



# Diamond State Community Land Trust

# ANNUAL REPORT

January 2019



## BUILDING ON OUR STRENGTHS

### BREAKING NEW GROUND

Diamond State Community Land Trust has created five new homes this year.

We have sold five homes to new home owners who have become members of our organization.

We have also resold two homes to second-generation, income-eligible CLT owner-members, preserving the investments originally made in these homes (including funds from the Housing Development Fund and the Neighborhood Stabilization Program), as well as keeping these homes as continuing affordable housing opportunities for the community.

As we move further into our second decade of existence — we were created in 2006 — we are putting in place a new generation of board members and staff who will move us forward and into new endeavors which promise to fulfill even more closely our original mission.

We have created a new development plan and revised our business plan to reflect new and diversified production which we intend to undertake in the next few years.

We have also begun to build partnerships through new networks and with new entities which will help us to place more of our home ownership opportunities in a way that is sensitive to social indicators, health and well-being, and overall household opportunity.

Some of this information is included in this report, along with information on our latest year of organizational growth.

Diamond State Community Land Trust deeply appreciates your interest in, and support of, our work of shared equity and permanent affordability.

## FOREVER AFFORDABLE HOMES



# NEW HOMES AROUND THE STATE

WELCOME HOME OWNER - MEMBERS!



Sussex County Vietnam Veterans of America Chapter 1105 were one of the veterans' groups supporting Donyale Martin's move to home ownership.



Erika DiSalvo and son, Jonathan, at home in Camden.



Alexis Nazario of Myers Realty, the A Team; Ceara Jefferson and her daughter, Ayesha; and Diana Savitz, Program Manager.

**THIS YEAR WE WELCOMED** several new households to the Diamond State CLT family during the past year —

Attiq Rehman & Nayab Kim  
(Rodney Village)

Molly Betch & Michael Urban  
(Middletown)

Tamika Bonds (Rodney Village)

Erika DiSalvo (Camden)

Sarah Howell (Dover)

Ceara Jefferson (Dover)

Edward Malaney (Ellendale)

Donyale Martin (Ellendale)

Our home owners are voting members and serve on our board.





Sarah Howell with Diana Savitz of Diamond State CLT.



Molly Betch and Michael Urban with Diana Savitz and Kim Horne of Team Horne, REMAX 1st Choice



From Right: Tamika Bonds; her sister, Lanette Briggs; agent, Angela Lewis Clement



Diana Savitz, Program Manager  
DianaSavitz@DiamondStateCLT.org

Forever Affordable Homes

# THANKS FOR TEN YEARS SERVICE!

## GRADUATING OUR FIRST CLASS OF BOARD MEMBERS.



We are thankful for the long, faithful, and thoughtful service of Dave Buches, Denise Freeman, Dawn Poczynek-Holdridge, and Amy Walls, all of whom are rotating off the board after ten years.

We are bidding *adieu* — or perhaps only *à bientôt* — to four stalwart and long-serving board members who have represented Diamond State over its initial start-up and growth years.

Amy Walls left the board in the summer of 2018. She had most recently served as president of the board of directors. We were able to thank her publicly for her service at the 2018 annual membership meeting.

Dawn Poczynek-Holdridge is rotating off the board in 2019. Dawn was one of the original founding committee members and then came on the board ten

years ago. She has served as treasurer almost continually since joining the board.

David Buches joined the board about eight years ago. He has been invaluable in his role as secretary of the board and as a member of the development committee. David and his family are leaving the area and will be missed much more widely than just among us here at Diamond State.

Denise Freeman is in her tenth year as a board member. She has been a critical member of our home buyer selection committee during this time, and we are very happy that she will continue in that role.

At our 2019 annual membership meeting, along with a slate of board members to be voted on by the members, we will be bringing Denise Jackson forward as the new treasurer, taking Dawn's place. Gina Miserendino will be nominated for the position of secretary, to replace David.

### RESIDENT-GOVERNANCE

Diamond State Community Land Trust is a nonprofit, IRS 501(c) 3 organization. Diamond State makes use of a unique, three-part board of directors, with one-third of its seats reserved, respectively, for CLT homeowners, at-large community representatives, and representatives of public entities. CLT homeowners are thus integrated into the fundamental governance of the organization.

