



AFFORDABLE HOUSING CENTERS OF PENNSYLVANIA

2013 - 2014 ANNUAL REPORT





AHCOPA MISSION

To increase and
preserve housing
opportunities for low
and moderate income
households and for
communities of color.

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Letter From Affordable Housing Centers of Pennsylvania

Dear Friends,

It is my pleasure to present the 2013-2014 annual report for the Affordable Housing Centers of Pennsylvania. During this period the AHCOPA board and staff experienced great moments of success. Since Affordable Housing Centers of America dissolved in January 2012, AHCOPA has acted as an independent organization requiring us to make major decisions in order for us to continue to provide high-quality housing counseling services for low to moderate income families in the Greater Philadelphia region.

In August 2013 Kenneth Bigos was named as the new executive director of AHCOPA. Prior to joining AHCOPA, Ken was a housing counselor with the Philadelphia Unemployment Project and Consumer Credit Counseling Service (presently known as Clarifi). He also brings non-profit managerial and fundraising experience when he worked with the Roxborough Development Corporation as the operations manager. He replaces Dustin Tommey who was a tremendous leader for AHCOPA. We thank Dustin for all of his contributions and we wish him many blessings in his career endeavors.

In March 2014 Home Free USA, based outside of Washington D.C., became the new HUD intermediary for AHCOPA. Home Free USA has thus far been tremendous in offering

AHCOPA technical and funding support.

And lastly we thank the newest foundations who have showed their support to the organization with their financial contribution. Since 2013 new funding relationships have been established with the Wells Fargo Homeownership Foundation, the Alston Beech Foundation, the Santander Foundation, the Beneficial Foundation and the Union Benevolent Association.

This past year more clients have realized homeownership and have retained their home from foreclosure through the counseling services of AHCOPA. These housing counseling successes come while homeownership in Philadelphia has declined. In the summer of 2014 the Pew Research Center published a report stating the homeownership rate in the city is down to 52%, a seven percentage point drop from the previous decade. Also a report produced by the Mayor's Office of Community Empowerment and Opportunity in 2013 identified that 10,000 properties in the city are in some stage of the foreclosure process.

When I see these statistics I get a renewed sense of mission. Many low-to moderate-income families are trying to break the cycle of renting or trying to get an effective resolution on their mortgage delinquency. Home-

Letter From Affordable Housing Centers of Pennsylvania

ownership continues to be a significant measure of wealth creation that also builds family stability. Countless studies show the invaluable role housing counseling is for low-and moderate-income households in satisfying their housing goals. As housing counselors our role is to serve as the client's financial trainer and advocate so that they can reach their goals.

The success of AHCOPA's counseling outcomes is due in large part to the dedication and compassion of the organization's staff. I cannot thank them enough for the energy and skills they invoke in helping our clients improve their housing and financial position.

AHCOPA is continuously collaborating with major institutions, lenders, realtors and community organizations to help promote housing counseling and homeownership to their members and constituents. AHCOPA is interested in your partnership to assist households in achieving their housing and financial goals. We look forward in working with you.



Kenneth Bigos
Executive Director

Success Story



In 1961 Doris Davis and her husband realized the American Dream

as they purchased their modest rowhouse in the Brewerytown section of Philadelphia for \$6,000. Her husband was a Korean War veteran and they bought the house under the GI bill. Both of them had aspirations of building a loving, safe home for their family. After many years of pride and dedication their home could have been taken away from them.

In 1999 her husband developed cancer and unpaid medical bills were piling up. At this time they paid off their original mortgage and were looking to use the equity in their house to help pay for these obligations. They tried to get a loan to pay off the debt and after being denied from a few places they received a phone call. A company solicited them a loan over the phone and shortly thereafter a mortgage broker came to their house and helped them originate a loan at their dining room table. The loan that they took out had classic features of being a predatory loan. The Davis' only needed \$10,000 to pay off the outstanding debts but the loan they borrowed was for \$30,000. The monthly payments were amortized in accordance to someone receiving a 30-year loan however after 15 years of making payments the Davis' would have a balloon payment that required them to pay the remaining balance in April 2014.

For many years the Davis' consistently made their payments not realizing that the balloon payment was looming. Then in 2013, after her husband passed away, Ms. Davis received a letter stating that the remaining balance of the loan, which amount to \$27,000, would become due-in-full in April 2014. The news was shocking to her and put her into a state of depression. How can an 80-year old woman on a fixed income afford to pay this amount? She has lived in her house her 52 years! Where would she go?

With the intervention of friends and a referral from the offices of State Representative Michelle Brownlee she made her way to the offices of the Affordable Housing Centers of Pennsylvania. While providing her information to the housing counselor she believed there was someone fighting for her and that made her feel more empowered.

AHCOPA assisted in submitting a request for a loan modification that would allow her to pay the balloon payment over an extended period of time. Over the course of an entire year, the housing counselor and Ms. Davis submitted extensive financial documentation and followed-up with the lender to negotiate the terms of the modification. The anxiety of waiting for a decision was immense and the transition unnerving.

Finally in December 2013 Ms. Davis was approved for a modification allowing her to stay in her home and pay off the loan. Ms. Davis can now live comfortably in her home knowing that there is no threat of foreclosure. In a relaxed state of mind she can continue baking her famous sweet potato pies in her beloved kitchen.

