Neighborhood Reinvestment Corporation and the NeighborWorks® Network 1995 Annual Report

Leveraging Investment in America's Communities

Prologue

With a relatively small staff, focused areas of geographic concentration and targeted technical and financial assistance to local organizations, Neighborhood Reinvestment has shown that progress can be made in distressed communities. Housing can be rehabilitated; small businesses can thrive; neighbors will help neighbors - all this and more can be done to turn neighborhoods once shunned into neighborhoods of choice. Residents, local government officials and members of the private sector can work successfully in partnership to restore communities to health and rebuild social cohesion.

Neighborhood Reinvestment creates, affiliates and strengthens the resident-led private-public partnerships that make up the NeighborWorks® network. The Corporation provides financing mechanisms, training, technical assistance, funding and program oversight to keep the network strong and viable.

A primary focus for Neighborhood Reinvestment is to ensure that the system by which NeighborWorks® organizations create and market renewed neighborhoods results in an overall positive investment environment. This environment reduces risk of loss for investors and attracts additional sources of funding to the nonprofits and the community. To this end, the Corporation works to increase the capacity of the local organizations so that they can enter into complex negotiations with lenders and others, and provides capital resources that enable these organizations to function as true equity partners with the private sector.

The NeighborWorks® network's unique secondary market, Neighborhood Housing Services of America, purchases loans from local NeighborWorks® organizations, thus keeping their lending capacity strong.

Through its nationally acclaimed Neighborhood Reinvestment Training Institute, the Corporation offers intensive educational opportunities. Through them, network affiliates and others can better improve the affordability of housing, the vitality of local economies and the quality of life in communities across the nation.

The Corporation's field operations, program review and other departments supply direct technical assistance to NeighborWorks® organizations so that they remain financially accountable and in compliance with chartering standards. The NeighborWorks® service mark signifies solid performance, and the network holds itself to consistently high standards.

Where others see blight, the NeighborWorks® network and Neighborhood Reinvestment Corporation see investment opportunities: for economic development, for affordable housing and for more Americans to live with pride in safe, healthy communities.

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**NHSA Officers and Board Members**

**Neighborhood Reinvestment Officers**

We hope the 1995 Annual Report provides a brief but effective tour of the goals and successes of the national NeighborWorks® network, the country's premier community revitalization system. To link up with your local NeighborWorks® organization or for details of how strategic investments of time, talent and treasury can pay off for America's communities, please call us at (202)376-2400.

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.

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Neighborhood Reinvestment Corporation

Neighborhood Reinvestment, a public, nonprofit corporation, was established by Act of Congress in 1978 (P.L. 95-557). Leveraging Investment in America's Communities reports on the achievements of the national NeighborWorks® network, Neighborhood Reinvestment and its companion organization, Neighborhood Housing Services of America. NeighborWorks® is a service mark for the neighborhood revitalization programs offered by the Neighborhood Reinvestment Corporation and a national network of nonprofit organizations, including Neighborhood Housing Services, Mutual Housing Associations and similar community-based development organizations. It identifies the provider of those services as a member of the national NeighborWorks® network.

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Neighborhood Reinvestment Corporation
1325 G Street, NW, Suite 800
Washington, DC 20005-3100
(202) 376-2400
The Neighborhood Reinvestment Corporation was established by Act of Congress in 1978 (P.L. 95-557). The members of its Board of Directors are: the Chairman or a member of the Board of Governors of the Federal Reserve System; the Secretary of Housing and Urban Development; the Comptroller of the Currency; the Director of the Office of Thrift Supervision; the Chairman or the appointive member of the Board of the Federal Deposit Insurance Corporation; and the Chairman or a member of the Board of the National Credit Union Administration.

**Lawrence B. Lindsey,**
Chairman Member, Board of Governors
The Federal Reserve System

**Eugene A. Ludwig,**
Vice Chairman
Comptroller of the Currency

**Henry G. Cisneros**
Secretary of Housing and Urban Development

**Andrew C. Hove Jr.**
Vice Chairman,
Federal Deposit Insurance Corporation
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Letter from the Chairman

Sustainable community development is only possible when the commitments of all the participants are grounded in mutual self-interest. Bringing together all of the stakeholders, residents, government entities and representatives of the private sector -- which rely on viable communities to create their marketplace -- ensures a partnership that can successfully meet the challenge of revitalizing America's neighborhoods. The Neighborhood Reinvestment Corporation stimulates this partnership approach nationally through the 177 local community-based organizations that are the heart of the NeighborWorks® network.

Members of the national NeighborWorks® network are distinguished by their focus on home ownership and their efforts to reverse decline by linking housing, economic development, community-building and lending in an integrated, comprehensive approach. By working in partnership with public- and private-sector investors, steady returns can be achieved.

America's cities, older suburban communities and rural townships are eager for investment opportunities in affordable housing and economic development. Fostering opportunities in ways that make sense for individual communities is the strength of the NeighborWorks® partnership model.

At the local level, the NeighborWorks® organization determines its community needs, targets appropriate neighborhoods, selects sites for reinvestment, works with families to rehabilitate or purchase housing, creates loan products appropriate for neighborhood residents, and influences community health and stability.

At the national level, Neighborhood Reinvestment engages in partnerships with large financial institutions and insurance companies, federal and state housing-program administrators, secondary markets, trade associations, foundations and others. These partnerships facilitate cutting-edge products and programs that make reinvestment, revitalization and the strengthening of America's communities possible.

Today, NeighborWorks® organizations working in 330 municipalities attest to the success of this partnership approach. Their local boards of directors include 727 lenders and other members of the private sector, 264 local government officials, and 1,205 community residents. The leadership provided by this strong volunteer force produces consistent results across a broad spectrum of environments and housing markets. Such leadership benefits not only the communities as a whole, but the individual investment partners as well.

The organizations in the NeighborWorks® network are but a handful of more than 2,000 housing-related nonprofits now operating in the country. But they are among the highest producers in terms of units constructed and rehabilitated. Overall, NeighborWorks® organizations generated a direct investment in 1995 of more than $340 million in traditionally underserved neighborhoods, more than twice the size of their investment of just four years earlier.

These results are a testament to the strength of the NeighborWorks® model - communities can and do revitalize themselves when they have the direct input and support of long-term partners from both the public and private sectors. Sustainable
partnerships based upon mutual self-interest, respect and a commitment to ensuring strong, viable neighborhoods that work - that is our NeighborWorks® network.

**Lawrence B. Lindsey**
Chairman of the Board of Directors,
Neighborhood Reinvestment Corporation and
Member, Board of Governors,
The Federal Reserve System

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Resident Investment

About 4.8 million Americans live in neighborhoods served by NeighborWorks® organizations. These residents are perhaps the most important part of the equation when it comes to putting investment to work in their neighborhoods. Their determination to see their communities prosper provides the consistent effort needed to turn a neighborhood around.

By charter, each NeighborWorks® organization must have an organizational structure with a majority of resident members. NeighborWorks® organizations remain resident-driven and responsive to community concerns, even as other segments of the partnership are being nurtured.

Investors and Stakeholders

Residents who purchase homes in NeighborWorks® organizations' target areas become stakeholders and take responsibility for the area at large. Through special homebuyers clubs, residents learn to save for down payments, budget their finances, approach banks for loans, and eliminate blots from their credit ratings. Many NeighborWorks® organizations work directly with banks to help identify aspiring homebuyers who can qualify for conventional bank mortgages. To aid in this approach, Neighborhood Reinvestment offers courses on housing, counseling and lending strategies through national Training Institutes, and also provides technical assistance through its field staff.

Current homeowners are assisted by NeighborWorks® organizations through home-improvement loans for maintenance, weatherization and rehabilitation. Services typically include housing rehab counseling; preparation of bids, specifications and cost estimates; referrals to contractors; and financial counseling. Families in danger of losing their homes through foreclosure can also turn to NeighborWorks® organizations for help in negotiating repayment plans with lenders.

Neighborhood residents support NeighborWorks® organizations in their communities because they see results -- in higher property values, improved properties, updated infrastructure and heightened community participation. Often they assume the financial and personal risks of buying run-down properties in marginal neighborhoods. Through their own sweat equity and with the assistance of the NeighborWorks® organization's construction supervisor or rehab specialist, they transform both their homes and their communities into points of pride. More often than not, their risk-taking is rewarded as the value of their homes rises along with the fortunes of the community as a whole.

