

Home Sweet Home

2006 Annual Report



“Housing For All”



2006 Home Sweet Home

George Moylan Affordable Housing Fund

The following individuals, firms and organizations made contributions at a leadership level to the Moylan Fund through 2006.

Contributors of \$5,000 or more

- Mission Community Club
- Mission Community Bank
- Rabobank
(formerly Mid-State Bank & Trust)

Contributors of \$2,000 or more

- The Tribune
- Anonymous

Contributors of \$1,000 or more

- First American Title Company
- Harold Rosen Fund
- J.W. Design & Construction
(Jerry Williams)
- Janna & Bob Nichols
- Rotary Club SLO Charities Inc.
- Anonymous

Contributors of \$500 or more

- Dorothy Hawthorne
- GMAC Mortgage
- Residents for Quality Neighborhoods
- Jerry & Chris Rioux
- Housing Authority of the City of Paso Robles
- Ken & Nita Kenyon
- R. Thomas Jones & Elizabeth Johnson
- San Luis Obispo Association of Realtors
- Scott & Joshua Barnes
- Shawn & Fred Novy

A complete list of the current contributors to the Moylan Fund is online at www.sloctf.org/files/moylan.pdf.



Hitting a Home Run for George's Dream

George Moylan was an extraordinary affordable housing advocate during business hours... and a passionate baseball fan during his off hours.

As executive director of the Housing Authority of the City of San Luis Obispo for almost 19 years and a founding director of the Housing Trust Fund, George Moylan lobbied fervently and frequently for affordable housing. For many, he was regarded as the "father of affordable housing in San Luis Obispo County."

He saw affordable housing as an important and rewarding way to strengthen our communities, improve the lives of our neighbors and create healthier, more sustainable neighborhoods. Housing that is affordable to all was his dream.

When he passed away in September 2005, the George Moylan Affordable Housing Fund was created at the request of his family to honor his memory and to continue his commitment to creating more affordable housing locally.

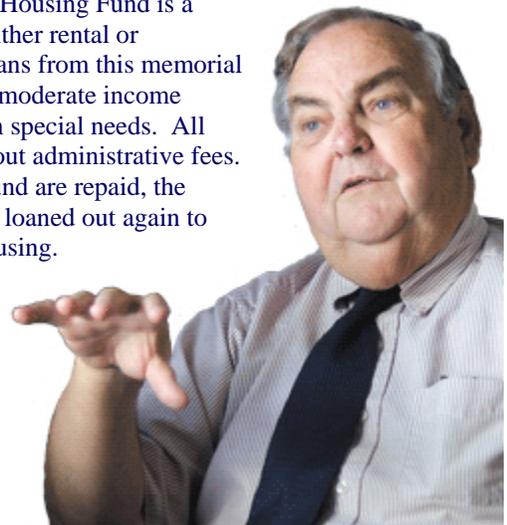
As of the end of 2006, over \$35,000 has been raised for the Fund.

We can almost hear George cheering from the sidelines for the success of this "first season."

He would, however, be the first to tell you that a "home run" is really not accomplished by just one individual; it takes a team effort. So to all the players, staff and fans who participated and contributed to building the Fund to this level, we thank you. You are helping people of modest income move into quality homes that they can afford. You are making neighborhoods stronger and creating better places for people to live, work and raise a family.

The George Moylan Affordable Housing Fund is a revolving loan fund to finance either rental or ownership housing projects. Loans from this memorial fund can serve very low, low or moderate income households, including those with special needs. All funds are used for lending, without administrative fees. When loans from the Moylan Fund are repaid, the money returns to the fund and is loaned out again to finance additional affordable housing.

For George and his dream, we aim to take the Fund to the next level. At the end of 2006, an ambitious goal to double the Fund in 2007 was set. It will take current team members and drafting new players. Together we can do it. So, as George would say, "Batter up!"



(Photo reprinted by permission from The Tribune.)

Dear Friends,

Our theme for this year's Annual Report is "Home Sweet Home." The quilt on the cover of this report is symbolic of this theme, our mission and our organization.

The quilt symbolizes our mission of creating and preserving homes for local residents. It also symbolizes the homes that we help to create. And like the quilt, these homes will provide comfort and safety for many generations.

