Partnering for Rural America

HAC has worked across rural America for more than four decades, but we don’t, and can’t, do it alone. While it would be impossible for HAC to recognize all of the support we receive, here are our valuable funders and partners.
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| Episcopal Diocese of Iowa | Sisters of the Presentation of the Blessed Virgin Mary |
| The Episcopal Church | Society of Mary |
| Fannie Mae | U.S. Department of Agriculture — Rural Development - Business and Cooperative Programs |
| F.B. Heron Foundation | U.S. Department of Agriculture |
| Ford Foundation | U.S. Department of Housing and Urban Development |
| Freddie Mac | U.S. Department of the Treasury — Community Development Financial Institutions Fund |
| Hearst Foundations | Wells Fargo Housing Foundation |
| The Home Depot Foundation | |
| Home Missioners of America | |
| Lenin Juarez | |
| John D. and Catherine T. MacArthur Foundation | |
| JP Morgan Chase | |
| Morgan Stanley | |
| National Endowment for the Arts | |
| Navajo Housing Authority | |

### Contributors

| Gideon Anders | |
| Joseph and Tamara Belden | |
| Brattleboro Area Affordable Housing Corporation | |
| Congregation of the Humility of Mary | |
| Council for Affordable and Rural Housing | |
| Habitat for Humanity | |
| Norman Hurwitz | |
| Moises and Teresa Loza | |
| Maria Luisa Mercado | |
| National Trust for Historic Preservation — Housing Initiative | |
| Next Step | |
| PathStone Corporation | |
| William and Gloria Powers | |
| Reno & Cavanaugh, PLLC | |
| Rural Community Assistance Corporation | |
| Rural Community Assistance Partnership | |
| Byron and Lee Stookey | |
| Leslie R. Strauss | |
| Harold and Marilyn Wilson | |
Dear Friends,

Rural America got a lot of attention in 2017. The results of the 2016 presidential election encouraged journalists, policymakers, and others to consider the differences between rural and urban parts of the U.S. The Housing Assistance Council has known these facts for decades, of course, and has worked with partners around the country towards improving life for the lowest income rural Americans.

Economic recovery from the Great Recession is lagging in rural areas, with a lower rate of job creation than in metropolitan places. Most of the new rural jobs are in the service sector, with far lower salaries than past mining and manufacturing positions. Forty percent of renters in places with populations under 10,000 pay more than 30 percent of their income for housing. While rural residents are more likely to be homeowners than city dwellers are, the homeownership rate for rural African Americans and Hispanics is 20 percentage points lower than that of white non-Hispanic rural households. Persistent poverty counties – those where poverty rates have exceeded 20 percent since 1990 – are predominately rural.

At the same time, HAC knows rural America’s advantages. The barnraising spirit is still strong: residents care deeply about their communities and they really do pitch in to help their neighbors. Rural places’ products and their natural resources benefit the entire country. Costs of doing business are often lower in small towns than in big cities.

HAC spent 2017, as it has spent more than 45 years, helping rural communities use these positive traits and resources to improve their residents’ lives. This has always been the hallmark of HAC’s work: HAC helps local organizations so that they can, in turn, help their communities – not only immediately, but for years to come. HAC builds rural resources, capacity, and knowledge by providing financing, training and technical assistance, and research and information. In 2017 HAC continued its special efforts to help provide housing for rural veterans and launched a new initiative on creative placemaking.

Whether the new attention to rural areas yields useful results or not, HAC and our partners on the ground will continue our efforts. Rural Americans will deserve decent, safe, affordable housing, as they always have.

