

Two Rivers CLT Benefits

- Variety of ownership options
- Homes in good condition (new or recently renovated)
- Reduced mortgage
- Lower entry costs - The funds brought by Two Rivers CLT are used as down payment. Buyer provides earnest money and closing costs.

Resources Available

- Access to low interest mortgages with 20, 25 and 30 year terms
- Access to down payment & closing cost assistance
- Pre-purchase and post-purchase support from Two Rivers staff.
- Credit counseling referrals.

Strengthening Community — One Home at a Time

Two Rivers Community Land Trust www.tworiversclt.com (651) 994-9194

Two Rivers CLT's mission is to create, preserve and support affordable homeownership for low and moderate income people in Washington County & Anoka counties in MN and in St Croix & Pierce counties in WI.

DID YOU KNOW? "Becoming a homeowner for the first time, can be a very stressful and scary time. Not the case with Two Rivers, the staff was there to help every step of the way to make things as easy as possible. I can proudly say that I wouldn't have done it any other way. I would highly recommend Two Rivers to potential home buyers."



P. O. Box 879
Still water, MN 55082

December 2011

2011 Annual Report Two Rivers Community Land Trust

*Affordable homeownership in Anoka and Washington counties, in MN
and St Croix & Pierce counties in WI*



A survey of 95-year olds asked just one question: If there is one thing you could go back in your life and do differently what would it be? Top three answers: Reflect more. Risk more. Leave something that lasts beyond my life.

We have just lived through a time period in our society where motivation to have more and live on the credit of tomorrow has caused our economy serious consequences. At this time I find myself returning to what really matters to me at my very core. What values do I cherish and how do I live with hope and perseverance? I would ask you to reflect on this as well.

What matters most to you? Family, friends, moments of caring? To me this includes a return the values of community and caring for others that makes this nation great. I think this time gives us a unique opportunity to build up and encourage hope and perseverance in each other.

The combination of reflecting more and risking more is interesting. There is something to be said about risking when our intentions are long term. We have to listen to each other. We have to consider the needs of someone besides ourselves. When we risk for someone else we reflect more on how to reach our goals and stay true to our values. This provides us grounding, a broader sense of reality and frees us to hope. We remember we got through tough times before and can do it again. I recall the adage that anything that is good takes time. I would add anything good should consider time creating positive results for many generations. To me that is why community land trust housing is worth our public and private investments, and the hard work of our staff & board of directors, and the commitment of our CLT families.

We live in tough times but we stand as a **community of people** committed to a legacy of homeownership. I chose the tree because what makes a tree incredibly durable is its root system. To truly leave a legacy of permanently affordable homeownership we will need to deepen our roots—we need time to listen and reflect together and vision for a time beyond ourselves. We need to stand together supporting each other. We are working to preserve an affordable place to live. This will not happen over night and we will need each other. Let's take time this year to reflect, listen and continue to create a legacy our children will be proud of.

Teresa vanderBent, Executive Director



Two Rivers Community Land Trust

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www.tworiversclt.com

What is a Community Land Trust? Community land trusts (CLT) work with income qualified buyers to purchase new or renovated homes at a reduced price.

- **Ownership:** The CLT owns the land under the house and the owner owns the home, similar to a condo/townhome development. Two Rivers CLT owners pay a \$25 per month land lease fee.
- **Resale:** In exchange for the lower purchase price, when the owner chooses to sell their home, they agree to take their earned equity plus 25% of the increase in the value of their home upon sale.

Two Rivers CLT's mission is to create, preserve and support affordable homeownership for low and moderate income people in Washington County & Anoka counties in MN and in St Croix & Pierce counties in WI. Two Rivers helps make homeownership possible for homebuyers who are unable to purchase a home in the conventional market.

Creating a permanent supply of affordable starter homes.

What Do We Do?

Create Modest, Quality Affordable Homes: Two Rivers CLT Acquires and rehab existing houses and when possible constructs new homes.

Facilitate the Home Buying Process: Two Rivers CLT works with income qualified buyers to purchase a home by:

- Providing an orientation on Community Land Trusts.
- Reviewing buyers income & debt to determine if buyers ready to buy a home.
- Refer buyers with credit/debt issues to credit counselors.
- Refer buyers to home buyer education.
- Providing buyers a list of lenders offering low interest mortgages, reasonable lending terms (20, 25 and 30 yr terms), and down payment and closing costs assistance.
- Assist buyer in navigating the home process.

Provide Owner Support

- Answer property questions.
- Referrals to service providers for personal, household and financial needs.
- Provide social and networking opportunities.

