

REVITALIZING

our communities



2005-2006

Annual Report



PRESIDENT & CHAIRMAN'S MESSAGE



Our Board

Michael A. Withers, *Chair*
Phyllis Lieberman, *Vice Chair*
Lois S. Fried, *Treasurer*
Cynthia Rubenstein, *Secretary*
Maryam Balbed
Samuel Marein-Efron
Nancy Evans
Juan Holcomb
Rhonda Cunningham Holmes
Richard Lawch
Sheila Maith
Howard Menell
Raymond Moreno
Richard Perlmutter
Stacy Plotkin Silber
Ali Solis

2005-2006 were significant years on many fronts.

We continued to support our mission of preserving and expanding quality affordable housing in Montgomery County, Maryland. In fact, 2005-2006 marked the completion of a number of developments and the start of some exciting new developments. We are most pleased to have finished the renovations of Blair Park Apartments, 8813 Glenville Road, and Amherst Gardens, and celebrated the opening of the Great Hope Homes community center.

While this one-year effort in and of itself is important, from a longer-term perspective, it serves to illustrate the impact Montgomery Housing Partnership is having. We now own or manage 935 rental units, representing a growth rate of 75% over the last 5 years. This translates into over 2,000 county residents who are now living in affordable, quality homes. Because our program reaches out to neighborhoods and seeks to build communities, the actual number of people affected by our work is far greater. We take pride in our achievements. We also know that the residents of our properties have increasing needs for the services we provide. In other words, there is still so much more to do.

While numbers of affordable housing units help to show our success, critical to our work is our ability to objectively measure the outcomes of the services we offer to the residents of our properties. To that end, 2005-2006 served as a milestone in that we began to lay the foundation for measuring critical program services. Our goal is to assess our work in such vital areas as the community programs we put into place, the assistance we offer to residents for moving toward home ownership, and our support for creating “neighborhoods of choice.”

While there was debate during the year about whether the housing “bubble” across the nation was over, the challenge of finding projects for affordable housing in Montgomery County continued, as did the need for it.

We thank our partners, contributors, county officials, and staff for helping us to better the lives of many of our citizens and look forward to continuing to join together to touch more people’s lives in the future.

Sincerely,

Michael Withers
Chairman of the Board

Robert A. Goldman
President

Our Mission

The mission of Montgomery Housing Partnership is to preserve and expand quality affordable housing in Montgomery County. To accomplish its mission, MHP, directly or through its subsidiaries:

- 1) acquires, rehabilitates, builds and manages quality affordable housing;
- 2) enhances the vitality of the neighborhoods in which affordable housing is located; and
- 3) develops and implements community life programs in those neighborhoods.



FINANCIALS

SUMMARY OF COMBINED FINANCIAL STATEMENTS

Fiscal Year 2005 (July 1, 2004 – June 30, 2005)

BALANCE SHEET

ASSETS

Cash and cash equivalents	\$	4,641,835
Accounts receivable		301,844
Investments		237,532
Mortgage escrow deposits		203,011
Due from affiliate		133,660
Prepaid expenses		40,132
Development-in-progress		348,008
Net Property & Equipment		31,075,196
Other Assets		5,873,095

TOTAL ASSETS **\$ 42,854,313**

LIABILITIES & FUND BALANCES

Unsecured notes payable	\$	25,000
Secured notes payable - current maturities		2,390,413
Accounts payable and accrued expenses		305,941
Accounts payable – construction		–
Accrued interest payable – current		143,075
Prepaid rents		11,140
Deferred revenue & fee – current		892
Other Liabilities		254,918
Deferred revenue & fee – long term		124,623
Accrued interest payable – long term		198,933
Secured notes payable, less current maturities		34,503,279
Unsecured notes payable		1,424,675
Unrestricted fund balance		2,847,679
Temporarily restricted fund balance		623,745