Sincerely,

Andrew Bias  
Chair

Peter Carey  
President

David Lipsetz  
CEO
Community-based organizations possess incredible potential to expand and improve the stock of affordable housing and promote economic mobility, which is why HAC invests in them. As a certified Community Development Financial Institution, we provide financial products to organizations that create or improve homes for rural residents. We work closely with borrowers and communities to provide flexible underwriting and streamlined access to credit. We provide financial products to support predevelopment, site acquisition, site development, construction, preservation and new and innovative lending approaches in some of the most challenging economic environments.
Building Capacity

Community-based organizations who are improving housing conditions in rural America often need help navigating the complexities of finding financing and developing homes. HAC enhances their knowledge and skills through a combination of one-on-one technical assistance and specialized training. These sessions address key skills necessary to effectively develop, preserve, and manage affordable housing. It also strengthens local groups’ ability to deliver associated services that stimulate other community and economic development activities. HAC meets housing providers where they are, with training both in person around the country and online. Training topics in 2017 included Creative Placemaking, Grant Writing for Nonprofits, Fundraising for Nonprofits, Resource Development, Single-Family Housing Development, and USDA Section 502 Loan Application Packaging.

The Grace Family
Chavies, Kentucky

“Becoming a homeowner ... has made us more financially stable. Not only has it helped to build better credit, but it also lowered our heating and cooling cost. This home is perfect and truly a great home to raise our family!”

More than 200 families like the Graces have become homeowners with assistance from the Housing Development Alliance. HDA has been a long-time partner with HAC through training, finance, and research.
Building Knowledge

Understanding markets is critical to the success of any housing development. However, rural housing providers often struggle to gather and analyze data which accurately represents the broad geographies they serve. HAC’s data, information, and mapping utilities and provide specialized resources that position projects for success, balancing key supply and demand predictors in the housing environment. HAC also helps inform broader policies with timely information and in–depth research on housing, economies, and people of rural America.
Lisa and Victor Lupio
Goshen, CA

“We put up walls, finished the concrete, put in the driveway, and now we have our key. It feels really good to say we built this house.”

Self-Help Enterprises, based in the San Joaquin Valley of CA, helped Lisa and Victor through every stage of the homeownership process. Self-Help Enterprises has partnered with HAC since 1972.
The Housing Assistance Council Works Across Rural America
HAC in 2017

**Building Homes**
With $32.3 million invested in 65 communities, HAC has partnered with organizations across the nation to support the development of 2,250 affordable homes.

**Investments**

**Building Capacity**
Through 33 on location workshops and 5 webinars, HAC trained a total of 1,147 individuals from across the country. HAC’s staff delivered over 12,500 hours of technical assistance to organizations working to develop affordable housing. HAC provided 17 Capacity Grants totaling $302,054 to improve the ability of organizations to build housing in rural areas.

**Technical Assistance**

**Trainings**

**Training Participants**

**Building Knowledge**
Over 1,3000 rural housing professionals and policymakers across the nation accessed information, research reports, or data request through HAC information and data platforms.

**Information Recipients**
Fostering the Arts
in rural places

Creative placemaking leverages locally rooted arts and cultural activities to build community and local economies. A grant from the National Endowment for the Arts enabled HAC to work with buildingcommunitiesWORKSHOP, encouraging use of creative placemaking in rural housing and community development efforts. In 2017 HAC produced two webinars and an issue of Rural Voices magazine on the subject, as well as a Native American Creative Placemaking report. HAC also gathered 19 rural housing practitioners in Thomas and Davis, WV for a peer exchange. Woodlands Development Corporation and community leaders showed off the creative placemaking efforts that have resulted in strong arts communities in the two towns.
Housing
Our Heroes

Rural areas contribute a disproportionate share of U.S. service members, and therefore are home to a large number of veterans. Among HAC’s veteran-focused efforts is an initiative that provides grants to help local rural housing organizations repair the homes of veterans in their communities. With support from partners like the Home Depot Foundation, this initiative allows HAC to assist organizations like The Veterans Place, a 26 bed, substance-free, transitional housing program located in central Vermont.

“The Veterans’ Place, is the best place ever to be to get your life back together, at least it has been for me!” – Mark M.
A New Era For HAC

In November 2017, a new CEO stepped in at HAC. David Lipsetz has held senior positions at USDA’s Rural Housing Service and at HUD and has worked in regional planning and development. HAC’s board and staff look forward to working with him as HAC continues to build strong and vibrant rural communities across the United States.