The Housing Trust Fund (HTF) is also "homespun," like the quilt. We are a grassroots, collaborative effort. We were made from many pieces, carefully seamed together into a "creative pattern."

Rather than follow a traditional pattern, the HTF's founders designed a unique organization that addresses local needs and also takes advantage of local opportunities.

In 2003 when the HTF was incorporated, most other housing trust funds were government programs and most only served one jurisdiction (usually a single city). Our HTF was organized as a non-profit corporation that would partner with the entire county, including seven independent cities. There are now nearly 600 housing trust funds in the U.S. and we are delighted that our pioneering approach has been noted as a key trend in a national report from the Center for Community Change.

We are also proud of our accomplishments in 2006, which helped us to continue our growth and diversity:

- The City of Paso Robles became an active supporter, making us a true county-wide partnership.
- The California Association of Realtors contributed \$100,000 to our revolving loan fund as a result of support from local Realtors.
- We received \$800,000 in "social investments" from Catholic Healthcare West, the Sachs Foundation and two religious communities.
- The George Moylan Affordable Housing Fund increased to \$35,850 with gifts from more than 200 individuals, businesses and organizations.
- Twenty percent of our operating support came from the banking industry and another twenty percent came from our loan fees and interest income.
- We closed our third loan — \$339,000 to Habitat for Humanity.
- Our first investment under California's Community Development Financial Institution (CDFI) Tax Credit program was committed.

The Board of Directors applauds and thanks our supporters and partners for the tremendous support you have provided to the Housing Trust Fund. We also look forward to continuing and expanding our work together.

My sincere thanks also goes to my fellow Board members, especially Janna Nichols who left the board in December. Janna was with us since "day one" and provided exceptionally dedicated service as our Treasurer.

Anita Robinson
Board Chair

Board of Directors

Anita Robinson, Chair
Mission Community Bank

Rachel Richardson, Vice Chair
AIDS Support Network

Janna Nichols, Treasurer
Consultant to Community Groups

Dr. Allen Haile, Secretary
California Polytechnic University

R. Thomas "Tom" Jones
California Polytechnic University

Joseph M. "Chip" Visci
The San Luis Obispo Tribune

George Moylan, In Memoriam
(February 2003 to July 2005)



**San Luis Obispo County
Housing Trust Fund**
4111 Broad Street, Suite A-6
San Luis Obispo, CA 93401

Phone: 805-543-5970
Fax: 805-543-5972
Email: info@slocht.org
Web: www.slocht.org

2006 Home Sweet Home

Commissioners

Chuck Ashton

*Council Member
City of Grover Beach*

Doug Davidson

*Housing Programs Manager
City of San Luis Obispo*

Ed Gallagher

*Housing Program Manager
City of Paso Robles*

Kelly Heffernon

*Associate Planner
City of Arroyo Grande*

Dana Lilley

*Supervising Planner
County of San Luis Obispo*

Kerry Margason

*Associate Planner
City of Atascadero*

David Rounds

*SVP, Credit Administrator
Mid-State Bank & Trust*

John Stocksdales

*Retired Banker
City of Pismo Beach*

Ann Travers

*Division Manager, SLO County
Department of Social Services
Supportive Housing Consortium*

Betty Winholtz

*Council Member
City of Morro Bay*

Staff & Consultants

Jerry Rioux, Executive Director
Vivian Krug, Administrative Assistant
Marilyn Mayor, Special Projects Mgr.
John Dunn, Consultant
Brian Soland, Intern
Michael Profant, Intern
Tyron Buckley, Intern



Board Members: (left to right) Janna Nichols, Anita Robinson, Tom Jones, Rachel Richardson, Chip Visci and Allen Haile.

Organization of the Fund

Teamwork is the key to the organizational success of the Fund. Whether it's daily operations or long-range planning, the Fund has assembled a valued team to accomplish the varied tasks and necessary elements to keep us moving forward. Specialized teams lend expertise and guidance for particular components of the overall operation.

Board of Directors

The Fund is governed by an independent Board of Directors. The Board sets the direction and adopts policies for the Fund. The Board also oversees and monitors the operations and approves each HTF loan. The Board members for 2006 are listed on page three and our current members are listed online at www.sloctf.org/our-team.htm.