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Public-Sector Investment

Federal, state, county and municipal investments in communities targeted by NeighborWorks® organizations create an impact both immediate and long-term. NeighborWorks® organizations work to maximize these public dollars, creating a ripple effect many times stronger than that of the initial investment.

Several NeighborWorks® organizations have tracked how their efforts resulted in an increased tax base for their cities and municipalities. Their findings highlight what hundreds of local governments across the country are discovering as they work in partnership with NeighborWorks® organizations: Through effective public-private partnerships, residents' lives are enhanced, communities are strengthened and improved, and municipalities and states reap benefits. The public-sector investment in the NeighborWorks® network yields the positive results Congress and state and local governments envision for all of their constituents.

Federal Investment

In communities that have experienced severe disinvestment and are on the verge of becoming crime-ridden and drug-infested, a small infusion of federal support can make a big difference in whether these communities take a turn for better or worse. The federal government invests annually in the work of the network through Neighborhood Reinvestment Corporation, and these public dollars are strategically placed in ways that attract private-sector investment. Evidence of the successful return on the federal investment can be seen in the network’s use of HOME funds; every dollar of HOME funding, for example, is leveraged an additional 1.7 times from other sources.

In 1995, the relatively small investment of $39 million in Neighborhood Reinvestment resulted in $340 million in reinvestment drawn to severely distressed neighborhoods.

State, County and City Investment

A hallmark of NeighborWorks® organizations is their capacity to work with public officials to bring urgently needed infrastructure investment to their neighborhoods. Beyond the obvious physical changes - better lighting, better maintenance of streets and sidewalks - improvements send an important message to residents of the area and to outsiders alike: This neighborhood is a good place in which to live, work and invest.

State and local governments are finding that by working with NeighborWorks® organizations, they can leverage local resources and develop creative strategies to address affordable-housing concerns. The state and local public sectors benefit in other ways as well: from the increased tax base that accompanies an increase in home ownership and a rise in property values, from spin-off benefits such as more construction jobs or job-training opportunities for young people, and from greater reinvestment in the community on the part of local businesses, financial institutions and residents.

In Baltimore, for example, the Patterson Park neighborhood saw its tax base increase from $25 million to $147 million in the 10 years of NeighborWorks® activity there. A
relatively new NeighborWorks® organization in Maryland, Salisbury Neighborhood Housing Services (NHS), calculated the effect of not revitalizing its target community. As an example, two "sister" homes eight blocks from one another were analyzed. These similar houses, one having benefitted from investment and rehabilitation, experienced a $52,500 difference in sale price and reflected differences in tax assessments. Using figures for assessment and costs of city services related to crime and blight, the organization estimates that in just eight years, the entire cost of rehabilitating every home would be recouped by tax revenues and the decreased cost of other services typically required in distressed communities.

And how does revitalization actually occur?

Take a look at Great Falls, Montana. In 1980, the original townsite was in a state of decline. More than 300 structures were dilapidated and boarded up. The vacancy rate was 16 percent, 74 percent of the residents were renters, and only one new home had been built in 25 years. Crime was escalating. Infrastructure was decaying. Tax revenue from the Northside and Southside had decreased alarmingly, a trend that continued through the mid-1980s.

When Neighborhood Housing Services of Great Falls was created in 1980, the organization focused exclusively on home ownership. Then, in the mid-1980s, the NHS implemented a problem-property strategy to deal with vacant lots, abandoned buildings and severely deteriorated housing stock. The NHS has seen remarkable accomplishments in its target areas, including an increase of almost $2 million in tax collections in the original townsite.

This increase in tax revenues is especially significant considering that the population of Great Falls is only 60,000, and the two target neighborhoods have only 3,500 houses, home to some of the city's lowest-income residents. Appraisals have also increased. The first new house built by the NHS in 1985 was appraised at $40,000; virtually the same house in the same area is now appraised at $69,000. In addition, the NHS is working in two more neighborhoods, where 30 percent of the problem properties have been eliminated in the last three years.

All of this would not have been possible without the strong support and partnering of state and local government agencies: the Montana Board of Housing, city-allocated CDBG and HOME funds, and the Montana Department of Commerce.

Across the country, state housing finance agencies are finding NeighborWorks® organizations to be effective partners as they search for ways to reach low- and moderate-income and other target populations. An approach is being modeled in New Mexico where the state housing finance agency has worked in partnership with Neighborhood Housing Services of America (the network's secondary market) and Allstate Insurance Company to create a $5 million pool of affordable financing. This will be used by the state's three NeighborWorks® organizations in Albuquerque, Las Cruces and Santa Fe to provide low-interest mortgages.

These are the kinds of success stories that need to be replicated in cities and towns all across America - and that are being pursued through the NeighborWorks® network.
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Private-Sector Investment

The financial-services industry has ventured cautiously, but with increasing enthusiasm, into community-development lending. Many have found that risk is mitigated when they work with local nonprofits. The NeighborWorks® network has been laying the groundwork with Fannie Mae, Freddie Mac, large financial institutions, major insurance companies and organizations like the American Bankers Association to forge stronger private-sector partnerships. Neighborhood Housing Services of America (NHSA) secures social investments from such sources in support of local revitalization objectives. (See Neighborhood Housing Services of America tab.) These efforts may, in the long run, lead to a lessening of the need for resources from federal, state and local governments.

Some financial institutions have difficulty penetrating lower-income markets because of high transaction costs, distrust on the part of potential clients and other factors. These institutions find that working with NeighborWorks® organizations helps overcome many barriers. These local organizations have the trust and support of residents; they are able to provide counseling and technical assistance; and they can intervene when loan delinquencies or defaults appear imminent. They can market loan products to potential clients, many of whom have never imagined that home ownership or the ability to rehabilitate their homes was within their reach. The community-based organizations also can purchase and rehabilitate problem properties to help raise property values and improve neighborhood stability. Housing stock that has been foreclosed can be recycled back to the community. This benefits lenders holding the mortgages, new homeowners who become stakeholders in the communities, and other residents who had been frustrated at the blighting effects of the vacant structures.

The creative partnering of the NeighborWorks® network with Shawmut Mortgage Company (now part of Fleet Bank) illustrates the large role private-sector investment plays in developing quality, affordable lending programs.

NeighborWorks® organizations in New Haven and Waterbury, Connecticut, and Springfield, Massachusetts, joined with Neighborhood Reinvestment's New England district office, Fleet Bank and NHSA to form an innovative partnership to create a pilot mortgage program that will make first- and second-mortgage loans available to low- to moderate-income buyers.

A first mortgage with a loan-to-value ratio of up to 95 percent will be provided by Fleet and sold to NHSA. Approximately 120 first-mortgage loans totaling $8.5 million are expected to be generated during the program's 12- to 18-month pilot period.

A second mortgage, to be used for a down payment, closing-cost assistance or housing rehabilitation, will be provided by the participating NeighborWorks® organization, utilizing lines of credit provided by Fleet. The loans will then be purchased, after a brief seasoning period, by Fleet's installment finance division and subsequently sold to NHSA. The purchase by Fleet will permit the NeighborWorks® organization to pay down the line of credit. Fleet also will provide grants to the NeighborWorks® organizations that could be used to lower the interest rate to the customer.
Insurance companies also are a growing NeighborWorks® partnership segment, gaining exposure to new and previously underserved markets through their involvement with network organizations.

A compelling example is the Northern California NeighborWorks® Network Insurance Partnership, an interactive alliance of six NeighborWorks® organizations, seven insurance companies and several insurance trade associations. The partnership's mission is to revitalize the many communities served by its NeighborWorks® members through the financial and human resources of its corporate members. The partnership facilitated the development of insurance service committees at each NeighborWorks® organization for the express purpose of involving insurance industry personnel in revitalization activities at the neighborhood level. Activities include annual Paint the Town and Block by Block (street cleanup) events, Fire Safety Education Day, and Homebuyer Insurance Education. This alliance has generated over $325,000 in direct operational support from its corporate members in the past two-and-a-half years. Indirectly, the partnership has generated significant investment by its corporate members in capacity building, and predevelopment and loan pools.