Moises Loza retired after more than 40 years at HAC, including 27 years as HAC’s Executive Director. Improving housing conditions for rural Americans has been Moises’s life work. Directly or indirectly, he has improved living conditions for many thousands of people around the rural United States. HAC’s board and staff, along with rural housing stakeholders all over the country, thank Moises for his leadership, his guidance, and his passion.
ABOUT HAC

- NATIONAL NONPROFIT
- RURAL HOUSING AND COMMUNITY DEVELOPMENT
- PERSISTENT POVERTY AREAS AND POPULATIONS
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Wichita, KS
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Lone Star Legal Aid
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State University, AR
HACsters

**National Office**
David Lipsetz, CEO
Moises Loza, Executive Director (retired)
Karin Klusmann, Deputy Director and Loan Fund Director
Jeff Mosley, Training and Technical Assistance Director
Theodore J. Russell, Finance and Administration Director
Lance George, Deputy Director and Research & Information Director
Joseph Belden, Marketing Consultant
Alem Berhane, Accounting Manager
Cheryl Coleridge, Receptionist
Valisha Darden-Ward, Senior Loan Officer
Christina Davila, Research Assistant
Jorge Diaz, RHS Portfolio Manager & IT Manager
Michael Feinberg, Research Associate
Kenneth Greene, Loan Specialist
Jonniqua Hargrove, Loan Processor
Journee Harris, Intern
Evelyn Immonen, Intern
Barbara S. John, Portfolio Manager
LaVerne Lawrence, Staff Accountant
James McGraw, Senior Portfolio Manager
Christine Minor, Loan Specialist
Carlos Muralles, SHOP Program Manager
Rachana Shrestha, Portfolio Manager
Daniel Stern, Communications & Outreach Manager
Leslie Strauss, Senior Policy Analyst
Stephen Sugg, Government Relations Manager
Lilla Sutton, Executive Coordinator
Keith Wiley, Research Associate
Tanya Winters, Loan Officer

**Southwest Office**
Eugene Gonzales, Director
Anselmo Telles, Housing Specialist

**Southeast Office**
Carolyn Branton, Director
Shonterria Charleston, Program Manager and Housing Specialist
Christina Adeshakin, Housing Specialist
Kelly Cooney, Housing Specialist

**Midwest Office**
Stephanie Nichols, OneCPD Program Manager/Housing Specialist

**Western Office**
Karl Ory, Director
Housing Assistance Council

Consolidated Statement of Financial Position
## Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>September 30, 2017</th>
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<tbody>
<tr>
<td>Cash and cash equivalents</td>
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<tr>
<td>Investments</td>
<td>23,245,267</td>
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<tr>
<td>Contracts and grants receivable</td>
<td>1,960,121</td>
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<tr>
<td>Loans receivable, net</td>
<td>10,095,155</td>
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<tr>
<td>Interest receivable, net</td>
<td>282,599</td>
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<tr>
<td>Prepaid and other assets</td>
<td>118,397</td>
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<tr>
<td>Land held for resale</td>
<td>751,315</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>23,584</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$41,287,954</strong></td>
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</tbody>
</table>

## Liabilities

<table>
<thead>
<tr>
<th>Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$269,003</td>
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<tr>
<td>Accrued and other expenses</td>
<td>530,319</td>
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<tr>
<td>Notes payable</td>
<td>7,926,335</td>
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<tr>
<td>Lines of credit</td>
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<tr>
<td>Deferred rent and lease incentive</td>
<td>443,957</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$10,279,511</strong></td>
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</tbody>
</table>

## NET Assets

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>$756,187</td>
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<tr>
<td>Board-designated</td>
<td>4,086,185</td>
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<tr>
<td><strong>Total Unrestricted</strong></td>
<td><strong>$4,842,372</strong></td>
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<tr>
<td>Temporarily restricted</td>
<td></td>
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<tr>
<td>Permanently restricted</td>
<td>13,555,235</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$31,008,443</strong></td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td><strong>$41,287,954</strong></td>
</tr>
</tbody>
</table>
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HAC is an equal opportunity lender and employer.