2011 Board of Directors

Teresa England **Elizabeth Juelich**
Mari Moen **Mike Meis**
Kelly Thauwald **Michele Willard**

Staff

Teresa vanderBent, Executive Director
Kathryn Paulson, Housing Project Manager

Current Owners

40 households or 125 people, 57 are children
 Andover: 2 Bayport: 1 Blaine 1
 Cottage Grove 5 Forest Lake 2 Lakeland 1
 Newport 1 Oakdale 18 St Paul Park 3
 Stillwater 3 Spring Lake Park 1
 Woodbury 1 New Richmond, WI 1

Thank You to our Partners

Mortgage Lenders & REO Companies

US Bank Home Mortgage
 Bremer Bank
 Minnesota Housing'
 Premiere Assets

Area Partners & Funders

Andersen Corporate Foundation
 Fred C. and Katherine B. Andersen Foundation
 Hugh J. Andersen Foundation & the Next Generation Fund
 Anoka County HRA- CDBG & HOME
 City of Oakdale
 Entitle, Inc.
 First State Bank & Trust, Bayport
 Greater Metropolitan Housing Corporation
 Metropolitan Council
 Minnesota Housing
 People's Congregational Church, Bayport
 Red Oak Preserve LLC
 Trinity Lutheran Church, Stillwater
 Washington County HOME/CDBG Program
 Washington County Housing & Redevelopment Authority
 Washington County Sentence-to-Serve
 Why USA Metro Brokers

Two Rivers CLT Balance Sheet				
ASSETS	9/30/2011	9/30/2010	9/30/2009	9/30/2008
Current Assets				
Cash - Checking	\$20,749	\$11,742	\$10,021	\$6,035
Cash - Money Market	\$153,506	\$263,172	\$219,774	\$213,356
Restricted Funds	\$6,980	\$12,272	\$12,830	\$13,772
Receivables - Operating Funds	\$0	\$2350	\$7,805	\$1,250
Receivables - Property Development	\$20,522	\$27,842.53	\$815	\$49,366
Prepaid Expenses	\$6,215	\$5,157	\$5,783	\$3,654
Notes Receivable	\$0	\$1,810	\$1,810	\$2,284
Property Inventory	\$862,250	\$598,003	\$656,952	\$448,002
Construction in Progress	\$431,720	\$254,923	\$290,258	\$197,378
Total Current Assets	\$1,501,941	\$1,178,074	\$1,206,049	\$935,096
Long Term Assets				
Fixed Assets - Net Depreciation	\$6,564	\$8,568	\$3,522	\$787
Investments: Land	\$2,069,264	\$1,859,264	\$1,440,764	\$1,321,793
Total Long Term Assets	\$3,577,769	\$1,867,831	\$1,444,285	\$1,322,580
TOTAL ASSETS	\$2,650,334	\$3,045,906	\$2,650,334	\$2,257,676
LIABILITIES				
Current Liabilities				
Accounts Payable - Op & Trust Acct.	\$2,362		\$1,131	\$3,552
Accounts Payable - Property Dev	\$3,549	\$6,175	\$1,309	\$45,485
Credit Line Payable - Operating	\$0	\$15,797	\$53,400	\$18,900
Employment Taxes & Accrued Exp.	\$4,729	\$10,323	\$12,325	\$13,960
Notes Payable - Construction/Mortgage	\$762,984	\$852,881	\$723,467	\$544,928
Notes Payable - HRA Forgivable (Operating)	\$0	\$0	\$40,000	
Deferred Revenue	\$107,076	\$115,988	\$81,927	\$81,927
Prepaid Maintenance Funds - Owners	\$3,653	\$4,328	\$2,294	
Prepaid Lease Revenue	\$1,250	\$2		
Total Current Liabilities	\$885,603	\$1,003,395	\$915,852	\$708,752
Long Term Liabilities				
Operating - Equipment Leases	\$0	\$0	\$1,025	\$3,056
Property Maintenance Prepayments		\$0		\$1,050
Total Long Term Liabilities	\$0		\$1,025	\$4,106
TOTAL LIABILITIES	\$885,603	\$1,003,395	\$916,877	\$712,858
NET ASSETS				
Net Assets - Unrestricted (2006/07/08/11 include land)	\$2,134,879	\$632,995	\$110,672	\$1,380,817
Net Assets - Restricted	\$0	\$222,709	\$222,812	\$133,905
Net Assets - Land	\$0	\$1,227,045	\$1,227,045	
Total Current Year Surplus (Deficit)	\$557,286	(\$40,238)	\$172,929	\$30,100
TOTAL NET ASSETS	\$2,692,165	\$2,042,511	\$1,733,458	\$1,544,822
TOTAL LIABILITIES & NET ASSETS	\$3,577,769	\$3,045,906	\$2,650,335	\$2,257,680

* Not Reflected in 2010 Total -Development Accounts Receivable in Transit 09/30/2010: \$109,8490.43

