

2021

Annual Report

Affordable Quality • Housing Solutions



Our Lending

The Midlands Housing Trust Funds provides flexibly underwritten, low-interest loans to developers to create housing that is affordable for people who earn less than 80% of area median income. In Richland County, South Carolina for year 2021, a single person earning \$40,400 or a family of four earning \$57,680 meets the 80% of area median income threshold. In the counties served by the Midlands Housing Trust Fund, more than 250,000 households earn below 80% of area median income.

Our Impact

Affordable housing units financed by the Midlands Housing Trust Fund reduce the number of households in the region suffering from “housing cost burden,” paying more than 30% of their income for housing costs. Housing cost burden forces working adults and families to make difficult choices between keeping a roof over their heads, accessing health care or medication, buying nutritious food, or maintaining reliable transportation needed to get to and from work. Sadly, across our entire twenty-three county service area, more than 50% of all renters and 35% of homeowners are housing cost-burdened and regularly face such choices.

Our Mission

The Midlands Housing Trust Fund provides financing, technical assistance, and advocacy for the creation, preservation, and rehabilitation of affordable housing for households at or below 80% of area median income in twenty three South Carolina counties (Abbeville, Aiken, Allendale, Bamberg, Barnwell, Calhoun, Clarendon, Edgefield, Fairfield, Florence, Greenwood, Horry, Kershaw, Lexington, Lee, McCormick, Marion, Newberry, Orangeburg, Richland, Saluda, Sumter, and Williamsburg).

Affordable Housing Loans made by the Midlands Housing Trust Fund also:

- (1) Strengthen and revitalize neighborhoods;
- (2) Improve or stabilize property values;
- (3) Provide and sustain employment opportunities;
- (4) Catalyze other community development initiatives to enhance community participation, collaboration and capacity building;
- (5) Help households build financial wealth by supporting projects that revitalize or stabilize LMI neighborhoods.



February 10, 2022

From the Board of Directors Chairman

We are pleased to provide this report on the activities and accomplishments of the Midlands Housing Trust Fund for fiscal year end June 30, 2021. We extend our gratitude for collaboration opportunities with many partners, borrowers, funders, stakeholders, investors, government leaders, and friends. We are profoundly blessed by the opportunity to make a difference in the lives of the people who live in affordable housing units we help to finance.

The fund's lending activity declined during 2021 as the economy continued to be affected by the COVID-19 health pandemic. Our current loan portfolio declined slightly to approximately \$842,000 at June 30, 2021 as compared to \$995,000 at June 30, 2020. Our loan portfolio remains sound, with no troubled loans, no delinquencies, and no defaults. We continue to sustain low overall operating costs and have also managed to keep our cost of funds low.

In June 2021, the Midlands Housing Trust Fund was a recipient of an award of \$1,094,000 provided by the United States Department of Treasury and the CDFI Fund. This award was a component of the CARES Act legislation. MHTF received the award proceeds in July 2021. The benefit of this award will allow MHTF to continue to increase our capacity to attract a wider variety of investments to fund future loan capital. We continue with a formal plan to provide specific capitalization goals and objectives, with a healthy balance of debt and equity. The Midlands Housing Trust Fund continues to support its service area which now serves half of all South Carolina counties.

Over the past six years, our financing has helped with the creation and preservation of 300 units of affordable housing.

Housing within the financial means of South Carolina's citizens remains more than just shelter. The Midlands Housing Trust Fund holds a foundational belief that access to quality affordable housing is the cornerstone of family success, good health, educational achievement, individual wealth building, and thriving communities. Affordable housing remains a vital driver of quality of life in any city. It is also a critical – and often overlooked – component of sustainable, holistic community economic development.

The Midlands Housing Trust Fund remains committed to growing a sustainable organization that strengthens cities and towns across our service area through provision of loans for affordable housing creation and preservation. Lack of access to affordable housing has a host of negative effects on communities. Housing cost-burdened families experience greater stress relating to well-being, health care, retirement, transportation and overall social stability. The Midlands Housing Trust Fund seeks to reduce the number of households suffering housing cost burden to help them achieve greater prosperity.