The return on the investment of private-sector partners in the NeighborWorks® network is striking. In 1994, financial institutions contributed $8.5 million to NeighborWorks® organizations, which in turn generated $178.5 million in mortgages in 1995.

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1995 Network Highlights

The NeighborWorks® Campaign for Home Ownership, launched in 1993, is a five-year initiative to create 10,000 new low- and moderate-income homeowners and stimulate $650 million in investment in distressed communities. At the end of fiscal year 1995, the Campaign involved 83 NeighborWorks® organizations. June 1995 marked the initiative’s midpoint, and results show that it will exceed its goal. National Campaign partners include Allstate Insurance Company, Fannie Mae, Freddie Mac, State Farm Insurance, United Services Automobile Association and World Savings and Loan Association. Regional partners include Chase Manhattan Bank (includes Chemical Bank partnership), Citibank, GE Capital Mortgage Corporation, KeyCorp Bank, NationsBank and Shawmut Bank (now Fleet Bank). Mortgage Guaranty Insurance Corporation, Neighborhood Housing Services of America and Neighborhood Reinvestment Corporation are program partners.

· NeighborWorks® Full-Cycle LendingSM, an approach to serving the needs of lower-income borrowers in a way that mitigates risk for lenders, was unveiled in March 1995, and has been greeted with enthusiasm ever since. Full-Cycle LendingSM promotes homebuyer education, tailored mortgage products and overall neighborhood revitalization. It takes seriously the needs of lower-income buyers and the barriers they face to achieving the dream of home ownership and keeping their homes over time. Used as part of the NeighborWorks® Campaign for Home Ownership, NeighborWorks® Full-Cycle Lending results in more stakeholders and stronger neighborhoods.

· Back to Basics: A NeighborWorks® Resident Leadership Initiative is based on the fundamental principle that local residents who get involved at the grassroots level make the decisive difference in creating healthy neighborhoods and improving the environment for public- and private-sector investment. Back to Basics promotes strong resident leadership as the key to successful community renewal. At the NeighborWorks® Partnership Institute in May, seed grants to be used for hiring experienced organizers and cultivating resident involvement were awarded to nine NeighborWorks® organizations.

· Furthering the development of resident and executive leadership throughout the NeighborWorks® network, several community-development leadership pilot programs are underway, funded by a $945,000 grant from the W.K. Kellogg Foundation. The primary project seeks to expand the ability of local NeighborWorks® organizations to attract and retain effective executives who are racially representative of the communities served. Now in its second of three years, the project is providing hands-on assistance to 10 NeighborWorks® organizations. Three others are participating in a growth-management pilot program, designed to develop successful models for nonprofit boards seeking to strengthen their organizations and expand leadership during periods of executive transition and major growth. An additional
focus of the program is to increase the flow of talented young people from the communities served into careers with NeighborWorks® and other community-based organizations. In fiscal year 1995, 29 low-income residents from 20 NeighborWorks® organizations were recruited, trained and placed in entry-level positions for one year of work. Career-planning assistance was provided to the participants, who included recent high school graduates and single mothers just entering the work force. Skill areas included home-ownership and lending counseling, housing rehabilitation and construction, and community outreach. The results are quite promising -- 10 of the members obtained full-time positions with community-based development organizations; five are participating in a second year of the effort; and the remainder are going back to school or seeking full-time employment.

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NeighborWorks® Network Organizations
(as of February 29, 1996)

Key:
CDC -- Community Development Corporation
MHA -- Mutual Housing Association
NDC -- Neighborhood Development Corporation
NHS -- Neighborhood Housing Services

• **Alabama**
  NHS of Birmingham
  Community Service Programs of West Alabama (Tuscaloosa)

• **Alaska**
  Anchorage MHA
  Anchorage NHS
  Fairbanks NHS

• **Arizona**
  Avondale NHS
  NHS of Phoenix

• **California**
  Inglewood NHS
  La Habra NHS
  NHS of Los Angeles
  Neighborhood Partnership of Montclair
  Oakland NHS
  Pasadena NHS
  Richmond NHS
  Sacramento MHA
  Sacramento NHS
  San Bernardino NHS
  San Diego NHS
  Santa Ana NHS
  Vallejo NHS

• **Colorado**
  Colorado Rural Housing Development Corporation (statewide, Westminster)
  Rocky Mountain MHA (Denver)
  NHS of Pueblo

• **Connecticut**
  Bridgeport Neighborhood Housing and Commercial Services
  MHA of Greater Hartford
  NHS of New Britain
  NHS of New Haven
  NHS of Norwalk
  MHA of South Central Connecticut (New Haven)
  MHA of Southwestern Connecticut (Stamford)
NHS of Stamford
NHS of Waterbury

- **District of Columbia**
  Capital Area Mortgage Partnership Camp

- **Florida**
  Clearwater NHS
  NHS of Fort Pierce
  Neighborhood Housing and Development Corporation of Gainesville
  NHS of Jacksonville
  Miami-Dade NHS
  St. Petersburg NHS

- **Georgia**
  Atlanta MHA
  NHS of LaGrange
  NHS of Savannah

- **Hawaii**
  Hawaii MHA (Honolulu)**

- **Idaho**
  Boise NHS
  Pocatello NHS

- **Illinois**
  NHS of Aurora
  NHS of Chicago
  East Bluff NHS (Peoria)
  NHS of Elgin
  Kankakee NHS
  NHS of Lake County (Waukegan)

- **Indiana**
  Lafayette NHS
  Project Renew (Fort Wayne)
  NHS of South Bend

- **Iowa**
  NHS of Davenport
  NHS of Des Moines

- **Kansas**
  Kansas City NHS

- **Kentucky**
  NHS of Louisville

- **Louisiana**
  NHS of Lafayette
  NHS of New Orleans

- **Maryland**
  MHA of Baltimore
NHS of Baltimore
Cumberland NHS
Salisbury NHS

- **Massachusetts**
  - Cambridge Neighborhood Apartment Housing Services
  - Chelsea NHS
  - Coalition for a Better Acre (Lowell)
  - Codman Square NDC (Boston)
  - Haverhill Neighborhoods
  - Neighborhood of Affordable Housing (Boston)
  - Nuestra Communidad (Boston)
  - Oak Hill CDC (Worcester)**
  - Quincy NHS
  - Springfield NHS
  - Twin Cities CDC (Fitchburg)*
  - Urban Edge (Boston)

- **Michigan**
  - Neighborhoods, Inc. of Battle Creek
  - Burton NHS
  - Detroit NHS
  - Kalamazoo NHS
  - Pontiac NHS
  - Neighborhood Renewal Services of Saginaw

- **Minnesota**
  - Dayton’s Bluff NHS (St. Paul)
  - NHS of Duluth
  - Northside NHS (Minneapolis)
  - Southside NHS of Minneapolis
  - Twin Cities NHS (St. Paul)
  - Westside NHS (St. Paul)

- **Missouri**
  - NHS of Kansas City
  - Westside Housing Organization (Kansas City)
  - NHS of St. Joseph
  - NHS of St. Louis

- **Montana**
  - NHS of Great Falls

- **Nebraska**
  - NHS of Lincoln

- **Nevada**
  - North Las Vegas NHS

- **New Hampshire**
  - French Hill NHS (Nashua)
  - Manchester NHS
• **New Jersey**
  NHS of Camden
  NHS of Trenton

• **New Mexico**
  NHS of Albuquerque
  Santa Fe NHS
  Tierra del Sol Housing Corp.(tri-state AZ, NM and TX, Las Cruces)

• **New York**
  Black Rock-Riverside NHS (Buffalo)
  Broadway-Fillmore NHS (Buffalo)
  Buffalo NHS (Buffalo)
  Housing Resources of Columbia County (Hudson)
  Ithaca NHS
  Jamaica Housing Improvement (NYC)
  Kensington-Bailey NHS (Buffalo)
  NHS of New York City
  NHS of Bedford-Stuyvesant NHS of East Flatbush
  NHS of Jamaica
  Neighbors Helping Neighbors (Brooklyn)
  NHS of Northern Queens
  NHS of Staten Island
  NHS of Williamsbridge/Olinville/Wakefield
  Niagara Falls NHS
  People's MHAof the Lower East Side (NYC)
  NHS of Rochester
  Rural Opportunities (Rochester)**
  Rural Revitalization Corp. (Salamanca)
  NHSof South Buffalo
  Syracuse Model Neighborhood Corp.
  Syracuse NHS
  MHA of Tompkins County (Ithaca)
  Troy Rehabilitation and Improvement Program(TRIP)
  Utica NHS
  West Side NHS(Buffalo)