Commission

The Commission serves as the Fund's loan committee. Individual Commissioners represent local governments that provide financial support to the Fund and other interest groups within the county. The Commission recommends loan policies and procedures to the Board. It also recommends action on loan applications. The Commissioners who served during 2006 are listed to the left along with their job titles and who they represent. The current Commissioners are listed online at www.sloctf.org/our-team.htm.

Steering Committee

The Steering Committee is comprised of community leaders who advise our Board. Many are members of the San Luis Obispo Supportive Housing Consortium, which helped to organize the Fund. The Steering Committee continues to provide input to the Board by participating in strategic planning sessions among other activities. In addition to providing valued insight and community input, Committee members are a link to our roots. The members of the Steering Committee are listed online at www.sloctf.org/our-team.htm.

Staff

Led by Executive Director Jerry Rioux, a small team of staff and consultants is responsible for the day-to-day operations of the Fund. The Board, Commission and Steering Committee are all supported by this team.

What is the Housing Trust Fund?

The San Luis Obispo County Housing Trust Fund is a private nonprofit organization, incorporated on February 27, 2003 through cooperative efforts by local health and social service providers, businesses and government agencies.

The purpose of the Fund is to increase the number of homes in San Luis Obispo County that working families, seniors with limited incomes and households with special needs can afford to own or rent. Rather than develop or operate housing, the HTF provides financing and technical assistance to private developers, nonprofit agencies and local governments to help them create and preserve affordable housing throughout the county.

MISSION: to increase the supply of affordable housing for very low, low and moderate income residents of San Luis Obispo County, including households with special needs.

Programs and Services

The Fund offers two services to support the development and preservation of affordable housing – financing and technical assistance. The HTF is also a vocal advocate for affordable housing both locally and at the state level.

Financing — The Fund offers low cost loans with flexible terms to finance projects that will increase or preserve the supply of affordable housing in San Luis Obispo County. Both ownership and rental housing may be financed by the Fund, as well as housing that provides transitional and supportive living opportunities for those with special needs.

The Fund has committed 40% of our resources to financing housing for those with special needs or very low incomes.

Technical Assistance — Creating and preserving affordable housing has become increasingly difficult and complex throughout California. It is particularly difficult in smaller and more rural communities like those in San Luis Obispo County where government subsidies and technical expertise are limited compared to major urban centers. As part of our technical assistance efforts, the Fund helps to identify and secure state, federal and other financial resources for local affordable housing projects. We also share our knowledge, experience and connections with local housing developers, nonprofit corporations and government agencies to increase their capacity to create and preserve affordable housing.



Jerry Rioux, Executive Director
(Photo reprinted by permission from The Tribune)

Loans Outstanding as of December 31, 2006

Borrower	Loan Balance
San Luis Obispo Nonprofit Housing Corporation	\$647,178
Habitat for Humanity for San Luis Obispo County	339,000
Family Care Network, Inc.	232,857
Total Loans Outstanding	\$1,219,035

2006 Home Sweet Home

Cost of Housing Drives Workers Out of County

Two thirds of local employers say that housing expense is a “major problem” here. Even more (70%) of the 125 employers surveyed by The Tribune newspaper in December 2006 say it has contributed to (collectively) approximately 300 employees packing up and leaving town in the last 3-4 years.

In particular, midlevel or higher professionals, many of whom have household incomes that approach or exceed six figures are most at risk for leaving the area. Housing expenses make it equally hard for employers to attract appropriately skilled employees to the area.

“Virtually every business in San Luis Obispo County has a recruitment problem for higher skilled levels,” said Bill Watkins, director of the UCSB Economic Forecast Project, a group that studies the local economy.

Linda Quinones-Vaughan, a Bakersfield resident, turned down the position of program director for the Women’s Business Partners program at Mission Community Services Corp. in San Luis Obispo in the fall of 2006. “The job was so attractive and I love San Luis Obispo, but ... the cost of living was just too high to justify,” Quinones-Vaughan said.

Entire companies can feel the pain too — especially if looking to expand. High costs here motivated Roger Malinowski to move his business—BOB Trailers and Strollers—to Boise, Idaho, in January 2006.

The new facility is three times the size of its former home in San Luis Obispo and costs about one-third of what it would here. Half of the company’s employees moved as well, and nearly all have purchased a home in Boise.

Advocacy — During 2006, the Fund was involved in two major policy initiatives - inclusionary housing and Proposition 1C.