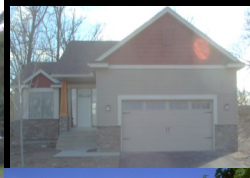
Current Homes For Sale

Acquisition and Rehabilitation of Foreclosed Homes

194 Greystone Ave N. Oakdale
\$110,000



Sold Six Homes
as of 12/1/2011



Household Information

Thirteen people

Owned by

Singe female- 2
head of household
Single male/female 3
Couple with children 1
Couple 1



8655 Iden Ave S, Cottage Grove
\$110,000



Interest Rates
4% to 5.375%

Term of the
Loans

CLT Resales



694 Gentry Ave N. Oakdale
\$105,000



Mortgage Product

MN Housing's
CASA & MMP
Bremer Bank's
Gateway
US Bank's
American
Dream



8578 88th St S
Cottage Grove
\$108,000



Thank You to our Partners Our Homeowners

"I think our home buying was about as straight forward as they go. I remember being anxious about the whole thing, and in retrospect, I didn't need to be.

5 years In– Reality of Ownership: I don't know exactly what I was expecting. I am disappointed that after \$60K in mortgage payments we have hardly paid off \$6K of our loan. With the downturn of the market, our home has not appreciated in value, so we cannot get into something that accommodates the size of our family better. However, I do not look forward to selling, packing and moving either. Nor do I think we'd find something as close to parks, a lake, a west facing driveway and picture window, and as nice a yard if we were able to move anyhow.

Why CLT?: We were able to afford a nice home in a nice neighborhood. The ones I drove past that we could have "afforded" were in the heart of St. Paul with cracked foundations and broken windows, and I only saw them from the outside. Our home was fine the way it was when we moved in and required no fixing up. For non-do-it-yourself-ers, that's the way to go.



Two Rivers Help: referrals to builders to help us modify our home to fit our family, advice on a number of things, encouragement. You've been great. "



In preparing to purchase his home in December, our buyer came in the other day— "I am so excited! Thanks for picking such a great location to build a home. I am close to the Nature Center, the fire station is near by (which saves me money for my house insurance) and there's an elementary school just down the road!"

Pending Sale 12/9/2011



I have been a realtor since 2006 and work primarily with buyers, specifically first time home buyers. There have been many buyer assistance programs. I work as a realtor with TheMLSOnline.com.



Working with Two Rivers Community Land Trust has allowed me to find homes for first time home buyers that would not otherwise be able to either qualify on their own or to find the type, size or condition of home needed for them and their families.

I had a client looking to purchase a home in the Cottage Grove area. My buyer was a single mother of two and had been renting various properties for years since her divorce. She had talked with several lenders and researched many options, but was unable to find the right program to fit her needs until she ran across Two Rivers CLT.



They provided her the assistance she needed to get into a home that met her family's need and financial situation.

Many programs would provide her with financial support, but she continued to struggle to find a suitable home in the condition she needed for her family. She did not have time or resources to paint, re-carpet, or replace missing appliances which is the case with

many foreclosures, short sales and other properties that fell into the category of what she could afford. She needed something clean and ready to move into the day she closed.

Two Rivers CLT helped identify possible home options, then acquired and renovated the home she chose and sold it to her at a price she could afford. Without Two Rivers CLT, she and her family would still be renting. They now have a house they call home.

I am privileged to work with Two Rivers Community Land Trust and know many clients have benefitted from their services that might not have otherwise been able to buy. I look forward to another successful year working together meeting the needs of buyers in the marketplace. **Heidi Hove TheMLSOnline.com 651.338.2183**

Sustainable, Affordable, Safe Homeownership

I began selling real estate in 1993 in my family's real estate business, Sandy Green Realty. Our company has always had a strong commitment to facilitate sustainable, affordable and



safe housing and to being a resource to those seeking home ownership. Sandy Loescher, the founder of our company, was instrumental in the formation of the original curriculum for the HomeStretch Workshops. We both continue to volunteer as speakers for area providers as this educational workshop helps to empower first time homebuyers and emerging markets as well as providing them



with resources and education.

Land Trusts provide the affordability assistance in the form of a partnership geared at long term success. When I began my career in the early 90's, the price of homes was not as much of an obstacle as it is today. As prices of homes as well as the cost of utilities, maintenance and transportation rise, the need for not only assistance, but a partnership in ownership came about. Thanks to the Community Land Trusts, I am able to serve my clients with the tools that they need for successful and rewarding future. Without these incredible organizations, I would not be able to assist my clients in their pursuit of the financial stability and pride that only owning your own home provides.

My work with Two Rivers has been an exceptional experience as I was able to see first hand their commitment to their mission and the compassion, responsibility and accountability that they exemplify throughout their work. I hope to continue my partnerships with land trusts as we work on our common goals and missions in the affordable home ownership arena.

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