• **North Carolina**
  NHS of Asheville
  NHS of Charlotte

• **Ohio**
  Neighborhood Conservation Services of Barberton
  NHS of Cincinnati
  NHS of Cleveland
  Columbus NHS
  NHS of Hamilton
  NHS of Massillon
  NHS of Toledo

• **Oklahoma**
  Oklahoma City NHS
  NHS of Tulsa
• **Oregon**  
  NHS of Corvallis

• **Pennsylvania**  
  Allentown NHS  
  Philadelphia NHS  
  Pittsburgh NHS  
  NHS of Reading  
  Scranton NHS  
  West Philadelphia Neighborhood Enterprise Center

• **Puerto Rico**  
  Servicio de Viviendas Vecinales de Carolina  
  Ponce NHS

• **Rhode Island**  
  Elmwood NHS (Providence)  
  Woonsocket NDC**

• **South Carolina**  
  Charleston NDC

• **South Dakota**  
  Sicangu Enterprise Center (Rosebud Reservation, Mission)

• **Tennessee**  
  Chattanooga Neighborhood Enterprise  
  Knoxville Neighborhood Housing and Commercial Services

• **Texas**  
  Alamo Area MHA (San Antonio)  
  Central Texas MHA (Austin)  
  NHS of Dimmit County (Carrizo Springs)  
  NHS of Fort Worth  
  Laredo-Webb NHS  
  Midland NHS  
  NHS of San Antonio  
  NHS of Waco

• **Utah**  
  NHS of Provo  
  Salt Lake NHS

• **Vermont**  
  Barre NHS  
  Randolph NHS  
  Rutland West NHS

• **Virginia**  
  Richmond NHS

• **Washington**  
  Aberdeen NHS
- **West Virginia**
  CommunityWorks in West Virginia (statewide, Elkview)
  Fairmont Community Development Partnership

- **Wisconsin**
  NHS of Beloit
  NHS of Green Bay
  NHS of Kenosha
  NHS of Milwaukee
  NHS of Richland County (Richland Center)

*Formerly CDC of Fitchburg
**In development

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**NeighborWorks® Other Services**

In addition to new construction and rehabilitation of single and multifamily units, NeighborWorks® organizations are involved in many housing preservation and economic development activities.

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</tr>
<tr>
<td>New Business Created/Retained</td>
<td>119*</td>
<td>31*</td>
<td>19*</td>
</tr>
</tbody>
</table>

*1993 and 1994 data are limited to NeighborWorks® organizations with commercial development programs only. 1992 data, however, included NeighborWorks® organizations without commercial development programs.

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Community Building Activities (1994)

Most NeighborWorks® organizations take a comprehensive approach to neighborhood revitalization, performing many services in addition to affordable housing.

**Type of Service Percent of Organizations**
- Neighborhood Clean-Ups: 59%
- Community Organization Building: 51%
- Neighborhood Beautification/Landscaping: 41%
- Neighborhood Marketing: 41%
- Neighborhood Festivals: 39%
- Business Merchant Relations: 29%
- Homebuyers Clubs: 29%
- Neighborhood Safety: 27%
- Neighborhood Leadership Training: 26%
- Lead Poisoning Prevention: 25%
- Youth Employment Projects: 16%

Source: Annual Survey 1994

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Letter from the Executive Director

1995 was a challenging and successful year, with the Corporation exceeding its goals in many areas. More than $340 million in direct investment was made in NeighborWorks® neighborhoods. More than 8,500 housing units were built or rehabilitated. Seven hundred and seventy-three mutual housing units were added. Eleven nonprofits began the process of affiliation with the network. And these numbers only scratch the surface.

Also highlighting our year were such accomplishments as launching a Community Lending Institute with 62 cosponsors, reaching the midpoint of our NeighborWorks® Campaign for Home Ownership, channeling to the network the largest national grant for HUD housing counseling, and solidifying a National Insurance Task Force. The list goes on and on, each success resonating with the spirit of our partners and staff.

Today, NeighborWorks® nonprofit partnerships work in communities as diverse as Aberdeen, Washington, and Miami, Florida; in rural areas in Alabama, New Mexico, and 15 other sites; and in the nation's largest cities, including New York, Chicago and Los Angeles.

The road ahead, however, is not smooth. Long-term obstacles to reinvestment and revitalization continue to frustrate. Funding is tight throughout the network.

Despite these challenges, much continues to be achieved. The accomplishments of the past year are directly attributed to the commitment of our investor partners. Each segment of the NeighborWorks® partnership has invested in its community, from government entities to large and small businesses to every paintbrush-wielding resident. Their reasons for becoming involved vary, but the bottom line is that they know they will see a return on their investment. They know that housing stock will improve, business will be generated, communities will stabilize. They know it would be tough to find a better deal elsewhere. They know, as one of our board members puts it, that "NeighborWorks® works."

We have entered 1996 committed to fostering even stronger relationships with our investment partners, to using our resources ever more effectively and to nurturing the seeds of transformation we know reside in every community. Armed with a vision of renewed communities that our experience has taught us is achievable, Neighborhood Reinvestment Corporation will continue to develop innovative methods and fresh strategies for leveraging investment in America's communities.

George Knight
Executive Director
Neighborhood Reinvestment Corporation

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
1995 Corporation Highlights

The Community Lending Institute, held in Washington, D.C., in March 1995, brought together more than 1,000 leaders from the financial, real estate, insurance and community-development industries to assess progress and discuss cutting-edge strategies for affordable lending. Sixty-two cosponsoring organizations participated in the planning for the event, which comprised three days of panels and forums culminating in a symposium on home ownership keynoted by Federal Reserve Governor Lawrence Lindsey and Secretary of Housing and Urban Development Henry Cisneros. Other speakers included Comptroller of the Currency Eugene A. Ludwig; Raul Yzaguirre, president of the National Council of La Raza; Robert L. Woodson, president of the National Center for Neighborhood Enterprise; and Sara Melendez, president of the Independent Sector.

Neighborhood Reinvestment was awarded an $875,000 grant from the Department of Housing and Urban Development to boost housing counseling efforts throughout the NeighborWorks® Campaign for Home Ownership. Each local Campaign site will receive $10,000 to support its counseling efforts, and $50,000 will be used to establish a strong housing counseling component as part of a larger Native American initiative being implemented in Arizona, Colorado, New Mexico and Utah with the Navajo Nation.

The NeighborWorks® network joined with the American Bankers Association (ABA) and the National Foundation for Consumer Credit (NFCC) to develop a coordinated educational, counseling and lending effort to expand home-ownership opportunities to tens of thousands of low- and moderate-income people. As the cornerstone of their educational effort, the partners unveiled a series of five workbooks, entitled "Realizing the American Dream." Each workbook will be used in a two-hour, consumer-education seminar. The series covers topics ranging from preparing to buy a home to managing finances to ensure long-term home ownership.

The National Insurance Task Force (NITF), first convened by Neighborhood Reinvestment in 1994, gathered the increased interest of insurers, trade associations and state insurance commissioners as a viable way of addressing consumer and industry education and improving the availability and affordability of insurance coverage in low- and moderate-income communities. There are 65 active members on the task force, representing the largest property and casualty insurance companies in America. During fiscal year 1995, NITF introduced a guide, Pathways to Partnership, to encourage the creation of local partnerships between nonprofits and insurance companies. Additionally, members of NITF have identified company representatives in local communities to work with NeighborWorks® organizations to create standing committees for resolving insurance issues. NITF commissioned a national insurance research firm to conduct an eight-city study to determine the most common causes of losses in the urban homeowner market. Future activities in 1996 will focus on creating and disseminating loss-prevention tactics and information, as well as forging additional partnership agreements on the local level.
Four Neighborhood Reinvestment Training Institutes were held in fiscal year 1995, in Baltimore, San Francisco, Atlanta and Chicago. Neighborhood Reinvestment Training Institutes are prime opportunities for hundreds of community-development practitioners - nonprofit professionals, lenders and local government staff - to gather for a week of intensive training. The course work covers the areas of community-development lending, construction, affordable housing, leadership and management, economic development, and strategies to rebuild communities. More than 50 courses are offered at each Institute. The faculty is drawn from collaborating institutions such as the Institute of Real Estate Management and The Enterprise Foundation, as well as Fannie Mae, Freddie Mac and many local community groups, in addition to Neighborhood Reinvestment staff. In 1995, Training Institutes provided hands-on training for more than 2,000 individuals in over 200 one- to six-day courses. The Institute has increased its number of courses and participants more than threefold in the last five years. Forty percent of the attendance in that same period came from participants not affiliated with the NeighborWorks® network, who sought out the Institutes for the high caliber of training. Neighborhood Reinvestment Training Institutes also engaged in joint training with the National Foundation for Consumer Credit, the Rural Community Assistance Corporation and the American Bankers Association, and received scholarship funds from Citibank, State Farm, and others.