TOTAL LIABILITIES & FUND BALANCE **\$ 42,854,313**

STATEMENT OF ACTIVITIES

INCOME

Rental revenue – net	\$	5,812,653
Grants		421,299
Cash contributions		166,232
Interest and dividend income		65,002
Development fees		1,061,508
Asset management fees		17,853
Special events		92,011
Gain from forgiveness of long-term debt		457,153
Other Income		225,577
Satisfaction of program restrictions		401,387

TOTAL INCOME **\$ 8,720,675**

EXPENSES

Program services		6,778,062
Management and general		292,583
Lobbying		–
Fundraising		242,449

TOTAL EXPENSES **\$ 7,313,094**

CHANGES IN TEMPORARILY RESTRICTED NET ASSETS

Grants		425,969
Interest income		394
Debt Forgiveness		0
Net assets released from restrictions		(401,387)

TOTAL CHANGES TO TEMPORARILY RESTRICTED NET ASSETS **\$ 24,976**

FY 2005 TOTAL INCREASE

IN NET ASSETS **\$ 1,432,557**

Overall Achievements

While annual progress is important, it is better understood within the broader context of the goals the organization is attempting to achieve. This is particularly true for Montgomery Housing Partnership (MHP), the largest non-profit developer, owner and manager of affordable housing in the county. As of the end of 2006, MHP owns or manages 935 rental units.

Montgomery Housing Partnership has made great strides in supporting its mission in the last five years:

- ◆ Four hundred and forty-four units of affordable housing were created in the last five years, for a total of 935 overall.
- ◆ Private contributions and grants increased by more than 300%, illustrating increasing support for the organization's work.
- ◆ NeighborWorks America accepted MHP as a member after a thorough examination of the organization's work. NeighborWorks America, according to its literature, is "a national nonprofit created by Congress to provide financial support, technical assistance and training for community based revitalization efforts."
- ◆ MHP invested over \$50 million in the acquisition and renovation of affordable housing, which, in turn, contributed to the economic development of Montgomery County and Maryland.

Montgomery Housing Partnership has undertaken a significant number of programs in its key areas of affordable housing, neighborhood revitalization and community life during 2005-2006.



AFFORDABLE HOUSING

The organization took significant steps forward in support of preserving and expanding the number of quality affordable homes in Montgomery County. Montgomery Housing Partnership:

- ◆ Purchased a vacant parcel of land next to its existing property, Bealls Grant, which has the potential for 120 new units of affordable housing in downtown Rockville.
- ◆ Completed the renovation of Blair Park Apartments (52 units) and Amherst Gardens (22 units).
- ◆ Purchased and renovated 8813 Glenville Road (8 units), which further improves the Glenville neighborhood and brings the total number of MHP units to 19 on the Glenville Road cul-de-sac.
- ◆ Entered into contracts to purchase an additional 63 units in Takoma Park. These properties were at risk of being converted to condominiums, which would have resulted in the residents being displaced.
- ◆ Celebrated the opening of the Great Hope Homes community center – which fulfills a promise the original owners made for a community center over 30 years ago.
- ◆ Purchased 16 townhouses through the Moderately Priced Dwelling Unit program for affordable rental housing.



2005 Golf Event

Gold Sponsor
Reznick Group

Dinner Sponsor
Washington Mutual

Lunch Sponsor
The Bozzuto Group

Media Sponsor
Comcast
The Gazette

Drink Sponsor
Riggs/PNC

Host Sponsor
BB&T

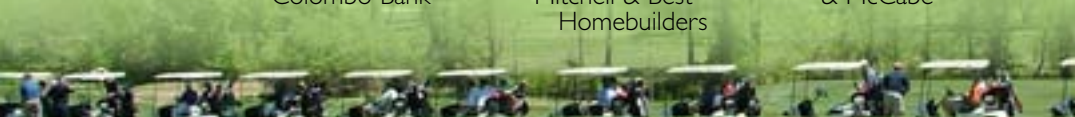
Invitation Sponsor
Provident Bank

Hole/Green Package Sponsor
CB Richard Ellis
Colombo Bank

Enterprise Communities, Inc.
IDI MD, Inc.
Kettler Brothers Lime Rock Contractors, LLC
Macris Hendricks and Glascock
Main Street Homes LLC
Maryland Development Company, LLC
Mercantile Potomac Bank
Mitchell & Best Homebuilders

