Dear Friends,

In the last days of 2010, we signed the paperwork on our 102nd home! We added 45 homes to the land trust last year, more than doubling our growth in 2009. With this burst of activity, Homestead has become the largest community land trust in Washington.

Many of you joined us in September 2010 at our 100 to Grow On! event to celebrate these accomplishments and set the foundation for future growth. It was a wonderful acknowledgement of our collective hard work and successes over the years that underlay our current achievements.

As fun and gratifying as it has been to reach and celebrate significant milestones, we remain humbled by the enormity of the challenges that lie ahead. Challenges that make Homestead’s work more relevant and needed than ever before.

Despite the slumping housing market, quality homes are still significantly out of reach for modest income households in King County. In addition, enormous damage is being done to households and our communities by the foreclosure crisis, which is still worsening in King County.

Homestead provides innovative solutions to both of these problems. We create permanently affordable homes, offering hard working households the chance for security, equity and legacy stemming from homeownership. And we provide ongoing support to our homeowners, helping support their success, and avoid foreclosure. None of our homeowners have lost their home to foreclosure to date. And nationally, community land trust homeowners are eight times less likely to experience foreclosure than those owning homes holding traditional prime mortgages.

At the end of 2010 we hired our first Homeowner Services Coordinator, increasing our staffing capacity to provide high quality support to our 201 (and growing) homeowners and their dependents. We also launched our new website, making it easier for potential applicants, existing homeowners, members and new supporters to get the information they need and take action.

2011 is off to a great start with sales at our Wolcott Homes project
outpacing expectations. We will begin the build out of these homes in the next few weeks, bringing construction jobs to the economy and adding more high quality, family sized homes to our permanently affordable portfolio. About the time when the last of these homes is finished, we will be hosting the National Community Land Trust Conference October 24th in Seattle.

We look forward to an exciting and productive year ahead, serving dozens of new homebuyers, supporting our existing homeowners, and growing our stock of permanently affordable homes. It is the active support of our membership with time, talent and financial resources that has built our foundation. With your continued support, we will strengthen that foundation, broaden our reach and spread the inclusive vision on which Homestead was founded – that diversity enriches our communities and that permanently affordable homes close to family, friends and work, strengthen both individual families and the community as a whole. Thank you all so much!

It remains a great honor to lead this organization as we work hard in these difficult times to leverage our recent successes and dramatically expand our impact in the years to come.

Best regards,

Geov Parrish
Co-President
Board of Delegates

Chris LaRoche
Co-President
Board of Delegates

Sheldon Cooper
Executive Director

New Partnerships Provide More Homes

We have seen stretched budgets from our public funders this past year. The Washington State Housing Trust fund in the past made up for half of the down payment assistance we could bring to each family. The Housing Trust fund budget was cut dramatically last year and we’ve had to do more with less.

We still have families in need of affordable homeownership opportunities and we are getting creative to bring additional homes into the land trust. Homestead is calling on the private sector to make up the difference through bank and developer subsidies to Homestead buyers. Three private developers have donated land to Homestead. We have partnerships in place with the Valtera Townhomes in West Seattle, the Celine Place Townhomes in North Seattle, and the Henderson Street Condos in the Rainier Valley.

For the first time Homestead has taken on the developer role, purchasing 15 single family homes in Rainier Beach out of foreclosure from the FDIC. Through these developer and bank subsidies we will be adding an additional 40 homes to the land trust in 2011.

In October 2010, Homestead acquired 15 foreclosed units in the Rainier Beach neighborhood. This acquisition represents an innovative expansion of our existing programs, all with the same mission in mind. Sheldon Cooper explains, “We’re transforming a community liability of vacant houses and vacant lots into a community asset.” Homestead purchased these homes, in all manner of completion, with financing from the City of Seattle. Subsidy from the HUD’s Neighborhood Stabilization Program ensures that these homes will be a permanently affordable resource to the Rainier Beach community for generations to come.

Noteworthy enough to appear in the Seattle Times, Seattle P-I and local tv news, this project is catching the eye of Seattleites everywhere. Attention from the press and internet had our phones ringing off the hook. At press date, 11 of 15 units are sold.

Introducing: Wolcott!

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Thank You to Our Donors and Supporters!

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This list includes individual, corporate and foundation gifts to Homestead from January 1, 2009 to December 31, 2010. We have made every attempt to ensure names are presented accurately. Please contact Carly Slater, Communications and Volunteer Manager, at 206.323.1227 x114 or carly@homesteadclt.org if there is an error in this listing.

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“I have a stable, but modest income, and a great support system of family and friends. Now we have a wonderful home we can have old and new friends visit and share our system of family and friends. I am very happy to have found Homestead, and would do whatever I can to help make sure other people can have the same chance I did.”

-Jane Fairchild, Homeowner

“I don’t have to move and my kids can finally stay at the same school and make friends. I am very happy to have found Homestead, and would do whatever I can to help make sure other people can have the same chance I did.”

-Israel Juarez, Homeowner
“I simply wanted... to be able to paint my walls whenever the urge struck me, to make it mine. But, the combination of my chosen field of work and Seattle home prices formed a seemingly insurmountable financial barrier. And then I came upon Homestead CLT.”
- Len Davis and Analia Castanos, homeowners

"There is room for all of us, and my sister and brothers and I can study now and find space. Our new house is beautiful. It is on a street where my brothers can play outside!"
- Selamawit Omer
Eldest daughter in the Omer Family. Homeowners

Economic Activity

2010 Abbreviated Statement of Financial Condition

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2010 Sources & Uses of Funds²

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<tr>
<td></td>
<td>Total funds: $13,399,629</td>
<td>Homebuyer 1st Mortgages and Downpayments - 60.72%</td>
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<td>Contributions, Grants &amp; Membership - 7.18%</td>
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<td>Earned Income, Misc. - 1.32%</td>
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<td>Community Investment in Permanent Affordability - 30.79%</td>
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<td>Homewoners Education and Services - 0.25%</td>
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<td>Management &amp; Administration - 0.63%</td>
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<td>Reserve Fund Investment - 0.29%</td>
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<td><strong>TOTAL SOURCES</strong></td>
<td>$13,399,629</td>
<td><strong>TOTALUSES</strong></td>
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Homestead’s Success

Affordable Housing Created Since 2002 in Land Trust

Sources of Funds - 2010

Uses of Funds - 2010

2010 Sources & Uses of Funds²

² It took significant resources to add 45 homes and steward the ongoing affordability of 102 homes last year. Here is where the money came from and went to:

Homestead’s full financial audit for 2009, completed by Peterson Sullivan LLP, is on file at our office and available by request.

Affordable Homes

Today, and for the Future

Each time Homestead adds a home to its portfolio, we are excited for the new homebuyer. The impact for that buyer is immediate - they have gained access to the safety and stability of homeownership for the first time - an accomplishment worthy of celebration. But with each sale, we also celebrate the future. Each home that enters the land trust represents a community resource that will serve many individuals and families over time. In 2010, we reached the impressive landmark of establishing 100 homes permanently in the land trust. This accomplishment represents a sizeable base of homes, and with exponential growth each year, it is gratifying to see the permanent resource that creating a community land trust provides.

Median House Price in Seattle*: $379,900
Income needed to afford median house price*: $94,612
Average income of homestead homeowners*: $40,958

© Getty Images

Median House Price in Seattle*
Income needed to afford median house price*
Average income of homestead homeowners*
Homestead Community Land Trust, a membership-based 501(c)(3) non-profit, creates permanently affordable home ownership opportunities in Seattle.

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