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Financial Statements and Independent Auditor's Report

Independent Auditor's Report

To the Board of Directors
Neighborhood Reinvestment Corporation

We have audited the accompanying balance sheet of Neighborhood Reinvestment Corporation (the Corporation) as of September 30, 1995, and the related statements of revenue, expenses and changes in fund balances, cash flows, and functional expenses for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Corporation as of September 30, 1994, were audited by other auditors whose report dated December 9, 1994, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the 1995 financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of September 30, 1995, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Washington, D.C.
December 12, 1995

Neighborhood Reinvestment Corporation

Balance Sheets
September 30, 1995 and 1994

<table>
<thead>
<tr>
<th>Assets</th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,517,219</td>
<td>$2,830,726</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neighborhood Housing Services</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>of America, Inc. (Note 3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local governments and private</td>
<td>18,027</td>
<td>202,189</td>
</tr>
<tr>
<td>corporations/foundations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td>103,449</td>
<td>65,193</td>
</tr>
<tr>
<td>Travel advances</td>
<td>72,285</td>
<td>72,357</td>
</tr>
</tbody>
</table>
### Prepaid expenses and other assets

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid expenses</td>
<td>145,305</td>
<td>221,361</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>1,419,962</td>
<td>774,925</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,565,267</td>
<td>895,286</td>
</tr>
</tbody>
</table>

### Liabilities and Fund Balances

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued</td>
<td>$1,955,958</td>
<td>$1,328,632</td>
</tr>
<tr>
<td>expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant commitments (Note 5)</td>
<td>1,003,501</td>
<td>1,615,600</td>
</tr>
<tr>
<td>Deferred revenue (Note 7)</td>
<td>1,140,993</td>
<td>1,000,402</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>4,100,452</td>
<td>3,944,634</td>
</tr>
<tr>
<td>Commitments and Contingencies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contingencies (Note 9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fund balances</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>755,833</td>
<td>447,192</td>
</tr>
<tr>
<td>Property</td>
<td>1,419,962</td>
<td>774,925</td>
</tr>
<tr>
<td>Total fund balances</td>
<td>2,175,795</td>
<td>1,222,117</td>
</tr>
<tr>
<td>Total liabilities and fund</td>
<td>$6,276,247</td>
<td>$5,166,751</td>
</tr>
<tr>
<td>balances</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.

Neighborhood Reinvestment Corporation

**Statements of Revenue, Expenses and Changes in Fund Balances**

For the Years Ended September 30, 1995 and 1994

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Congressional</td>
<td>$39,064,627</td>
<td>$31,714,599</td>
</tr>
<tr>
<td>appropriation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Note 6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local governments</td>
<td>1,233,937</td>
<td>744,483</td>
</tr>
<tr>
<td>and private</td>
<td></td>
<td></td>
</tr>
<tr>
<td>corporations/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>foundations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>1,182,428</td>
<td>587,760</td>
</tr>
<tr>
<td>Training</td>
<td>720,413</td>
<td>499,628</td>
</tr>
<tr>
<td>registration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>232,679</td>
<td>173,277</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>42,434,084</td>
<td>33,719,747</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>12,990,746</td>
<td>12,058,093</td>
</tr>
<tr>
<td>Grants and grant</td>
<td>19,672,127</td>
<td>14,050,089</td>
</tr>
<tr>
<td>commitments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>1,759,292</td>
<td>1,516,979</td>
</tr>
<tr>
<td>Occupancy</td>
<td>1,409,696</td>
<td>1,521,602</td>
</tr>
<tr>
<td>Professional</td>
<td>1,830,368</td>
<td>1,253,769</td>
</tr>
<tr>
<td>services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item</td>
<td>1995</td>
<td>1994</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Other general and administrative</td>
<td>1,120,718</td>
<td>890,244</td>
</tr>
<tr>
<td>Telephone, postage and delivery</td>
<td>649,828</td>
<td>594,369</td>
</tr>
<tr>
<td>Printing, films and supplies</td>
<td>1,064,612</td>
<td>764,714</td>
</tr>
<tr>
<td>Conferences and workshops</td>
<td>678,119</td>
<td>459,431</td>
</tr>
<tr>
<td>Depreciation</td>
<td>304,900</td>
<td>180,443</td>
</tr>
<tr>
<td>Total expenses</td>
<td>41,480,406</td>
<td>33,289,733</td>
</tr>
<tr>
<td>Excess of revenue over expenses</td>
<td>953,678</td>
<td>430,014</td>
</tr>
<tr>
<td>Fund balance, beginning of year</td>
<td>1,222,117</td>
<td>792,103</td>
</tr>
<tr>
<td>Fund balance, end of year</td>
<td>$2,175,795</td>
<td>$1,222,117</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.

Neighborhood Reinvestment Corporation

**Statements of Cash Flows**

*For The Years Ended September 30, 1995 and 1994*
<table>
<thead>
<tr>
<th>Description</th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in deferred revenue</td>
<td>140,591</td>
<td>756,286</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>1,647,453</td>
<td>1,792,927</td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of office furniture and equipment</td>
<td>(971,949)</td>
<td>(420,453)</td>
</tr>
<tr>
<td>Disposition of office furniture and equipment</td>
<td>10,989</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of short-term investments</td>
<td>(29,256,678)</td>
<td>(32,546,562)</td>
</tr>
<tr>
<td>Sale of short-term investments</td>
<td>29,256,678</td>
<td>32,546,562</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(960,960)</td>
<td>(420,453)</td>
</tr>
<tr>
<td>Cash flows from financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from line-of-credit facility</td>
<td>-</td>
<td>500,000</td>
</tr>
<tr>
<td>Payments for line-of-credit facility</td>
<td>-</td>
<td>(500,000)</td>
</tr>
<tr>
<td>Net cash provided by financing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents</td>
<td>686,493</td>
<td>1,372,474</td>
</tr>
<tr>
<td>Cash and cash equivalents, beginning of year</td>
<td>2,830,726</td>
<td>1,458,252</td>
</tr>
<tr>
<td>Cash and cash equivalents, end of year</td>
<td>$3,517,219</td>
<td>$2,830,726</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.

Neighborhood Reinvestment Corporation

**Statement of Functional Expenses**

*For The Year Ended September 30, 1995*

<table>
<thead>
<tr>
<th></th>
<th>Personnel</th>
<th>Grants</th>
<th>Travel</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of New Organizations</td>
<td>$1,012,563</td>
<td>$171,016</td>
<td>$221,358</td>
<td>$34,615</td>
</tr>
<tr>
<td>Capacity Building</td>
<td>3,202,659</td>
<td>5,177,961</td>
<td>563,659</td>
<td>247,284</td>
</tr>
</tbody>
</table>
Preserving Affordable Housing | 1,370,791 | 8,842,330 | 210,609 | 354,106
---|---|---|---|---
Program Review | 1,345,119 | - | 167,338 | 58,902
Training and Informing | 3,108,623 | 980,820 | 457,507 | 286,829
Secondary Market Activities | - | 4,500,000 | - | -
General and Administrative | 2,950,991 | - | 138,821 | 427,960
Total | $12,990,746 | $19,672,127 | $1,759,292 | $1,409,69

<table>
<thead>
<tr>
<th>Other</th>
<th>Professional Services</th>
<th>Operating Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of New Organizations</td>
<td>$51,318</td>
<td>$237,540</td>
<td>$1,728,410</td>
</tr>
<tr>
<td>Capacity Building</td>
<td>286,660</td>
<td>137,463</td>
<td>9,615,686</td>
</tr>
<tr>
<td>Preserving Affordable Housing</td>
<td>183,050</td>
<td>266,759</td>
<td>11,227,645</td>
</tr>
<tr>
<td>Program Review</td>
<td>102,509</td>
<td>105,345</td>
<td>1,779,215</td>
</tr>
<tr>
<td>Training and Informing</td>
<td>938,860</td>
<td>1,895,839</td>
<td>7,668,478</td>
</tr>
<tr>
<td>Secondary Market Activities</td>
<td>-</td>
<td>-</td>
<td>4,500,000</td>
</tr>
<tr>
<td>General and Administrative</td>
<td>267,971</td>
<td>1,175,229</td>
<td>4,960,972</td>
</tr>
</tbody>
</table>
Total | $1,830,368 | $3,818,177 | $41,480,406 |

The accompanying notes are an integral part of these financial statements.