J.E. Rice Insurance Agency & The Pettit Companies
Wachovia Bank

Hole/Green Sponsor
A.R. Meyers + Associates Architects, Inc.
Bank of America
Jose Bautista, Realtor
C.M. Parker & Co., Inc.
Charles Tini & Associates
Chen Walsh Tecler & McCabe



NEIGHBORHOOD REVITALIZATION

MHP continued its work in the revitalization of neighborhoods through a variety of programs that involve both residents and owners of other properties. Examples follow:

- ◆ The Apartment Assistance Program (AAP) expanded, encouraging more owners to improve the appearance and upkeep of their properties through seminars, outreach communications, the development of a resource manual and the creation of a website and listserv. This program won a 2005 Innovation Award from the Housing Association of Nonprofit Developers.
- ◆ An increasing number of owner occupants of small affordable apartment buildings received technical assistance.
- ◆ MHP worked with the Long Branch Task Force, which issued its final report in Spring 2005.
- ◆ Work in Greenwood-Garland included conducting neighborhood surveys and physical condition assessments, improving street lighting, and planning for a community festival and new civic association.
- ◆ On Glenville Road, MHP expanded its programs and services together with neighborhood clean-up activities, the Glenville Day Festival, and plans for a neighborhood playground.
- ◆ MHP worked with the businesses in Long Branch to establish a Long Branch Business League and began addressing issues of importance to the business community.



COMMUNITY LIFE

Enriching communities within which MHP's affordable housing exists is a vital part of the organization's work:

- ◆ MHP's Individual Development Accounts Homeownership program won the 2005 Community Life Program Award from the Housing Association of Nonprofit Developers.
- ◆ Twenty-three families purchased a home through MHP's homeownership initiatives.
- ◆ Over 70 families attended our homeownership counseling and financial literacy training.
- ◆ Through MHP's association with NeighborWorks America, the organization began to develop outcome measurements to better track success in the Community Life Programs.
- ◆ The Commonwealth Foundation's evaluation of MHP's after-school program found that nearly all of the children increased their word recognition by 1.8 grade levels and increased their reading comprehension by 1.6 grade levels.
- ◆ Residents at Great Hope Homes and Greenwood organized their first holiday party.
- ◆ Thirty students received completion certificates in ESOL classes and 24 residents completed MHP's ten-week computer course.
- ◆ Residents living at Amherst, Pembroke, and Great Hope Homes received health information from several leading Montgomery County organizations at MHP's two health fairs.
- ◆ A computer program curriculum is now available for the children to develop correct and fast keyboarding skills and to use the computer to improve their skills in reading, writing, and spelling.
- ◆ A summer program curriculum was developed.



Classic Group, LLC
Eakin/Youngentob
Associates, Inc.
Elm Street
Development
Corporation
Equity Management, Inc.
Faith Building Ministries
Flaherty Group, Inc.
Hessel & Aluise
Holland & Knight LLP
Ideal Realty

Landmark Engineering
Loiederman Soltesz
Associates, Inc.
M.A. Associates
Natelli Communities
Rodgers Consulting, Inc.
Sheridan Development
Smart Development
Transwestern
Commercial Services
Venable LLP



2005 DONORS MAKING IT POSSIBLE

Olney Event Donors

Platinum Sponsor

Comcast

Gold Sponsor

BB&T
Fannie Mae Foundation

Silver Sponsor

Enterprise Communities, Inc.
Kettler Forline Homes
Pepco
Sandy Spring Bank

Bronze Sponsor

The Bozzuto Group
Chen, Walsh, Tecler & McCabe
Fitzgerald Auto Malls
Reznick Group
J.E. Rice Insurance Agency, Inc.
Charles Tini & Associates