Inclusionary housing is a requirement that local governments can impose requiring that new housing developments either include some affordable units or contribute to the development of affordable housing. The HTF began meeting with the Home Builders Association of the Central Coast in early 2006 to discuss whether the two organizations could reach agreement on a set of inclusionary housing policies that both of our organizations could support. It took much longer than expected, but some agreement was reached. While the organizations disagree on the fundamental merits of inclusionary housing programs, they agree on a number of policies that must be included in order to make an inclusionary program effective and agree that an inclusionary program works best when it is part of a much broader, communitywide strategy for meeting local housing needs. The results of these meetings can be seen at www.sloctf.org/files/JPS.pdf.

We also helped to pass California Proposition 1C on the November 2006 State ballot. Prop 1C makes \$2.85 billion available for housing and related infrastructure. We wrote a guest editorial supporting Prop 1C and distributed information on the ballot measure and its benefits. We also solicited endorsements for Prop 1C from local firms, individuals and organizations. Prop 1C passed both statewide and in San Luis Obispo County.



Local Housing Needs

San Luis Obispo County continues to be one of the least affordable housing markets in California and the United States. Our shortage of affordable housing has a tremendous impact on those who live and work in our community, local employers, local service providers and local governments.

While home sale prices started to slide during 2006, they remain far too high for all but a handful of local renters who want to buy a home. The House Price Index of the Office of Federal Housing Enterprise Oversight indicates that homes in San Luis Obispo County lost 4.3% of their value from when they peaked in the first quarter of 2006 to the fourth quarter. Even with that drop, the National Association of Home Builders reported that only 7.1% of the homes sold in our county during the fourth quarter were affordable to households that earn the county median income.

The National Low Income Housing Coalition reports that a minimum wage employee would need to work 102 hours per week in order to afford the rent for a modest 2-bedroom unit in San Luis Obispo County. Alternatively, an hourly wage of \$17.17 is needed to afford the unit. Unfortunately, most local jobs pay much less. In fact, the California Employment Development Department estimates that 48.3% of the jobs that will be created in SLO County through 2008 will be in classifications for which the median wage ranges from only \$7.27 to \$8.29 per hour.



As 2006 came to a close, the El Camino Senior Apartments in Atascadero, funded by the HTF in 2005 was nearing completion. Like many projects built during the real estate boom years, the project was plagued by delays and cost increases (see story to the right).

Housing costs have a tremendous impact on local residents. The 2000 Census reported that 33.4% of the lower income households in San Luis Obispo County paid more than half of their gross income for housing. Of the 3,139 counties in the United States, only 24 had a higher rate of “severe housing cost burden.” Only three of those counties were in California.

The local housing market is particularly brutal for individuals and families with special needs and very low income. In October 2005, local service providers conducted a homeless enumeration on a single day that identified 2,408 individuals — or nearly 1% of the county’s population — who were homeless. More than one-third of the County’s homeless residents (817 individuals) were children and youth. Women and girls represented 42.5% of the county’s homeless (1,015 individuals).

Not surprisingly, one-third of those surveyed reported that the high cost of housing was the direct cause of their homelessness. Some 9% reported that domestic violence was the cause. The most revealing statistic was that 28% of the adult homeless were employed and worked an average of 34 hours per week.

The lack of affordable housing has been the primary concern of local businesses for a number of years. In a 2005 survey, 87% of the members of the San Luis Obispo Chamber of Commerce reported that “the cost and availability of housing has made it more difficult to hire qualified employees.” A number of local employers, including guitar manufacturer Ernie Ball Guitars and bicycle trailer maker BOB, have either expanded in other locations or simply left the county.

The Long Saga of the El Camino Senior Apartments

The El Camino Senior Apartments development in Atascadero proves that when it comes to developing affordable housing, Murphy was an optimist. It also proves that HASLO (the Housing Authority of the City of San Luis Obispo) and its nonprofit affiliate, SLONP (the San Luis Obispo Non-Profit Housing Corporation), are committed for the long haul.

The apartments’ long saga started in October 2002 when HASLO purchased the property and SLONP applied to the County for a \$300,000 grant.

The City of Atascadero approved the project in December 2003 and agreed to pay for the development fees. That same month, HASLO received \$1.6 million in tax-exempt bonds plus 4% tax credits from the State.