**Independent Auditor's Report on Additional Information**

To the Board of Directors
Neighborhood Reinvestment Corporation

Our audit was conducted for the purpose of forming an opinion on the basic financial statement taken as a whole. The Combining Statement of Revenue, Expenses and Changes in Fund Balances is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements for the ended September 30, 1995, taken as a whole.

Washington, DC
December 12, 1995

Neighborhood Reinvestment Corporation
Combining Statement of Revenue, Expense and Changes in Fund Balances
For the Year Ended September 30, 1995

<table>
<thead>
<tr>
<th></th>
<th>Congressional Appropriation</th>
<th>Other Sources</th>
<th>Grants and Contracts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations, grants and other awards</td>
<td>$39,064,627</td>
<td>-</td>
<td>$1,233,937</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>1,182,428</td>
<td>-</td>
</tr>
<tr>
<td>Training registration fees</td>
<td>-</td>
<td>720,413</td>
<td></td>
</tr>
<tr>
<td>Other Income</td>
<td>-</td>
<td>232,679</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>39,064,627</strong></td>
<td><strong>2,135,520</strong></td>
<td><strong>1,233,937</strong></td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>12,471,490</td>
<td>9,786</td>
<td>239,470</td>
</tr>
<tr>
<td>Grants and grant commitments</td>
<td>17,741,901</td>
<td>1,937,974</td>
<td>648,252</td>
</tr>
<tr>
<td>Travel</td>
<td>1,683,756</td>
<td>17,424</td>
<td>58,112</td>
</tr>
<tr>
<td>Occupancy</td>
<td>1,404,766</td>
<td>-</td>
<td>4,930</td>
</tr>
<tr>
<td>Professional Services</td>
<td>1,591,967</td>
<td>53,070</td>
<td>185,331</td>
</tr>
<tr>
<td>Conferences and workshops</td>
<td>554,577</td>
<td>89,382</td>
<td>34,160</td>
</tr>
<tr>
<td>Other general &amp; administrative</td>
<td>2,727,973</td>
<td>43,403</td>
<td>63,682</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>37,790,430</strong></td>
<td><strong>2,151,139</strong></td>
<td><strong>1,233,937</strong></td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses before capital purchases</td>
<td>1,274,197</td>
<td>(15,619)</td>
<td>-</td>
</tr>
<tr>
<td>Furniture and equipment purchases</td>
<td>(971,949)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loss on disposition of furniture and equipment, net</td>
<td>22,012</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>324,260</td>
<td>(15,619)</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, beginning of year</td>
<td>420,598</td>
<td>26,594</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of year</td>
<td><strong>$ 744,858</strong></td>
<td><strong>$ 10,975</strong></td>
<td><strong>$ 0.00</strong></td>
</tr>
</tbody>
</table>

### Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appropriations, grants and other awards</td>
<td>-</td>
<td>$40,298,564</td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td>1,182,428</td>
</tr>
<tr>
<td>Training registration fees</td>
<td></td>
<td>720,413</td>
</tr>
<tr>
<td>Other Income</td>
<td></td>
<td>232,679</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td></td>
<td><strong>42,434,084</strong></td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>12,990,746</td>
<td></td>
</tr>
<tr>
<td>Grants and grant commitments</td>
<td>19,672,127</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>1,759,292</td>
<td></td>
</tr>
<tr>
<td>Occupancy</td>
<td>1,409,696</td>
<td></td>
</tr>
<tr>
<td>Professional services</td>
<td>1,830,368</td>
<td></td>
</tr>
<tr>
<td>Conferences and workshops</td>
<td>678,119</td>
<td></td>
</tr>
<tr>
<td>Other general and administrative</td>
<td>2,835,158</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>304,900</td>
<td></td>
</tr>
<tr>
<td>Total Expenses</td>
<td>41,480,406</td>
<td></td>
</tr>
</tbody>
</table>

Excess (deficiency) of revenue over expenses before capital purchases: (304,900) 953,678

Furniture and equipment purchases 971,949 -
Loss on disposition of furniture and equipment, net (22,012) -
Net change in fund balance 645,037 953,678
Fund balance, beginning of year 774,925 1,222,117
Fund balance, end of year 1,419,962 2,175,795

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Notes to Financial Statements  
September 30, 1995 and 1994

Note 1: Organization

Neighborhood Reinvestment Corporation (the Corporation) was established by Congress on October 31, 1978, by the Neighborhood Reinvestment Corporation Act. The purpose of the Corporation is to continue the joint efforts of the federal financial supervisory agencies and the Department of Housing and Urban Development (HUD) in promoting reinvestment in older neighborhoods by local financial institutions in cooperation with the community, residents and local government. This effort was previously conducted by the Urban Reinvestment Task Force, which the Corporation succeeded.

In accordance with its enabling legislation, the Corporation is under the direction of a board of directors comprised of the Secretary of Housing and Urban Development, a member of the Board of Governors of the Federal Reserve System, a Director of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the Vice Chairman of the National Credit Union Administration.

The Corporation is exempt from federal income tax under the provisions of the Neighborhood Reinvestment Corporation Act and is recognized by the Internal Revenue Service as a tax-exempt organization as described in Section 501(c)(3) of the U.S. Internal Revenue Code.

Note 2: Summary of Significant Accounting Policies Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Fund Accounting

To ensure the observance of limitations and restrictions placed on the use of resources available to the Corporation, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified into funds established according to their nature and intended use, as follows:

Unrestricted fund - unrestricted resources available for the regular operations of the Corporation. The use of this fund is at the discretion of the board of directors and management.

Property fund - office furniture, equipment and software used in the regular operations of the Corporation.

Restricted fund - the portions of Congressional appropriations awarded for specific uses, contributions and grants from other entities that have been restricted as to time or purpose and the related expenditures incurred to carry out the activities specified by the donors.
Revenue Recognition

The Corporation's primary funding is through Congressional appropriation. Support is also provided by local government agencies and private corporations and foundations. Unrestricted Congressional appropriations are recognized as revenue when appropriating legislation is enacted. Congressional appropriations restricted for equity capital grants and other specific programs are recognized as revenue when the related grant commitments are made and/or when other specific program costs are incurred. Support from local government agencies and private corporations and foundations is recorded as revenue when costs are incurred; funds received but unexpended are reflected as deferred revenue.

Grants and Grant Commitments

Grants and grant commitments are recorded as expenses when letters of intent or grant commitments are signed by the Corporation's management. Undisbursed grant funds that are deobligated, are reflected as reductions of grant expense when the related grant commitments are revoked.

Other Income

Other income is comprised primarily of registration fees, donations, and miscellaneous income.

Cash and Cash Equivalents

Cash in excess of amounts required to fund current operations is invested in short-term investments. Such short-term investments are stated at cost, which approximates market. Cash equivalents include investments with original maturities of three months or less.

Office Furniture, Equipment and Software

Office furniture, equipment and software acquired at a cost in excess of $500 is capitalized. Depreciation of assets is calculated using the straight-line method over their estimated useful lives of five to eight years.

Deposits with Bank

At September 30, 1995, the Corporation had an operating and a NOW account at a bank with a combined balance of $704,346. The operating and NOW account balance is FDIC insured only up to $100,000. In the event of nonperformance by the bank, the uninsured balance may be lost. The Corporation sustained no such loss during the years ended September 30, 1995 and 1994.