In-Kind Sponsors

The Gazette
Olney Theatre

Auction Sponsors

Fran Abrams
Arts & Humanities Council of Montgomery County
Jeff & Jane Bolman
James Brodsky
Chesapeake Bagels
Lois Christeller
Ferdinand's Restaurant
Dottie Fitzgerald
The Gazette
Robert & Juliette Goldman
John Haddad

Joanne Hewitt
Hollywood East Café
Marion Hull
Monica Jeffries
Johnson's Florist & Garden Centers
Debra Liverpool
Loews Cineplex
Montgomery College, Rockville
Olney Theatre
Outback Steak House
Kelly Pelz

Round House Theater
Roberta Safer
Anne L. Sanderoff-Walker
John & Mary Slidell
Mike Stern
Strathmore Hall
The Gazette
The Honorable John C. & Lynde Tracey
Washington Sports Club
Wheaton Athletic Club

2005 Corporate, Organizations, & Government Donors

Ashton United Methodist Church
Acacia Federal Savings Bank
Bethesda United Church of Christ
Blechman-Moreno Foundation
Bozzuto Construction
Burnt Mills Crossing LP
The Evelyn W. Bushwick Family Charitable Trust
CC Regency, LLC
Charities Fund
Chevy Chase Bank

Danco Electronic Service
Enterprise Communities, Inc.
Fannie Mae
Fannie Mae Foundation
GMAC-RFC
Keker Family Foundation
Landmark Engineering
Richard and Lee Ann Lawch Family Fund
Main Street Homes LLC
Maryland Affordable Housing Trust

Maryland Department of Housing and Community Development
Merck Partnership for Giving
A.R. Meyers & Associates
Montgomery County Department of Housing and Community Affairs
Rita Morgan Charitable Trust
Mushinsky Associates/MR+A
NeighborWorks America
NVR Settlements
Provident Bank
Rosenfeld Investment LP

Saint Mark Presbyterian Church
Sandy Spring Bank
Sligo Computers
Smart Development/Premiere Homes
SunTrust
United Way of the National Capital Area
Zavos Architecture & Design, LLC
Margot and Paul Zimmerman
Fund of the Community
Foundation of the National Capital Region



Our Staff

Robert A. Goldman,
President

Jill E. Goodrich,
Vice President of Operations

S. Marlowe Mentzer,
Vice President of Finance

Rosa Aleman,
Staff Accountant

Sharon Anderson,
Director of Real Estate & Neighborhood Development

Gloria Castro,
Community Life Programs Coordinator

Jeff Davis,
Community Planning Manager

Melissa Graves,
Director of Fundraising

Kevin Haag,
Community Life IDA Coordinator

James Joyce,
Community Development Intern

Shalonda Lincoln,
Neighborhood Development Manager

Sandy Lombardo,
Senior Accountant

Nora Ortiz,
Community Life AmeriCorps Intern

Cleydi Pacheco,
Community Life Site Coordinator

Rohan Paris,
Community Life AmeriCorps Intern

Belinda Robinson,
Office Administrator

Karen Safer,
Development Manager

Steve Sprecher,
Development Manager

Sulema Middleton Stewart,
Community Life Programs Director

2005 Individual Donors

Benefactor

Linna M. Barnes & Christian Mixer
James and Marion Brodsky
David D. Flanagan
Teuntje Goldman
Howard Menell
Richard Perlmutter
Jackie Simon (in Honor of Peter Fuchs' Retirement)
John Slidell

Patron

Lois Christeller
Eugene Costa
Harrison Fox
Lois Fried
Robert and Juliette Goldman
Phyllis Lieberman
William & Hiroko McCamey
Raymond Moreno
Eric Sweitzer
The Honorable John C. & Lynde Tracey