With the City approval and financing in place, HASLO transferred the property to the SLONP in April 2004. When the project was put out to bid, bids came in \$2 million over the original estimate. This was a major setback.

After considerable tweaking, the gap was narrowed to \$700,000. The HTF provided a loan to fill this gap and the stalled project moved forward in December 2005.

Construction started in February 2006. The contractor promised an August 2006 completion date. Unfortunately, he lost his insurance in May, halting construction.

After a six week delay, a new contractor began work, again promising the same completion date.

After numerous construction delays, the project will be completed in 2007 at a final cost of more than \$4.6 million.

2006 Home Sweet Home

Habitat for Humanity International: 200,000+ Homes Built Worldwide

Habitat for Humanity has built more than 200,000 homes, sheltering more than 1,000,000 people in more than 3,000 communities worldwide since the model began in 1968.

The concept that grew into Habitat International was born at Koinonia Farm, a small, interracial, Christian farming community founded in 1942 outside of Americus, GA., by farmer and biblical scholar Clarence Jordan.

In 1965, Millard and Linda Fuller first visited Koinonia, having left a successful business in Montgomery, Alabama to begin a new life of Christian service.

At Koinonia, Jordan and Fuller developed the concept of “partnership housing” — where those in need of adequate shelter would work side by side with volunteers to build simple, decent houses.

In 1968, Koinonia laid out 42 half-acre house sites plus a community park and recreation area and building began. The Fullers expanded the concept to developing countries in 1973, beginning with Zaire (now the Democratic Republic of Congo). After 3 years of hard work, affordable yet adequate shelter had been created for 2,000 people.

In 1976, Habitat for Humanity International was born and the vision continues to be successful.

In 1984, former U.S. President Jimmy Carter and his wife Rosalynn participated in their first Habitat work trip. Their personal involvement has brought the organization national visibility and sparked a dramatic increase in the number of new affiliates in the U.S.

HTF Helps Habitat Buy Site for Four Homes

The HTF's third loan closed in December 2006. It provided 100% financing to Habitat for Humanity for San Luis Obispo County to purchase property on Traffic Way in Atascadero. Habitat plans to build four homes for very low income families. This is the largest and most ambitious project yet for the local chapter of Habitat. The Atascadero homes will follow the “partnership housing” concept:

Simple. Habitat houses are modestly sized — large enough for the homeowner's family's needs, but small enough to keep construction and maintenance costs at a minimum.

Decent. Habitat uses quality, locally available building materials. Trained staff supervise Habitat house construction and educate volunteers and partner families. House designs reflect the local climate and culture.

Affordable. The labor of volunteers and partner families, efficient building methods, modest house sizes and a no-profit, no-interest loan (such as that made by the HTF) make it affordable for low-income families to purchase a Habitat for Humanity house.

Securing funding from the Housing Trust Fund for the land costs was a huge milestone for the project. With the land now secured, 2007 will be a busy year for the project as the Habitat Family Partner/Family Selection Committee reviews applications and determines who the new homeowners will be. Other committee members and the local Habitat office staff will be immersed in the building permit approval process and handling administrative details. Professional consultants such as engineers and architects will also be busy as they continue to work on infrastructure details so the goal of breaking ground on construction in 2007 can be met.



“Building simple, decent, affordable housing in partnership with people in need.”



Rendering of the proposed Habitat homes in Atascadero.

Support from the Real Estate Industry

Members of the local real estate industry have supported, assisted and encouraged the Housing Trust Fund from its early organizing stage. During 2006, local Realtors throughout SLO County, other local real estate firms and the California Association of Realtors (CAR) all provided significant financial support to the Housing Trust Fund.

CAR Housing Affordability Fund

In January, the California Association of Realtors, the statewide Realtors association, contributed \$100,000 to our loan fund from its Housing Affordability Fund. The application for this grant was sponsored by the San Luis Obispo Association of Realtors and supported by the Atascadero Association of Realtors, the Paso Robles Association of Realtors, the Pismo Coast Association of Realtors and the Scenic Coast Association of Realtors.

Special thanks goes to Wes Burk, Sal Orlando and Linda Smith from the SLO Association for their assistance in securing this grant.



