments due to the family's limited income and poor credit history. Nevertheless, the family worked hard to increase their income, pay down debt, and stay current on their rent. HIP's financial coach worked to connect them with workforce development opportunities and financial resources, and within six months of entering the program the [Smiths]

had saved enough money to purchase a car. With reliable transportation, Ms. [Smith] was able to secure a new job with better pay and benefits for the family.

After 12 months of working with HIP, the [Smiths] had a stable income and were able to qualify for an apartment in the newly constructed Bladensburg Commons (which HIP partnered in developing). The new apartment provided a safe and secure home for the family as they continued to thrive. Shortly after moving in, Mr. [Smith] secured part-time employment and the family is now working with HIP's housing counselors towards their next goal of becoming homeowners.

By the Numbers



\$1,421

Average Monthly Payment

Buyers who were counseled or educated through HIP purchased homes with an average monthly mortgage payment of \$1,421 and an average fixed interest rate of 4.1%



\$4,740

Average Annual Reduction

Homeowners who worked with HIP's counselors and secured a mortgage modification had their annual mortgage payment reduced by an average of \$4,740



\$1,102

Average Increase in Savings

Participants in HIP's intensive Financial Capability program achieved an average 65-point increase in credit score, \$330 reduction in debt, and \$1,102 increase in savings over the course of 6-12 months.

THANKS TO OUR PARTNERS & SUPPORTERS

Individual Supporters

Mary Addison
Richard and Joan Ahrens
Roger Aldridge
Malcolm Augustine
Anne Balcer
John and Debra Bassett
Sandy Bell
Carol Bonkosky
Deborah Braxton
Allie Brown
Richard Canino
Barry Castillo
Jerry Coursey and Mary Griffin
Stowell Davison
Gilbert Delorme
Frank Demarais
Daniel and Dianne Dillon
James Dillon
Peter Dowling
Alaine Duncan
Richard Edson
Jay Endelman
William Gardiner

Laurel Glassman
Jamesen Goodman
Winston Harris
Lisa Kim and Andrew Schwartz
Ava Kuo
Catherine Kyle
John Lammers
Steven Larsen
Sallie Lyons
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Kenneth and Martha Mathews
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John Spencer
Elizabeth Stone
Ethan Stone
Susan Sundermann
Denise and Melvin Thompson
Andy Torres
John and Janet Townshend
Brian Tracey
Erik Whisenhunt
Martha Stone Wiske
Evelyn Woods
Peter Wolfe
U.S. Charitable Gift Trust – Curtis Weiss

Businesses

AMDM Properties, LLC
BB&T Bank
Caldwell Community
Capital One Services, LLC
Cerrito Family Properties
Cerrito Management
Cerrito Realty

Creative Consultants
E*Trade
Fannie Mae
Hamel Builders
J.D. Clark Professional Services, LLC
Jones, Maresca & McQuade, P.A.
MGM Resorts International

Milestone Title, LLC
PNC Bank
RKR Construction Company, LLC
Wells Fargo
Zavos Architecture + Design

Foundations

Bank of America Foundation
The Morris & Gwendolyn Cafritz Foundation
Catalogue for Philanthropy
Cathay Bank Foundation
Citi Foundation
Enterprise Community Partners
Greater Washington Community Foundation
Community Foundation of Prince George's County

Housing Association of Nonprofit Developers
Jerome and Deena Kaplan Family Foundation
Meyer Foundation
National Fair Housing Alliance
Prince George's County Arts Council
Sandy Spring Bank Foundation
TD Charitable Foundation
United Way of the National Capital Area
Wells Fargo Foundation

Governments

U.S. Department of Housing & Urban Development (HUD)
State of Maryland, Department of Housing and Community Development
Montgomery County
Prince George's County
Office of Prince George's County Council
Member Dannielle Glaros
City of Gaithersburg

Connect with HIP

Online: www.hiphomes.org

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6525 Belcrest Road, Suite 555
Hyattsville, MD 20872
(301) 699-3835

Montgomery County
12900 Middlebrook Road, Suite 1500
Germantown, MD 20874
(301) 916-5946

640 East Diamond Avenue, Suite C
Gaithersburg, MD 20877
(301) 840-3275