Sponsor

Nathaniel Baldwin
Susan Baron
Ralph Bennett
Steve Coniglio
Emma & Raymond Dominey
Nancy Evans
Dorothy Fitzgerald
Judith B. Heimann
Kevin Hessman
Richard Lawch
Scott Minton
Ryland Mitchell (in honor of Eric Larsen's Retirement)
Jerry and Marian O'Connor
William F. Ostrye
S. Bruce Pascal
Laurence E. Platt
Kenneth Refhuss
Cynthia Rubenstein

Benefactor

Renee Sherman
Richard Smith
Jeff Wood

Sustaining Associate

Roger Aldridge & Nancy Sherwood
Patrizia Bailey
Guy Campbell
Chris & Jennifer S. Curtis
John Hamlett
Peter Hauslohner
Barry Kasinitz
Robert W. King
Odell Kominers
William Kominers
Sulema Middleton-Stewart
Wylie Mitchell
Peter & Sally Roman
Mita Schaeffer
Ellen Schneider
Rosalie J. Silverberg
Behrang Sohrabi
Mike Stern
Susan St. Maxens
B. Susan & Kenneth P. Wilson
Michael Withers

Contributing Associate

Shari and Stephen Ashman
Michael Bodaken
Dorothy P. Boerner
Mitchell & Sandra Bragin
Thomas Brooks
Deborah & Robert Bruskin
John H. Carman
Dorothy Cockrell
George Decker
Maryann Dillon
Hubert Dixon, III
Lon Dring
Greg Eisenstadt
Carla Evans
Sheldon Grosberg
Fe'lecia Holley

Benefactor

Marion & Bernard Hull
Margaret V. Keimig
Morris Kletzkun
Robert & Jane Lewitt
Debra Liverpool
Paul London
Laura N. Lucs
Samuel Marein-Efron
George & Margaret McRory
Frank R. and Michele C. Narron
Kelly Pelz
Jo & Grant Reynolds
Carolyn Salisbury
Robert L. & Neita Smith Saloschin
David L. & Nancy Scull
Tara Seeley
Martin Seldeen
Lawrence Schulman
Jody Tracey
Mary S. Von Euler
Gina and Jamie Williams

Associate

Nancy Abeles
Fran L. Abrams
Bruce Adams
Judith Shapiro & Kenneth Auerbach
Julien Colvin
Floyd Griffith
Kevin Haag
Arlette Jassel & Kenneth Goldstein
Holt Jordan
Judith Lapping
Sheila Maith
Daniel Meijer
Judith Morenoff
Donna Redd
Victoria Rednagle
Donald B. Robertson
John M. Robinson
Jacqueline H. Rogers

Benefactor

Renee Sherman
Stacy Silber
John D. & Elizabeth Spencer
Gordon & Rita Wagner
Thomas & Carolyn Waller
Barbara & Frederick Walton

Friend

Jonathan Abbott
Robert Abrams
Elizabeth Baldwin
Arthur A. Bardos
Mitzie A. Biamby
Dana Bourland
John Brandenburg
O. Robert Brown
David & Katrina Burton
Gloria Castro
Stephanie Cooperstein
Diane Cottone
Mary Rose Curtis
Jeff Davis
Peter Dean
Marian Fryer
Peter Fuchs
Stephen & Stephanie Giddings
Joseph & Shely Guggenheim
John Hewitt
Larry E. and Jennifer R. Hill
Melanielsis
Kenneth Nelson
Cleydi Pacheco
Sarah V. Robey
Lawrence A. & Donna J. Rothrock
Karen Safer
Anne L. Sanderoff-Walker
Eugene Sieminski
Richard & Fiona Snoddy
John & Marge Stanley
Lois O. Stoner
Anne B. Tenney
Martha Waddy
Maurice Walters



11002 Veirs Mill Road, Suite 503
Silver Spring, Maryland 20902
PH (301) 946-0882 • FX (301) 946-0982
www.mhpartners.org

A non-profit, community development corporation