We continue to build our capacity to finance many more affordable housing units for years to come with your support and goodwill. Thank you for being a partner in our success.

Respectfully yours,



Jeff Allen
Chairman, Board of Directors

Accomplishments to Date

Since 2012 the Midlands Housing Trust Fund has provided more than \$1.4 million on affordable housing financing that leveraged over \$36 million in funding from other public and private sources and created or preserved 361 housing units to serve more than 800 individuals.

Project Name	Project Sponsor	City	County	MHTF Investment	Other Sources	Total	# Units	# Served*	Type
LOANS ORIGINATED 2012-16				\$642,023	\$25,864,850	\$26,506,873	198	563	

LOANS ORIGINATED 2016-21

Shakespeare Crossing	Community Assistance Provider	Columbia	Richland	\$50,000	\$2,256,000	\$2,276,000	24	60	Multi-family, rental
Springwood Lakes	Community Assistance Provider	Columbia	Richland	\$180,000	\$30,000	\$210,000	4	12	Multi-family (2 duplexes), rental
Southern Realty Resource	Southern Realty Resource	Columbia	Richland	\$175,000	\$40,000	\$215,000	2	8	Single Family (2) homeownership
Howell Court Apartments	Mitchell Development	Columbia	Richland	\$292,500	\$32,500	\$325,000	34	68	Multi-family, rental
Craven Street	Community Assistance Provider	Columbia	Richland	\$36,000	\$4,000	\$40,000	1	3	Single Family (1), rental
Mason Manor Apartments	Fitch Irick Partners	Boiling Springs	Spartanburg	\$37,500	\$8,166,328	\$8,203,828	98	143	Multi-family, rental
Springwood Lakes	Southern Realty Resource	Columbia	Richland	\$117,000	\$13,000	\$130,000	2	6	Multi-family (1 duplex), rental
Camino Court	Black Contractors Association	Columbia	Richland	\$27,000	\$3,000	\$30,000	1	3	Single Family (2), homeownership
Lexington Avenue	WSW Partners	Cayce	Lexington	\$225,000	\$25,000	\$250,000	4	12	Multi-family (2 duplexes), rental
Hyatt Avenue	JMC DLC LLC	Columbia	Richland	\$81,000	\$9,000	\$90,000	2	6	Multi-family (2 duplexes), rental
Horseshoe Court	Southern Realty Resource	Columbia	Richland	\$205,000	\$20,000	\$225,000	4	12	Multi-family (1 quadplex), rental
Mayer Street	Community Assistance Provider	Columbia	Richland	\$50,000	\$6,000	\$56,000	1	4	Single Family (1), rental
Cinnaberry Point	Cinnaberry Pointe LP	Irmo	Richland	\$30,000	\$3,600,000	\$3,630,000	32	50	Multi-family, rental
Lee Court/Rugby Street	Greater Columbia CDC/Grace Ministries	Columbia	Richland	\$225,000	\$20,000	\$245,000	96	300	PreDevelopment Loan - 96 townhomes (rental)

Locations

Inside City of Columbia

Unincorporated areas of Richland County

Outside Richland County

Continued on next page.

*Total projected to be served after all construction is complete.

Accomplishments to Date ... continued from previous page

Project Name	Project Sponsor	City	County	MHTF Investment	Other Sources	Total	# Units	# Served*	Type
Windermere Ave.	Real Estate of Mind, LLC	Columbia	Richland	\$90,000	\$12,000	\$102,000	2	6	Multi-family (1 duplex), rental
Hatfield Street	Real Estate of Mind, LLC	Columbia	Richland	\$76,500	\$11,500	\$88,000	1	4	Single Family (1), homeownership
Brookridge Ave.	CDM Realty	Columbia	Richland	\$38,400	\$12,600	\$51,000	1	4	Single Family (1), rental
Byrd Ave.	Real Estate of Mind, LLC	Columbia	Richland	\$99,000	\$11,000	\$110,000	1	5	Single Family (1), homeownership
Stark Street	Real Estate of Mind, LLC	Columbia	Richland	\$70,000	\$10,000	\$80,000	1	3	Single Family (1), rental
Memorial Drive	THAN & Associates	Cayce	Lexington	\$108,000	\$12,000	\$120,000	1	5	Single Family (1), homeownership
Muller Road	Real Estate of Mind, LLC	Columbia	Richland	\$72,000	\$8,000	\$80,000	1	4	Single Family (1), homeownership
Fern Ave.	Akatsuki Holdings, LLC	Columbia	Richland	\$99,000	\$10,000	\$109,000	1	5	Single Family (1), rental
GRAND TOTALS				\$2,383,900	\$14,311,928	\$16,665,828	314	723	
				\$3,025,923	\$40,176,778	\$43,172,701	512	1,286	