### MEMBERSHIP ORGANIZATION

In addition, Diamond State is a membership organization, with several categories of membership, the most important of which is the "lessee" membership, all the CLT homeowner households.

### HOLDING LAND IN TRUST

Diamond State Community Land Trust creates permanently







Denise Jackson will be nominated for board treasurer at our 2019 annual membership meeting.



Gina Miserendino will be nominated for board secretary at our 2019 annual membership meeting.



**IN REMEMBRANCE— RENE ARAUZ DIAZ**

affordable homes. This means that it takes public and private community investment in a new home and preserves that investment, so that the home remains affordable at each successive resale to a new income-eligible buyer. Diamond State does this by taking the land from the market, putting it in trust for the community, and selling the “improvements,” the home, etc., to the home buyer for a sales price that is much less than the investment and usually far less than any other affordable housing model is able to do.

**ORGANIZATIONAL SELF-RELIANCE**

As our inventory grows, the

amount of ground lease fees that becomes part of our budget also increases, helping us to move toward a future where the level of inventory and activity can bring the organization to a point of financial self-reliance.

**2018 BOARD OF DIRECTORS**

- Lydia Arguelles—Home Owner
- David Buches—Public
- Diane Crockett—Home Owner
- Joan Fitzgerald—Community
- Denise Freeman—Community
- Lillian Harrison—Community
- Denise Jackson—Home Owner
- Sarah Keifer—Public
- Gina Miserendino—Community
- Dawn Poczynek-Holdridge—Public
- Amy Walls—Public



Usman Sandhu and Mohammad Iqbal, U & I Builders, have been our builder partners in Ellendale Village, creating beautiful homes for our new CLT home owner-members, for which we cannot thank them enough.

# NEW PARTNERSHIPS AND SUPPORT FOR OUR WORK

## EXPANDING OUR LOCAL AND NATIONAL NETWORKS

### CLT MORTGAGE OPTIONS CONTINUE TO EXPAND

This past year we have worked in partnership to continue to expand the financing options for CLT homebuyers.

The CLT model has long been supported by conventional mortgage financing and Fannie Mae. This year Fannie Mae made a renewed commitment to offer products for the CLT homeownership model.

Diamond State CLT has also added USDA (both guaranteed and direct programs), VA first mortgage loans; and now we are pleased with the announcement by Freddie Mac that it will start purchasing community land trust mortgages as a standard part of its business.

This new Freddie Mac policy along with Fannie Mae's policy effectively reduces risk to financial institutions, since loan servicers—be they banks, credit unions, or other mortgage providers—now have a clear set of procedures that, if followed, will enable them to sell their loans to Freddie Mac as well as Fannie Mae.

### NEW PARTNERSHIPS, NEW INITIATIVES IN 2019

Diamond State CLT is uniquely positioned in Delaware to develop a legacy of perpetual affordability and to impact economic mobility and health determinants through our model of equity sharing. These key differentiators are now in alignment with affordable housing multi-sector initiatives nationwide which spotlight housing affordability as central to other national priorities, like health care, education, food security and more. This momentum is further evidenced by Freddie Mac expanding its support for shared equity homeownership programs.

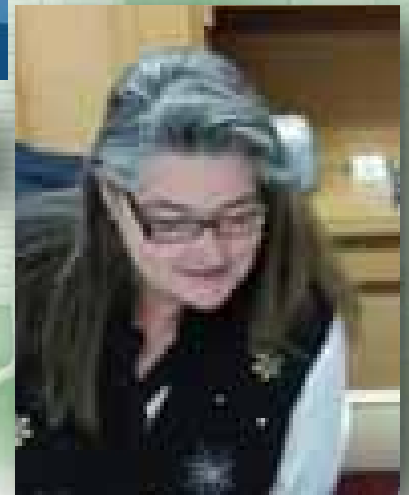
Key partnerships are forming with champion organizations, in particular Enterprise Community Partners and The Democracy Collaborative who will be supporting DSCLT's engagement with anchor institutions for a new health and housing initiative in 2019.