Kim Conti Sponsors Fundraiser

Kim Conti of Kimberly's Global Real Estate Corporation sponsored a fundraiser and silent auction for the Housing Trust Fund in conjunction with the open house for her new office. This event raised \$2,678 that was placed into the George Moylan Affordable Housing Fund. Kim has since joined our Steering Committee and is organizing a second annual fundraiser.

First American Title

First American Title has selected the Housing Trust Fund as a recipient for its charitable giving. First American's contribution in 2006 was based on the number of escrows closed by members of the San Luis Obispo Association of Realtors. This was the first of many contributions made by First American in partnership with local Realtors to the George Moylan Affordable Housing Fund. This program has since been expanded to include the members of other associations within San Luis Obispo County.

GMAC Mortgage

Due to the support of Fred Bond and Donna Lewis, GMAC Mortgage donated \$600 to the George Moylan Affordable Housing Fund in 2006.

“CAR is thrilled to support the Housing Trust Fund because together we can provide real opportunities for ownership in our communities.”

Wes Burk, past President, San Luis Obispo Association of Realtors and member of the California Association of Realtors Housing Affordability Fund

“Land use and the need to develop affordable housing are the issues of greatest overall concern to our county.”

Bruce Gibson, County Supervisor

2006 Home Sweet Home

California CDFI Tax Credits

The State of California encourages private investments in organizations like the Housing Trust Fund through its Community Development Financial Institution (CDFI) Tax Credit program. The program is administered by the California Department of Insurance.

Under the CDFI Tax Credit program, individuals and corporations, including banks and insurance companies, can receive a 20% state income tax credit for investing in state certified CDFIs. Up to \$2 million in tax credits are available each year.

Both equity investments and loans to CDFIs can qualify for tax credits. Tax Credit investments can range between \$50,000 and \$4 million. They must have a minimum term of five years and charge no interest.

The HTF was certified as a state CDFI in June 2004, but was unable to participate in the Tax Credit program until the program was amended and reauthorized in 2006.

As 2006 came to a close, Mid-State Bank & Trust (now Rabobank) agreed to make a \$100,000 loan to the HTF in January 2007 under the new CDFI Tax Credit program.

The HTF seeks additional Tax Credit investments. If you would like more information, please visit our website — www.slocthf.org/tax-credits.htm — or call us at (805) 543-5970.



United Way of San Luis Obispo County

Partner Agency

Lending Capital - Social Investments

During 2006, the Housing Trust Fund raised nearly \$1 million in lending capital from six different sources. Most of this capital came as social investments from non-traditional sources. Social investors have a double bottom line. One bottom line is financial — the other is social. They want to “do good” while “doing well” financially. The HTF’s first social investment came from the Adrian Dominican Sisters in 2005.

The HTF’s largest social investment is a \$500,000 loan from Catholic Healthcare West, the owner and operator of two hospitals in San Luis Obispo County. The Sonoma-based Erich and Hannah Sachs Foundation provided a \$200,000 PRI or Program Related Investments. Two religious communities — the Sisters of Charity of Cincinnati and the Sisters of St. Francis of Philadelphia — each invested \$50,000 in the HTF. All of these investments are loans for five years at 3.0% interest.

The HTF is proud to receive the confidence and support of these social investors and hopes to receive more social investments in the future.



Some of the new lending capital came from grants and contributions. The California Association of Realtors provided a \$100,000 grant from its Housing Affordability Fund to increase our lending capital. In addition, more than 200 individuals, firms and organizations contributed a total of \$35,850 to the George Moylan Affordable Housing Fund. The Moylan Fund was created to honor the memory and continue the work of George Moylan.

At the end of 2006, the HTF had nearly \$4 million in lending capital. The sources and amounts of these funds are listed below.

Lending Capital as of December 31, 2006

Source of Lending Capital	Amount
Mission Community Bank	\$1,000,000
Rabobank (formerly Mid-State Bank & Trust)	1,000,000
First Bank of San Luis Obispo	1,000,000
Catholic Healthcare West	500,000
Erich and Hannah Sachs Foundation	200,000
California Association of Realtors*	100,000
Seton Enablement Fund (Sisters of Charity of Cincinnati)	50,000
Sisters of St. Francis of Philadelphia	50,000
Adrian Dominican Sisters	35,000
George Moylan Affordable Housing Fund*	35,850
Total Lending Capital	\$3,970,850

* Funds that were granted or contributed to the Housing Trust Fund

Financial Statements

The following are summaries from the HTF's annual financial statements for 2006 and 2005, which were audited by Crosby & Cindrich, CPAs. Copies of the audited financial statements are available upon request.