Locations
Inside City of Columbia
Unincorporated areas of Richland County
Outside Richland County

*Total projected to be served after all construction is complete.

Midlands Housing Trust Fund

Statements of Financial Position for the years ended June 30, 2021 and 2020

	2021	2020
Assets		
Cash and cash equivalents	\$ 664,767	\$ 440,589
Grants receivable	1,094,000	—
Accrued interest receivable	22,274	8,644
Prepaid expenses and other assets	2,328	1,231
Loans receivable, net	799,506	888,059
Property and equipment, net of accumulated depreciation of \$5,000 and \$4,221 at June 30, 2021 and 2020, respectively	3,221	4,000
Total assets	\$ 2,586,096	\$ 1,342,523
Liabilities & Net Assets		
Accounts payable	\$ 1,443	\$ —
Notes payable	324,000	249,084
Deferred revenue	1,094,000	—
Total liabilities	1,419,443	249,084
Net Assets		
Without donor restrictions:		
Board designated	\$ 60,934	\$ 65,601
Undesignated	1,105,719	1,027,838
Total net assets	1,166,653	1,093,439
Total liabilities and net assets	\$ 2,586,096	\$ 1,342,523

Statement of Activities for the year ended June 30, 2021

Revenues, grants, contributions and other support	Without Donor Restrictions	With Donor Restrictions	Total
Grants	\$ 100,000	\$ —	\$ 100,000
Contributions	1,382	—	1,382
Program service fees	72,210	—	72,210
Miscellaneous revenue	604	—	604
Total Revenues	<u>174,196</u>	<u>—</u>	<u>174,196</u>
Net assets released from restriction	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues, grants, contributions and other support	174,196	—	174,196
Expenses			
Program services	35,795	—	35,795
Management & general	58,944	—	58,944
Fundraising	6,243	—	6,243
Total expenses	<u>100,982</u>	<u>—</u>	<u>100,982</u>
Change in net assets	73,214	—	73,214
Net assets, beginning of year	<u>\$1,093,439</u>	<u>—</u>	<u>\$1,093,439</u>
Net assets, end of year	<u>\$1,166,653</u>	<u>\$ —</u>	<u>\$1,166,653</u>

Statement of Activities for the year ended June 30, 2020

Revenues, grants, contributions and other support	Without Donor Restrictions	With Donor Restrictions	Total
Grants	\$ 163,126	\$ —	\$ 163,126
Contributions	3,019	—	3,019
Program service fees	72,992	—	72,992
Miscellaneous revenue	714	—	714
Total Revenues	<u>239,851</u>	<u>—</u>	<u>239,851</u>
Net assets released from restriction	<u>—</u>	<u>—</u>	<u>—</u>
Total revenues, grants, contributions and other support	239,851	—	239,851
Expenses			
Program services	52,918	—	52,918
Management & general	52,759	—	52,759
Fundraising	5,647	—	5,647
Total expenses	<u>111,324</u>	<u>—</u>	<u>111,324</u>
Change in net assets	128,527	—	128,527
Net assets, beginning of year	<u>964,912</u>	<u>—</u>	<u>964,912</u>
Net assets, end of year	<u>\$1,093,439</u>	<u>\$ —</u>	<u>\$1,093,439</u>

Board of Directors – Fiscal Year 2020-21

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