

2000 Annual Report

CABRILLO ECONOMIC DEVELOPMENT CORPORATION

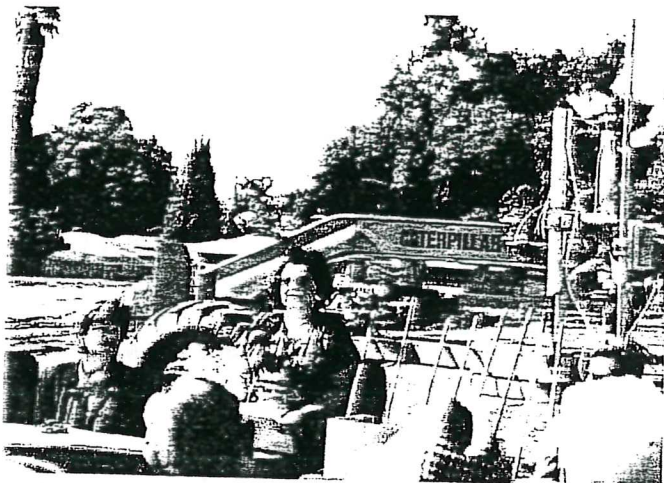
OPENING DOORS TO HOME OWNERSHIP -

"My wife, child and I were paying \$950 for a one bedroom apartment. We heard about the CEDC home ownership counseling program. After attending the workshops we were counseled one on one. We then realized we had major credit issues to take care of before we could qualify to buy a home. CEDC staff were encouraging and they worked with us over a period of time. We were finally able to obtain a mortgage loan through CEDC. We were able to obtain a low interest loan from Citibank in partnership with Neighborhood Housing Services of America. However, we were still short on the funds we needed to buy a home. CEDC then went the extra mile and made us a \$20,000 second mortgage. We bought our first house, a three bedroom home, and are now paying \$1,050 for our mortgages." - Sean and Tracie Lackey, Oxnard

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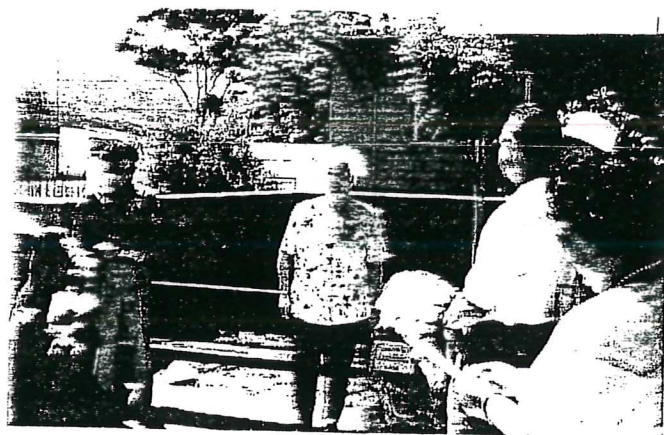
CABRILLO ECONOMIC DEVELOPMENT CORPORATION 2000 ANNUAL REPORT



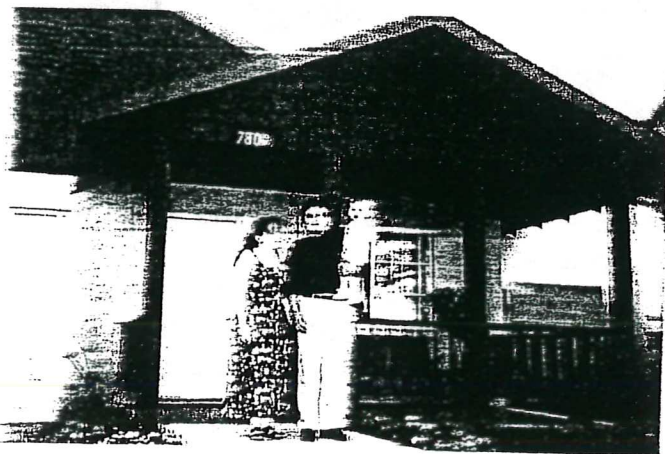
City of Santa Paula Councilwoman Laura Flores-Espinoza and Ventura County Supervisor Kathy Long at groundbreaking for CEDC'S Casa Garcia, a Family Rental Development in Santa Paula