Locally, in this vein, DSCLT is developing relationships with multi-sector non-profit organizations with the view to joint programming initiatives.

In addition, DSCLT is elevating efforts with municipalities and elected officials to strengthen the understanding of our role as a vehicle to lasting affordable housing.



Jo Ann Zorb provides technical assistance to staff & board.  
JoAnnZorb@DiamondStateCLT.org



Helen McAdory, Associate Director  
HelenMcAdory@DiamondStateCLT.org



# THANK YOU!

## DONORS, HOME OWNERS, MEMBERS, SPONSORS

### INDIVIDUALS

Eva Abbott & Van Temple  
Lydia & Jacobo Arguelles  
Ossi Becke  
Tamika Bonds  
Robert Broesler  
Austin & Michele Brown  
David Buches  
Carma Carpenter  
Diane Crockett  
Charles Daly  
Carol Succarotte Daniels  
Chnelle Darby  
Melissa DiBacco  
Erika DiSalvo  
Jason Dye  
Kim Elliott  
Charlena Evans  
Kathy Fansler  
Joan Fitzgerald  
Laz & Dayami Fonticella  
Denise Freeman  
Matthew Freeman

Denise Fuller  
William Gay  
Mary Ellen Gray  
Kate Hanley  
Connie Harrington  
Christine Harris  
Lillian Harrison  
Tom & Kim Horne  
Sarah Howell  
Sharon Hutchison  
Denise Jackson  
Jacqui Jarrell  
Ceara Jefferson  
Sarah Keifer  
Patricia Kelleher  
Lyndsay Kersey  
Jeannine Knight  
Yolanda Knight  
Edward Malaney  
Dominic Mancuso & David Marsh  
Donyale Martin  
Helen McAdory  
Heather Mirto

Gina Miserendino  
Tiffany Morris  
Joe Myer  
Frank Paquette  
Carla Patterson-Gulledge  
Maggie Pleasant  
Dawn Poczynek-Holdridge  
Attiq Rehman & Nayab Kim  
Diana Savitz  
Judith Scarborough  
Jeffrey Schoch  
Kyle Scott  
Andre & Nicole Sizer  
Ken Smith  
Nyell Spicer  
David & Rebecca Thomas  
Michael Urban and Molly Betch  
Robert & Carol VanSciver  
Amy Walls  
Francine Walls & Shalisa Alexander  
Gwen Watson  
Carol Wilson  
Chrissy Zampini  
Jo Ann Zorb

### ORGANIZATIONS

Airbase Carpet & Tile Mart  
AmazonSmile Foundation  
Axiom Engineering, LLC  
B & B Design Contracting LLC.  
Barbacane, Thornton & Co. LLP  
Beaver Properties, LLC  
Burris Masonry  
Central Dover Offices  
City of Dover  
Community Foundation of the  
Eastern Shore  
Delaware Alliance for Nonprofit  
Advancement  
Delaware Community Foundation  
Delaware State Housing Authority  
Del-Mar Appliance  
Deutsche Bank  
Discover Bank  
Dover Community Partnership  
Embrace Home Loans  
Fannie Mae  
Federal Home Loan Bank of  
Pittsburgh

Grounded Solutions Network  
Growth Inc.  
Hollingsworth HVAC  
Housing Alliance Delaware  
JH Contracting  
Kent County Levy Court  
Longwood Foundation  
Mason Dixon V.F.W. #7234, Ocean  
City  
Meridian Mortgage  
NCALL Research  
Outlook Events, LLC  
Partners Realty, LLC  
Payworth Construction  
People's Place  
Pratt Insurance  
Pro-Bee Cleaning Service  
Reliable Home Inspection  
Rodney Village Civic Association  
Ryan Architecture, LLC  
Schmittinger & Rodriguez  
Schoch Appraisals, LLC  
Scott Conrad Contractor, LLC