Functional Allocation of Expenses

Costs of program activities and support services are presented on a functional basis in the financial statements. Accordingly, certain direct and indirect expenses have been allocated among the programs and support services benefitted.

Note 3: Neighborhood Housing Services of America, Inc. (NHSA)
NHSA is a private non-profit corporation which provides financial and fundraising services to the NeighborWorks® network. The Corporation is the principal source of funding for NHSA. Grants made by the Corporation to NHSA amounted to $4,500,000 and $3,850,000 for fiscal years 1995 and 1994, respectively.

On September 29, 1986, the Corporation entered into a Revolving Credit Agreement with NHSA to make advances to NHSA from time to time, not to exceed an aggregate outstanding balance of $1,000,000. These advances will enable NHSA to purchase and warehouse low interest mortgages from NHS programs pending closing on sales to institutional investors. NHSA pays the Corporation an annual fee of 3% of the average daily outstanding loan balance. The agreement may be terminated by either party upon ninety days written notice. As of September 30, 1995 and 1994, the Corporation had advances to NHSA totalling $1,000,000.

**Note 4: Fixed Assets**

Fixed assets consisted of the following:

<table>
<thead>
<tr>
<th></th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>$3,769,488</td>
<td>$2,931,445</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>21,085</td>
<td>21,085</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,790,573</strong></td>
<td><strong>2,952,530</strong></td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortization</td>
<td>(2,370,611)</td>
<td>(2,177,605)</td>
</tr>
<tr>
<td><strong>Net fixed assets</strong></td>
<td><strong>$1,419,962</strong></td>
<td><strong>$774,925</strong></td>
</tr>
</tbody>
</table>

**Note 5: Grant Commitments**

The Corporation provides grant funds to NeighborWorks® programs, neighborhood preservation projects and other similar programs in partial support of program costs, to create revolving loan funds, and to provide certain equity capital funding. Grants are recorded when the funds are committed. Committed but unexpended grant funds are recorded as a liability in the accompanying financial statements. The Corporation remains liable for outstanding grant commitments in the following program areas at September 30:

<table>
<thead>
<tr>
<th>Programs</th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation of New NeighborWorks® Organizations</td>
<td>$200,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Capacity Building</td>
<td>553,501</td>
<td>184,849</td>
</tr>
<tr>
<td>Preserving Affordable Housing</td>
<td>165,000</td>
<td>98,003</td>
</tr>
<tr>
<td>Secondary Market Activities</td>
<td>-</td>
<td>400,000</td>
</tr>
<tr>
<td>Mutual Housing</td>
<td>-</td>
<td>67,500</td>
</tr>
<tr>
<td>Equity Capital</td>
<td>85,000</td>
<td>614,898</td>
</tr>
</tbody>
</table>
Training Grants

<table>
<thead>
<tr>
<th>Total</th>
<th>350</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,003,501</td>
</tr>
<tr>
<td></td>
<td>$1,615,600</td>
</tr>
</tbody>
</table>

**Note 6: Congressional Appropriations**

The fiscal year 1995 appropriation was $38,667,000. The Corporation recognized revenue from Congressional appropriations during the fiscal years ended September 30, 1995 and 1994, of $39,064,627 and $31,714,599, respectively. Details are as follows:

<table>
<thead>
<tr>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Congressional Operations Appropriation</td>
<td>$38,667,000</td>
</tr>
<tr>
<td>Equity Capital Appropriation</td>
<td>-</td>
</tr>
<tr>
<td>Project LINC based on the HOPE 6 Program</td>
<td>180,181</td>
</tr>
<tr>
<td>CommunityCorps Program</td>
<td>217,446</td>
</tr>
<tr>
<td>Total</td>
<td>$39,064,627</td>
</tr>
</tbody>
</table>

The Equity Capital appropriation provides NeighborWorks® organizations with revolving homeownership lending capital and equity capital to assist in acquiring certain distressed elements of the federally assisted housing inventory, including RTC and FHA properties. The HOPE 6 Program encourages the development of several fully integrated service delivery programs for the NeighborWorks® community. The Community Corps Program was established to achieve the development of a demonstration program for national service with the NeighborWorks® network, consistent with the requirements of the National and Community Service Trust Act of 1993.

In regards to fiscal year 1996, an appropriation for the Corporation in the amount of $38,667,000 is contained in the Veterans Administration, HUD and Independent Agencies appropriations bill passed by Congress and vetoed by the President. As of December 12, 1995, the Corporation has received, through Continuing Resolutions, $7,896,077 of the amount appropriated by Congress.

**Note 7: Deferred Revenue**

Deferred revenue consisted of the following at September 30:

<table>
<thead>
<tr>
<th>Congressional appropriation</th>
<th>1995</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project LINC based on the HOPE 6 Program</td>
<td>-</td>
<td>$180,181</td>
</tr>
<tr>
<td>CommunityCorps Program</td>
<td>-</td>
<td>217,446</td>
</tr>
<tr>
<td>Local governments</td>
<td>114,001</td>
<td>100,490</td>
</tr>
<tr>
<td>Private</td>
<td>1,026,992</td>
<td>502,285</td>
</tr>
</tbody>
</table>
Note 8: Pension Plan

The Corporation has a defined contribution pension plan which meets the requirements of Section 401(k) of the U.S. Internal Revenue Code. The Corporation contributes an amount equal to 8% of the social security integration level in effect and 13.7% of each active participant's compensation in excess of the social security integration level. In addition, employees may contribute up to 10% of their annual salary to the plan of which the Corporation matches up to 75% of the first 6% of the employees' annual salary. Employer contributions to employee accounts vest 33% after 3 years of employment and 100% after five years. Employees may also borrow against their vested benefits. Total pension expense for fiscal years 1995 and 1994 was $998,909 and $977,312, respectively.

Note 9: Commitments and Contingencies

The Corporation leases office space and equipment under various agreements through 2006 in Washington, D.C., and in a number of other cities throughout the United States. Certain office space agreements provide for annual rental adjustments based upon increases in the Consumer Price Index. In addition, these agreements call for a pass through of operating expenses and real estate taxes. The following is a schedule of future minimum rental payments under noncancellable operating leases, having initial or remaining terms of more than one year as of September 30, 1995:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$1,432,862</td>
</tr>
<tr>
<td>1997</td>
<td>1,340,209</td>
</tr>
<tr>
<td>1998</td>
<td>1,297,300</td>
</tr>
<tr>
<td>1999</td>
<td>1,187,352</td>
</tr>
<tr>
<td>2000</td>
<td>1,018,314</td>
</tr>
<tr>
<td>Thereafter</td>
<td>4,041,701</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$10,317,738</strong></td>
</tr>
</tbody>
</table>

The cost of operating leases included in occupancy expense for the years ended September 30, 1995 and 1994, was $1,400,080 and $1,509,715, respectively. Under the terms of an agreement executed between the Mortgage Guaranty Insurance Corporation (MGIC) and the Corporation, MGIC insures some mortgage loans that do not meet all of MGIC's standard underwriting guidelines. The Corporation shares a portion of this higher financial risk. The maximum liability under the agreement is $162,000. The Corporation was not required to make any payments during the fiscal years ended September 30, 1995 and 1994.

Note 10: Comparative 1994 Financial Data
Certain 1994 account balances have been reclassified to conform with the presentation used in 1995.