Housing Development - The housing development portfolio continues to grow. The current level of 11 projects totaling 438 units is up from 305 of projects in predevelopment and construction in 1999. The total number of people who will be served is 2,162. The reinvestment value is approximately \$77M. Community partners include the seven cities of Camarillo, Fillmore, Moorpark, Ojai, Oxnard, Santa Paula and Simi Valley. The diversified portfolio consists of 137 units for sale, or 31%, and 301 rental units, or 69%. Seventy one percent (71%), or 311 units are targeted for very low income, 15% or 67 units for low income, and 14% or 60 units for moderate income. During 2000 construction was completed on two family rental projects totaling 24

The American Dream- *"We spent the night in the park to apply for our first home in El Paseo, a 190-unit, all low-income, for sale project in Oxnard. We were No. 9 on the list. The company that handled the qualifying found that we did not qualify and rejected our application. We turned to CEDC. After reviewing our case the staff advised us as to what we had to do to qualify, encouraged us and then we went through the home ownership counseling classes. After 11 months of follow up work on our part, CEDC was able to assist us to obtain a 5.5% loan with World Savings. We will be forever indebted to CEDC."* - Paul Brown and Sandra Hernandez, Oxnard



Casa Garcia named in honor of Roy Garcia, Santa Paula Civic Activist. Guest of Honor Thelma Garcia at Casa Garcia Dedication

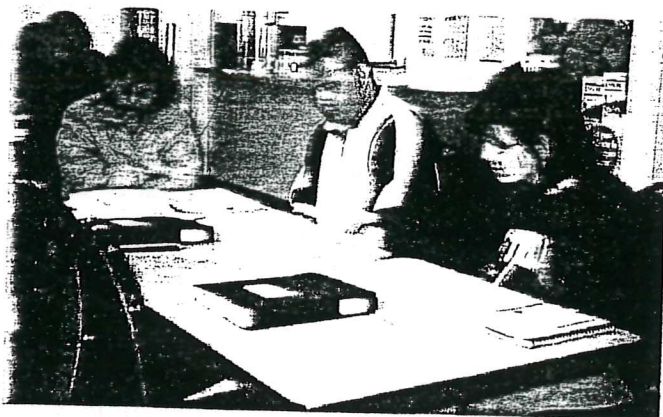


A young family in their new Fillmore Home.

units in Santa Paula and Camarillo. In addition, by the end of 2000 construction was close to starting on two projects totaling 84 units. A project in Ojai, is an all low-income first time home buyer project, while the other is a 59-unit, mixed income for sale project in Moorpark. Fifteen (15) of these units will be for very low and low-income buyers and 44 for moderate income families. Our home ownership counseling division coordinated marketing for these two projects and 493 families signed up for the 84 homes! Finally, six new projects totaling 237 units were added to the portfolio including five to be constructed in the city of Oxnard. Included are two projects for farmworker families which total 111 units.

At last a decent, affordable place to live - "I am a Directory Assistance Operator with Verizon. As a single parent, with four kids, I was paying \$750 per month rent for a run down, two-bedroom place with no heat or hot running water. I applied to the CEDC for an apartment in Casa Garcia, a new 14-unit family rental complex. We qualified and moved in June. My rent is now \$650 per month for a three-bedroom unit, with central heating, and two bathrooms. My sons, daughters and I finally have a decent, affordable place of our own. We are a happy, healthy family thanks to CEDC." Donna Johnson, Santa Paula.

