MORE THAN THE NUMBERS

COMMUNITY PROPERTIES OF OHIO

2010 ANNUAL REPORT
COMMUNITY PROPERTIES OF OHIO MANAGEMENT SERVICES (CPOMS)

CPO Management was created in 2003 for the specific purpose of turning around a troubled portfolio of over 1,000 affordable apartments located in seven inner-city neighborhoods of Columbus, Ohio. Due to the extremely poor physical condition of units, lack of lease compliance and pervasive criminal activity, this portfolio was considered the housing of last resort and a significant source of frustration for residents, neighbors, civic associations, the City of Columbus and the U.S. Department of Housing and Urban Development (HUD).

Ohio Capital Corporation for Housing (OCCH), our parent organization, brought resources and expertise to the development effort, raising over $100 million for the renovation of the portfolio. In addition, OCCH secured federal legislation allowing the de-concentration of selected properties by transferring the rent assistance to other affordable units in the county.

With the rehabilitation completed in 2009, CPO Management continues to stabilize and maintain the CPO portfolio. Leveraging our expertise in urban, scattered-site management and core infrastructure, CPO has begun managing additional portfolios for partners of Ohio Capital Corporation for Housing.

2010 HIGHLIGHTS

• Maintained occupancy rate of 98.5%.
• Preserved quality of renovation – units appear new 6 years after completion.
• The Maintenance department completed over 1,210 work orders per month with an average of 5.6 repairs per work order.
• At-Risk resident interventions helped reduce turnover and stabilize housing—88.1% of residents at risk of eviction for non-payment, housekeeping or utility non-compliance, who participated in At-Risk resident services successfully maintained their housing.
• Legislation required for final de-concentration was secured.
• All staff were trained in Bridges Out of Poverty, Crucial Conversations and crisis intervention skills to further enhance service effectiveness.
• Zero special claims for damages or vacancy loss.

NOT YOUR TYPICAL PROPERTY MANAGEMENT COMPANY

WE ARE A HYBRID OF REAL ESTATE MANAGEMENT AND FOCUSED SUPPORTIVE SERVICES

• CPO Management implemented a "tough love" management approach, coupled with innovative supportive services designed to help residents maintain their housing. (See current programs listed on the next two pages.)

• CPO Management implemented an aggressive preventive maintenance program - all units inspected four times per year protecting the asset and fostering resident accountability where needed.

• CPO Management established the Eliminate the Elements program to dramatically reduce criminal activity within the portfolio and help protect vulnerable residents.

• Success has come through a consistent focus on both strong property management and innovative supportive services and safety initiatives, supported through CPO Impact.

Key Property Management Outcomes

- Maintain units in high quality condition, cost-effectively
- Maintain high occupancy, with residents who are successful in their housing—pay rent and abide by the lease
- Reduce turnover, increase housing stability
- Attractive, comfortable units in good condition
- Timely unit turnover
- Strict lease enforcement—foster accountability, preserve quality housing environment for those who abide by the lease
- Resident retention efforts
- Quality, timely repairs
- Customer service; positive relationships

Essential Complementary Roles

- Quality rehabilitation
- Preventive maintenance inspections
- Housekeeping inspections
- Quality, timely repairs
- Strict lease enforcement – protect the asset
- Customer service; positive relationships
- Attractive, comfortable units in good condition
- Timely unit turnover
- Strict lease enforcement—foster accountability, preserve quality housing environment for those who abide by the lease
- Resident retention efforts
- Quality, timely repairs
- Customer service; positive relationships

- Eliminate the Elements
- At-Risk resident interventions
- Referrals Upon Request
- Safe Neighborhoods—foster resident engagement
- Supportive Service programs are key portfolio amenities; residents choose to use CPO housing as a platform for growth
- Senior/Disabled Service Coordination
COMMUNITY PROPERTIES IMPACT CORPORATION (CPO IMPACT)

The CPO portfolio presents unique challenges. CPO has gone beyond traditional property management in responding to these challenges, requiring ongoing innovation and significant investment. Community Properties Impact Corporation (CPO Impact) was created to help fund CPO initiatives and support the research and development needed to design interventions that further the mission of CPO.