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Great Lakes District

*Michigan, Indiana, Ohio, Kentucky, Tennessee*

Gloria M. Ortega, District Director
1368 Victory Parkway, Ste. 301
Cincinnati, Ohio 45206-2810
**Phone:** (513)221-4260
**Fax:** (513) 221-4425

Mid-Atlantic District

*Pennsylvania, West Virginia, Virginia, District of Columbia, Maryland, Delaware, New Jersey*

Robert Jenkins Jr., District Director
Latrobe Building
2 East Street
Baltimore, MD 21202-2470
**Phone:** (410) 962-3181
**Fax:** (410) 962-7679

New England District

*Maine, Vermont, New Hampshire, Connecticut, Rhode Island, Massachusetts*

Kenneth D. Wade, District Director
607 Boylston Street, 5th Floor
Boston, MA 02116-4802
**Phone:** (617) 450-0410
Fax: (617) 450-0427

New York/ Puerto Rico District

New York, Puerto Rico

Elisabeth Prentice, District Director
108 N. Cayuga St., 3rd Floor
Ithaca, NY 14850-4346
Phone: (607) 273-8374
Fax: (607) 273-0865

North Central District

North Dakota, South Dakota, Nebraska, Kansas, Missouri, Minnesota, Illinois, Iowa, Wisconsin

Michael S. Shaughnessy
4010 Washington, Ste 200
Kansas City, MO 64111-2614
Phone: (816) 931-4176
Fax: (816) 931-4964

Pacific District

Alaska, Washington, Oregon, California, Hawaii

JoAnn Lawson, District Director
827 Broadway, Ste. 200
Oakland, CA 94607-4015
Phone: (510) 273-4074
Fax: (510) 273-6630

Rocky Mountain District

Montana, Idaho, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico

Margaret Frisbee, District Director
1776 S. Jackson St., Ste. 810
Denver, CO 80210-3807
Phone: (303) 782-0299
Fax: (303) 782-5568

South Central District

Texas, Oklahoma, Arkansas, Louisiana

Ronald Johnston, District Director
4204 Woodcock Dr., Ste. 250
San Antonio, TX 78228-1322
Phone: (210) 731-3350
Fax: (210) 731-3356
Southern District

Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina

Donald R. Phoenix, District Director
One Midtown Plaza, Ste. 700
1360 Peachtree St., N.E.
Atlanta, GA 30309-3214
Phone: (404) 347-1004
Fax: (404) 347-1005

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Secondary Market Investment

Fiscal year 1995 was one of record-breaking loan activity for NHSA in support of NeighborWorks® organizations. The lowered interest rate environment offered extraordinary opportunities for NeighborWorks® organizations to increase the number of stakeholders in their neighborhoods and for NHSA to increase the participation of social investors in backing their efforts.

A group of NeighborWorks® organizations launched the national Campaign for Home Ownership in 1993 with lead participation by conventional lenders and the traditional secondary markets. The Campaign grew to 83 participating sites during fiscal year 1995. Its success in creating new homeowners generated the highest ever levels of demand on NHSA for social investment loan funds for borrowers who could not meet conventional credit standards.

Rising to the challenge, NHSA experienced annual nonprofit secondary market activity at an all-time high of $52.3 million for purchase of mortgages for single-family and multifamily homes and for the provision of development and bridge loans. Social investors accepting below-market interest rates increased NHSA's capital pools to $194.8 million, led by $73.4 million from World Savings, $30 million from State Farm Insurance Companies, and $24.5 million from Allstate Insurance Company.

All the capital pools assisted local NeighborWorks® organizations in carrying out resident-led strategies to improve the economic vitality of distressed residential areas. The strategies included such initiatives as eliminating troublesome vacant properties from neighborhoods by converting them into affordable homes for first-time homebuyers.

In Savannah, Georgia, for example, the NHS and the city had been working on an affordable housing opportunity auction for months and did not have sufficient capital to carry out the project. NHSA secured social investments and purchased nearly $1 million in Community Development Block Grant and HOME loans from the city to generate the up-front capital needed locally to carry out the auction. The auction was a success and assisted 35 families in becoming first-time homeowners, improving the economic strength of the families and the neighborhood.

Neighborhood Housing Services of America, Inc., is a national nonprofit secondary market organization and companion organization to Neighborhood Reinvestment Corporation. In its 21st year of providing financial services to the NeighborWorks® network, NHSA liquifies local revolving loan funds and capital pools for network organizations and their financial partners by purchasing loans to make new loan capital available to the communities served.

NHSA sells notes to social investors -- financial institutions, insurance companies, foundations and church pension funds -- which are backed by the loans purchased and credit enhancements. Performance on all the social
investments has been flawless. This activity strengthens the capacity of NeighborWorks® organizations to leverage the scarce resources of investment partners for maximum impact as they work to recapture the latent economic strength of neighborhoods and whole communities.

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
### NHSA Officers and Board Members

<table>
<thead>
<tr>
<th>Officers</th>
<th>Board of Trustees</th>
<th>Board of Trustees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mary Lee Widener</strong></td>
<td>Roger Joslin, Chairman</td>
<td>Dan R. Dixon, Chairman</td>
</tr>
<tr>
<td>President</td>
<td>Chairman of the Board</td>
<td>Senior Vice President</td>
</tr>
<tr>
<td><strong>Michael Balmuth</strong></td>
<td>State Farm Fire &amp; Casualty Co.</td>
<td>World Savings and Loan Association</td>
</tr>
<tr>
<td>Senior Vice President</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>George Behymer</strong></td>
<td>Mario J. Antoci, Chairman and Chief</td>
<td>Robert B. O'Brien Jr., Immediate Past</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Executive Officer American Savings Bank</td>
<td>Chairman, Retired Carteret Savings Bank</td>
</tr>
<tr>
<td><strong>Ritchie Post</strong></td>
<td>Jerry D. Choate, Chairman and Chief</td>
<td>William D. Plechaty, Executive Vice</td>
</tr>
<tr>
<td>Vice President and Assistant</td>
<td>Executive Officer Allstate Insurance</td>
<td>President, Retired Southeast Banking, N.A.</td>
</tr>
<tr>
<td>Treasurer</td>
<td>Company</td>
<td></td>
</tr>
<tr>
<td><strong>Ernest Baskette</strong></td>
<td>Raymond H. Elliott, President, Retired</td>
<td>Alphonso Whitfield Jr., Secretary</td>
</tr>
<tr>
<td>Vice President</td>
<td>Federal Home Loan Bank of Boston</td>
<td>President and Chief Executive Officer</td>
</tr>
<tr>
<td><strong>Jack Gilbert</strong></td>
<td></td>
<td>Mutual Federal Savings and Loan</td>
</tr>
<tr>
<td>Vice President</td>
<td></td>
<td>Association</td>
</tr>
<tr>
<td><strong>Zaretta Kimble</strong></td>
<td>Robert T. Herres, Chairman and Chief</td>
<td>Mary Lee Widener, President</td>
</tr>
<tr>
<td>Assistant Corporate Secretary</td>
<td>Executive Officer United Services</td>
<td>Neighborhood Housing Services of America</td>
</tr>
<tr>
<td><strong>Fred Pillon, Esq.</strong></td>
<td>AutoMobile Association (USAA)</td>
<td></td>
</tr>
<tr>
<td>General Counsel</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Roger Joslin, Chairman</strong></td>
<td>Preston Martin, Chairman and Chief</td>
<td>George W. Behymer, Treasurer</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td>Executive Officer HomeVest Financial</td>
<td>Neighborhood Housing Services of America</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td>Group</td>
<td></td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Sharon Butler, Vice President</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Director of Community Development</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Great Western Bank</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Rose Espinoza, Secretary, Executive</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Committee</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>La Habra Neighborhood Housing Services</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td>Sophia Jeffery</td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Board of Trustees</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Neighborhood Reinvestment Corporation
1325 G St, NW
Washington, DC 20005-3100
(202) 376-2400

The 1995 annual report of Neighborhood Reinvestment Corporation and the national NeighborWorks® network reflects activity for the fiscal year ending September 30, 1995. More recent information may currently be available.
Neighborhood Reinvestment Officers

Officers

George Knight  
Executive Director

Hubert E. Guest  
Deputy Executive Director/Treasurer

Jeffrey T. Bryson  
General Counsel/Secretary

Margaret H. Kelly  
Director, Field Operations

Roy T. Davis  
Director, Finance, Program Review and Internal Consulting

Julia Hunter Galdo  
Director, Communications and Research

Nathaniel Grant  
Director, Human Resources, Administration and Training

Annual Report Production

The 1995 Annual Report was prepared by the Communications and Research Division of the Neighborhood Reinvestment Corporation.

Julia Hunter Galdo  
Director

John Leonard  
Public Affairs Director

Noel Vivaldi  
Associate Director, Production and Administration

Esmail Baku  
Research Director

Kim Lee Bedford  
Editorial Coordination and Writing

Steven J. Ferri  
Design

David Plihal  
Chris Valenti  
Production and Design Assistance

Neighborhood Reinvestment Corporation
1325 G St, NW
Washington, DC 20005-3100
(202) 376-2400

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