Statement of Financial Position	12/31/06	12/31/2005
Assets		
Current Assets:		
Cash and cash equivalents	\$299,394	\$84,442
Interest receivable	6,324	3,803
Prepaid expenses	3,621	3,652
Grants receivable	0	32,456
Notes receivable (current portion)	55,415	48,909
Total Current Assets	<u>\$364,754</u>	<u>\$173,262</u>
Non-Current Assets:		
Notes receivable (non-current portion)	1,163,593	883,948
Total Assets	<u>\$1,528,347</u>	<u>\$1,057,210</u>
Liabilities		
Current Liabilities:		
Accounts payable	\$2,938	\$0
Accrued payroll tax liabilities	67	130
Accrued interest payable	3,951	88
Accrued vacation payable	3,820	3,247
Notes payable (current portion)	8,925	0
Total Current Liabilities	<u>\$19,701</u>	<u>\$3,465</u>
Long-Term Liabilities:		
Lines of credit	\$549,547	\$897,857
Notes payable	665,075	35,000
Total Long-Term Liabilities	<u>\$1,214,622</u>	<u>\$932,857</u>
Total Liabilities	<u>\$1,234,323</u>	<u>\$936,322</u>
Net Assets		
Unrestricted	\$158,679	\$100,578
Temporarily restricted	0	0
Permanently restricted	135,345	20,310
Total Net Assets	<u>\$294,024</u>	<u>\$120,888</u>
Total Liabilities and Net Assets	<u>\$1,528,347</u>	<u>\$1,057,210</u>

Statement of Activity	2006	2005
Revenue		
Grants	\$244,654	\$127,945
Contributions	68,044	44,306
In-kind donations*	360	4,068
Special events & fundraising	2,678	0
Interest & loan fees	65,338	18,213
Total Revenue	<u>\$381,074</u>	<u>\$194,588</u>
Expenses		
Program Services	\$157,143	\$120,477
Management & General	30,405	32,304
Fund Raising	20,390	27,221
Total Expenses	<u>\$207,938</u>	<u>\$180,002</u>
Increase in Net Assets	<u>\$173,136</u>	<u>\$14,586</u>

* In-kind contributions recognized in audited financial statements.

Financial Supporters

The following organizations and individuals have provided grants and contributions to support the Housing Trust Fund's operations since its incorporation in 2003. (Listed in alphabetic order within each category.)

Local Governments

City of Arroyo Grande
 City of Atascadero
 City of Grover Beach
 City of Morro Bay
 City of Paso Robles
 City of Pismo Beach
 City of San Luis Obispo
 County of San Luis Obispo
 Housing Authority of the City of San Luis Obispo (HASLO)

Banks and Lenders

Bank of America
 Coast National Bank
 Downey Savings
 First Bank of San Luis Obispo
 Heritage Oaks Bank
 Los Padres Bank
 Mission Community Bank
 Rabobank
 (formerly Mid-State Bank & Trust)
 Santa Lucia Bank
 The Mortgage House, Inc.
 Union Bank
 Washington Mutual Bank

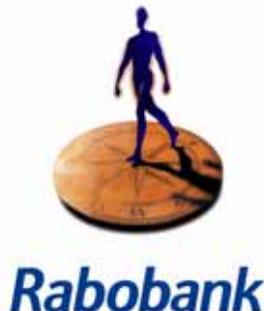
Other Supporters

Cal Poly Foundation
 Charter Cable*
 Economic Opportunity Commission of SLO County
 Home Builders Association of the Central Coast
 Peoples' Self-Help Housing Corp.
 Anne and Charles Quinn
 Resident Owned Parks, Inc.
 SLO County Community Foundation
 Sinsheimer Juhnke Lebens & McIvor*
 Supportive Housing Consortium
 TechSoup*
 United Way of SLO County

* These three supporters provided significant in-kind contributions

Thank You to our Friends & Supporters

The San Luis Obispo County Housing Trust Fund wishes to acknowledge and thank the following supporters who helped to underwrite the cost of producing and distributing this Annual Report.



San Luis Obispo County Housing Trust Fund
4111 Broad Street, Suite A-6 San Luis Obispo, CA 93401