<table>
<thead>
<tr>
<th>OBJECTIVES</th>
<th>PROGRAMS</th>
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<tbody>
<tr>
<td><strong>STABILIZED HOUSING</strong></td>
<td><strong>SENIOR SERVICE COORDINATION</strong></td>
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<tr>
<td>We help residents succeed in CPO housing, while maintaining strict compliance with the lease. Stabilizing resident housing increases housing credibility, reduces school mobility and gives residents a platform on which to prepare for future opportunities.</td>
<td>Our severely low-income senior population is vulnerable and many have mental and physical disabilities. Service Coordinators serve in each senior/disabled building to ensure residents have access to needed resources and age in place. In 2010, 83% of our senior residents utilized these services.</td>
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<td><strong>SAFE NEIGHBORHOODS</strong></td>
<td><strong>WEINLAND PARK SAFE NEIGHBORHOOD INITIATIVE AND NEIGHBORHOOD NETWORK GATHERINGS</strong></td>
</tr>
<tr>
<td>Neighborhood safety directly affects the quality of CPO housing. Quality housing is safe housing. As long as safety is a concern to residents it will be a focus for CPO.</td>
<td>The Weinland Park-focused neighborhood engagement strategy is designed to increase resident safety and involvement in the community. Neighborhood Network Gatherings connect residents to their neighbors and community resources. In 2010, 82 residents participated in these gatherings along with 17 agencies and over 30 programs were made available.</td>
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<tr>
<td><strong>RESIDENTS MOVE BEYOND POVERTY WHERE POSSIBLE</strong></td>
<td><strong>GETTING AHEAD</strong></td>
</tr>
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<td>Subsidized housing is for those who need it, but many residents have both the desire and ability to move beyond the need for subsidized housing over time. CPO housing is a secure platform on which individuals can build their lives and opportunities.</td>
<td>Using the Getting Ahead in a Just Gettin’ by World curriculum, residents learn about the causes of poverty and the hidden rules of class, and develop their own plan to build the resources needed to move beyond poverty. In 2010, CPO graduated two 20-week sessions – our 10th and 11th graduating classes. 73% of participants successfully graduated.</td>
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<tr>
<td><strong>CPO CHILDREN BECOME SUCCESSFUL</strong></td>
<td><strong>SUMMER CAMP</strong></td>
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<td>Our greatest opportunity for impact is helping CPO children prepare for success. This includes preparing them to enter school, grow through enriching experiences, and graduate high school.</td>
<td>CPO children have the opportunity to participate in a variety of summer camp options. Through our partnerships with YMCA of Central Ohio, Godman Guild and Letting Kids Succeed, we were able to send 64 school age CPO children to camp last year for up to 10 weeks.</td>
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<tr>
<td><strong>CPO IS A COMMUNITY LEARNING LABORATORY FOR SYSTEMS &amp; COMMUNITY IMPACT</strong></td>
<td><strong>BRIDGES COMMUNITY DEVELOPMENT</strong></td>
</tr>
<tr>
<td>By bringing all stakeholders to the table we can better understand and address the issues affecting poverty in order to improve housing stability, service delivery, neighborhood safety, educational success of children, employment etc. for CPO residents.</td>
<td>Work with partners/stakeholders to establish an actively lead Bridges community which will foster cross-class dialogue regarding the realities of poverty—causes, solutions, implications for systems change.</td>
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THANK YOU TO OUR 2010 PROGRAM SPONSORS
Community Properties Impact Corporation (CPO Impact) is a 501(c)3 created for the purpose of helping Community Properties of Ohio Management Services (CPO Management) realize the three fold mission to: 1) Provide quality affordable housing; 2) Link residents with resources that stabilize their housing and; 3) Move residents beyond poverty where possible.

**AT-RISK RESIDENT PROGRAM**
Residents become at risk of losing housing due to poor housekeeping and non-payment of rent or utilities. This program helps residents at risk resolve immediate issues and connect with resources that prevent future issues. In 2010, 348 residents were referred to this program, 288 participated and 88.1% of the cases were resolved. The program’s goal is for CPO to be a good neighbor and partner within the community and be a stepping stone to greater success for CPO residents.