Success Story

If you were to ask Naimah El-Amin what it takes to purchase a home she would respond with the following answer - patience, persistence and the ability to make sacrifices. From the first moments of adulthood home ownership was a concept that Naimah fantasized however she thought this status was not achievable for her. The guideline to save money for the down payment and closing costs was her greatest impediment. Her home buying journey was a two-year process of trial and error that eventually enabled her to purchase her home in November 2013.

In early 2012 she attended a first-time homebuyer workshop organized by AHCOPA in conjunction with the Philadelphia Housing Authority. She learned about the IDA accounts that provide matching funds to help with savings but she could not maintain the savings goal so she dropped out of the program...twice. She felt defeated and felt that she will always be a renter.

Then came a moment of shock – her monthly rent obligation increased \$320. The negative consequence of renting hit Naimah right in the face and she felt that this was enough. She called AHCOPA and she re-entered into the housing counseling program. The counselor and she agreed that in order to reach the necessary savings goal she should eliminate unnecessary discretionary expenditures. Naimah was also able to make extra money by performing odd jobs. In August 2013 she reached the necessary benchmarks and was free to pursue pre-

qualification. She could not believe it. She did it!

Meeting the pre-qualification guidelines was only her first step in the home purchase process. The next step, the home purchase, again tested her virtues of persistence, patience and the need to make sacrifices. The home search and constant submission of documents to the lender became frustrating. AHCOPA walked her through the process, we celebrated her achievements and we reminded her of the accomplishments that she made especially during the moments of resignation.

After reviewing 10 houses she found a house in the Mt. Airy section of Philadelphia that she would eventually buy. Since buying her house Naimah hosted Thanksgiving dinner and her daughter invited friends over for a slumber party. She looks forward to planting a garden in the front yard. There is no landlord telling her that she cannot paint the rooms and that the rent obligation has increased. Now her mortgage payments build home equity. A dream is finally fulfilled and owning her own piece of property allows her to dream some more. Welcome home Naimah.



HOUSING COUNSELING STATISTICS

Period of time recorded: October 1, 2013 - September 30, 2014

First-Time Homebuyer Counseling Program

First-Time Homebuyer Seminars Held: **25**

First-Time Homebuyer Seminar Participants: **302**

In the fall of 2013 Affordable Housing Centers of Pennsylvania partnered with the Nationalities Services Center to provide first-time homebuyer education to the Chin and Bhutanese refugee communities in South Philadelphia.

Clients that received one-on-one pre-purchase counseling services: **198**

Clients purchased homes: **31**

Philadelphia Home Improvement Loan

Clients Counseled under the program: **17**

Loans Approved: **1**

HOUSING COUNSELING STATISTICS

Period of time recorded: October 1, 2013 - September 30, 2014

Foreclosure Prevention Program

Mortgage Delinquency

Clients that received counseling services: 326

Clients that are actively receiving counseling services: 203

Mortgage modifications entered: 52

HEMAP loan approvals: 23

Real Estate Tax Delinquency

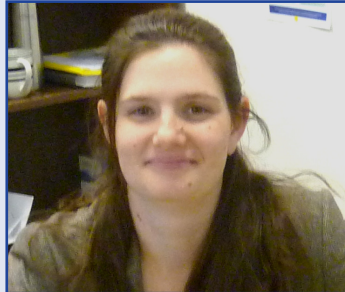
Applications Submitted for Low-Income Repayment Plan: 40

Low-Income Repayment Plans Approved: 14

AHCOPA Staff



Kenneth Bigos -
Executive Director



Lianna Crosby -
Housing Counselor



Jacqueline Eccleston -
Housing Counselor



Bryan Heine -
Housing Counselor



Sakinah Lester -
Administrative
Assistant

Board of Directors

Mildred Brown - President; long-time housing activist.

Lez E. Trujillo Torres - Vice President; Transformation Project Manager – Benito Juarez Community Academy

Bruce Dorpalen - Secretary/Treasurer; Executive Director – National Housing Resource Center

Andrew Frishkoff; Executive Director – Local Initiatives Support Coalition, Philadelphia

Funders and Supporters

City of Philadelphia, Office of Housing and Community Development

Pennsylvania Housing Finance Agency

Home Free USA

PNC Foundation

Ally Bank Foundation

Santander Foundation

Wells Fargo Foundation

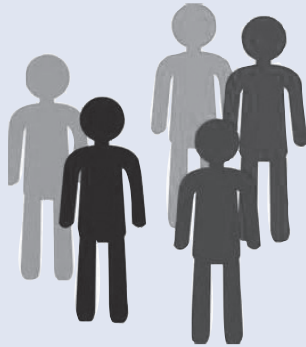
Union Benevolent Association

Alston Beech Foundation

The Beneficial Foundation

Client Demographic Information

CLIENTS SERVED IN 2013-2014



Ethnicity

- African-American/Black - **78%**
- Caucasian/White - **6%**
- Multi-Race/Other - **6%**
- Hispanic - **5%**
- Asian - **5%**

Income based on Area Median Income

- Very Low (<50%) - **75%**
- Low (50-79%) - **16%**
- Moderate (80-100%) - **8%**
- Middle Income or Above - **1%**



Region

- North Philadelphia - **29%**
- West Philadelphia (including SW & Overbrook) - **16%**
- Northwest Philadelphia (Germantown, Mt. Airy) - **14%**
- Olney, Logan, Hunting Park - **13%**
- Kensington, Fishtown, Port Richmond - **8%**
- South Philadelphia - **8%**
- NE Philadelphia - **7%**
- Outside of Philadelphia - **5%**

Gender

- Female - **62%**
- Male - **38%**





AHCOPA

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**Homeownership
Done Right.™**