Sergovic, Carmean, Weidman,  
McCartney & Owens, PA  
State Employees Charitable  
Campaign  
Strobert Tree Service  
Sussex County  
Sussex County Vietnam Veterans of  
America Chapter 1105  
TD Charitable Foundation  
TechSoup Global  
Ten Bears Environmental  
The Shepherd's Place  
Town of Ellendale  
U & I Builders  
United Cerebral Palsy of DE  
US Conference of Catholic Bishops  
V.F.W Post #7478, Greenwood  
Wakefield Associates, Inc.  
Ward & Taylor  
WSFS Bank



# DIAMOND STATE C. L. T. INC.

## FINANCIAL STATEMENTS

### FISCAL YEARS 2018 & 2017



Diamond State Community Land Trust has received a second year of funding from the competitive national award of the **Catholic Campaign for Human Development** (CCHD), a domestic anti-poverty program of the U.S. Catholic Bishops, based on the belief that “those who are directly affected by unjust systems and structures have the best insight into knowing how to change them.”

Diamond State CLT is honored for this award which recognizes the CLT commitment to being a community controlled organization which removes land from the market and holds it in trust in the furtherance of affordable housing.



We deeply appreciate the continued support of **Discover Bank**, which has invested in our organization capacity-building and the promise of shared-equity, permanently affordable housing throughout Delaware.



The **Delaware Community Foundation** (DCF) assists Delaware charities in establishing endowment funds to provide for long-term financial stability. Donors may contribute to the Diamond State CLT Fund which is maintained by DCF.

Donations designated for the Diamond State CLT Fund are invested by DCF's professional advisors to provide growth and stability. Interested donors should visit <https://delcf.org/nonprofit-funds/> for further details.

#### State of Delaware State Employees' Charitable Campaign

Diamond State CLT is a participating charity in the State of Delaware's annual **State Employees' Charitable Campaign** (SECC). Through this Campaign, Delaware State employees can elect periodic payroll deductions for charitable contributions to Diamond State CLT and other charities. The Campaign remits these contributions to Diamond State on a monthly basis. For more information, visit <https://secc.delaware.gov> or contact your Agency's Campaign Chairperson or Captain.

REVENUE & SUPPORT	FY2018	FY2017
Contributions/Foundation Support	176,020	191,975
Government Grants	66,099	170,578
Ground Lease Income	13,740	12,700
Stewardship Fees	-	15,000
Rental Income, other	-	-
Unrealized Gain on Investments	1,299	2,653
Miscellaneous	6,410	6,521
Investment Income, gains, & misc.	4,471	3,441
Net Assets Released from Restrictions	80,400	30,000
<b>Total Revenue &amp; Support Unrestricted</b>	<b>348,439</b>	<b>432,868</b>
EXPENSES & LOSSES		
Insurance	2,802	2,329
Interest Expense	22,206	19,959
Land & Legal	-	1,096
Office Expenses, including Travel	25,845	15,520
Staff	151,887	76,555
Professional Fees	27,332	68,119
Membership Dues	5,901	4,543
Other	18,501	5,088
Losses on housing held for sale	70,898	187,752
<b>Total Expenses &amp; Losses</b>	<b>325,372</b>	<b>380,961</b>
NET ASSETS		
Unrestricted & Undesignated	340,204	218,137
Restricted - Revenue & Support		
+ Other	-	3,000
+ Matched Savings Program	16,122	15,469
+ Rodney Village CLT Homes	-	75,000
Board Designated - Revenue & Support		
+ Sussex County Housing Development	325,000	400,000
+ Property Maintenance Reserves	50,000	74,000
Change in Unrestricted Net Assets	23,067	51,907
Change in Temporarily Restricted Net Assets	(77,347)	(21,531)
<b>Total Change in Net Assets</b>	<b>(54,280)</b>	<b>30,376</b>
Net Assets, Beginning (July 1)	785,606	755,230
Net Assets - Ending	731,326	785,606
Total Liabilities & Net Assets	1,300,168	1,299,501
+ Current & Noncurrent Assets	1,300,168	1,299,501
- Total Liabilities	568,842	513,895



**Chuck Daly, Accounting Manager**  
DoverOffice@DiamondStateCLT.org