<table>
<thead>
<tr>
<th>CRIME</th>
<th>1ST YR 2005</th>
<th>THIS YR 2010</th>
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</thead>
<tbody>
<tr>
<td>Arrests (on property)</td>
<td>421</td>
<td>40</td>
</tr>
<tr>
<td>Felony arrests</td>
<td>107</td>
<td>23</td>
</tr>
<tr>
<td>Trespassing</td>
<td>15</td>
<td>6</td>
</tr>
<tr>
<td>Criminal Charges</td>
<td>350</td>
<td>49</td>
</tr>
<tr>
<td>Warrants</td>
<td>222</td>
<td>22</td>
</tr>
<tr>
<td>Arrests (off property)</td>
<td>3466</td>
<td>12</td>
</tr>
</tbody>
</table>

**CRIME**
Arrests (on property)
Felony arrests
Trespassing
Criminal Charges
Warrants
Arrests (off property)

**CPO EMPLOYMENT PROGRAM**
CPO residents have multiple barriers to employment such as generational poverty, lack of work experience, lack of job skills, etc. Participants in the CPO Employment Program receive the right combination of training, work experience, and job coaching in a real work setting, barrier removal support and job development/placement support. In 2010, 66% of participants successfully found employment.

**CHILDREN’S DEVELOPMENT ACCOUNT (CDA)**
CPO children receive financial deposits when they complete a variety of qualifying activities— including good grades, involvement in positive extra-curricular activities, etc. Currently there are 195 open CDA accounts and collectively, CPO children have earned $10,490. For 2010 CDA earnings, participation in extra-curricular activities was the number one benchmark, followed by satisfactory report cards.

**LOUISE SEIPEL DEPARTURE/PARTNERSHIP WITH OSU’S IPSC**
Louise Seipel, former VP of Community Relations (CPO Impact), recently accepted the position of Community Engagement Director with the International Poverty Solutions Collaborative (IPSC), an organization initiated through The Ohio State University. Through her work with CPO, Ms. Seipel laid a foundation for greater community-wide impact on poverty solutions. IPSC’s mission is to identify holistic and culturally relevant solutions for individuals, families, and communities facing poverty and its consequences. This will provide the opportunity for our continued, significant collaboration. Ms. Seipel has also been appointed to the CPO Impact Board.
COMMUNITY PROPERTIES OF OHIO MANAGEMENT SERVICES IS GROWING BEYOND OUR CPO INITIATIVE

CPO Management has been providing property management for some of Ohio Capital Corporation for Housing’s valued non-profit partners that provide incredible support services to special needs populations. These organizations have grown their successful programs to include a housing component. CPO is working with them to develop their affordable housing property management expertise.

1. YWCA, Greater Toledo, OH
   65 units
   With Shelter Plus Care and HOME subsidy this facility serves women of domestic violence, and mental or physical disabilities

2. YWCA, Youngstown, OH
   30 units
   Permanent supportive housing for homeless women and women with disabilities

3. Daybreak, Dayton, OH
   54 units
   Homeless prevention & transitional housing for young adults ages 18 to 21

PARTNERSHIPS WITH AFFORDABLE OWNERS WITHIN THE COMMUNITY

All owners of LIHTC properties can relate to the issues surrounding skyrocketing real estate taxes. In 2009, the Ohio Supreme Court issued an important ruling that made it possible for LIHTC property owners to appeal the methodology used to calculate real estate taxes. As a result, Ohio properties are averaging a 45% reduction in their tax burdens. In this tough economic environment when families need affordable housing options more than ever, CPOMS is assisting its partners to implement measures designed to lower expenses, maximize investments and improve properties.

Homeport Rental Living, a division of Columbus Housing Partnership (CHP), worked in collaboration with CPOMS (management agent) to develop and implement a capital improvement plan of approximately $500,000 by the end of 2010. This included nine affordable housing partnerships (357 units) of mostly single family homes. These partnerships realized an average of 69% savings. Not only are the properties looking their best, they are experiencing occupancy rates of 99%. Additionally, reserves have been replenished and the ongoing operations have had a positive impact on the assets.

“There is a terrific partnership between CHP and CPO. CPO presents detailed proposals that we jointly consider to come up with the best solutions for the property and the residents.”
– Bill Brett, Columbus Housing Partnership.