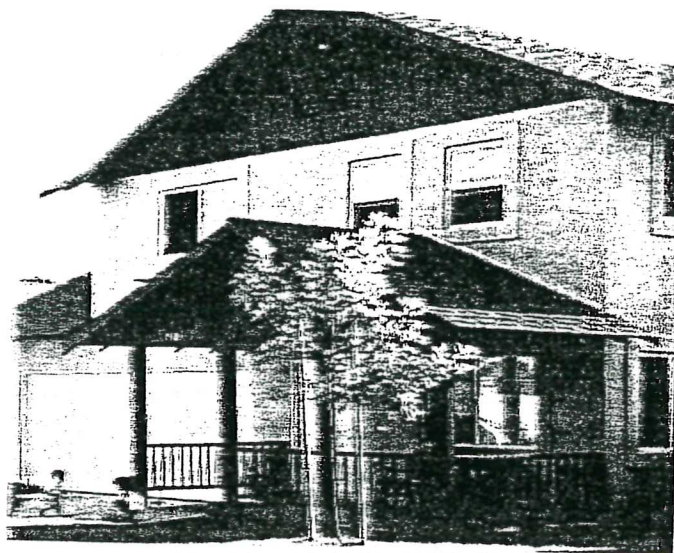
Home Ownership Counseling and Lending - 2000 was the fourth year of operations for our newest business line. The division continues its phenomenal growth pattern. During 2000 450 people were counseled through 20 workshops in both English and Spanish. 140 families were assisted who became homeowners for the first time. In total, the division assisted 700 people during the year. As we increased our lending capacity 45 loans were originated and closed representing \$6.1M in mortgages. CEDC was the Number Two loan producer in the country under our lender partner, the Neighborhood Housing Services of America. To



CEDC'S Homeownership Counseling Workshop

guide the future, staff prepared and the Board approved, a three-year Business Plan developed in partnership with the Pacific District, Neighborhood Reinvestment Corporation (NRC). New initiatives were begun including Housing Rehabilitation lending

and a Section 8 Public Housing Home Ownership program, in partnership with all 5 local public housing authorities. Through a special NRC initiative, Wells Fargo Bank selected CEDC as one of 10 groups in the country to receive a three year commitment for grant support.



A two-story Fillmore Home.

Community Building - A new staff person was hired to provide community building services to our 150-unit Santa Paulan senior project. Completing a three-year training and capacity building effort all five CEDC property management on site managers took on responsibility for community building activities at all seven managed properties. Staff organized Santa Paula Community Building 2010, a collaborative of groups in Santa Paula, to pursue funding to improve computer and digital divide resources in the community. A plan was approved by the board of directors to increase community building staff resources in the housing development division and to continue to seek funding to support two community building initiatives in Santa Paula and La Colonia, Oxnard.

Property Management - The property management division added two new family rental projects totaling 24 units to its portfolio of managed properties. The division now manages 7 properties totaling 264 units serving 840 people. The average vacancy rate for the site portfolio was 1.7%.

Saved by CEDC from Foreclosure - "I am a working mom with three children ages 3, 5, and 6. I got into an unfortunate relationship that almost cost me my home. Without my knowledge my house payments were not made for 8 months. When I found out about this situation my lender was already in foreclosure proceedings. I was then referred to CEDC. In three weeks, they were able to advise me, negotiate a settlement with my lender, and saved my family from losing our home." - Margarita Medrano, Oxnard

Housing and Economic Development Policy -

Locally, CEDC staff participated as a member of the Housing Task Force of the Ventura County Economic Development Association (VCEDA). The Task Force seeks to improve policy and increase production of affordable housing throughout the county. We also participated in the Ventura County Living Wage Coalition and supported it to improve living wages. The Director was invited to participate in the planning of a proposed Regional Civic Leadership Network sponsored by the Ventura County Community Foundation. CEDC was also involved in the formation of a National Rural Network, as a member of the Stand Up for Rural America Committee guided by Rural LISC.

Board of Directors - The Board led a process to develop a Strategic Plan 2005 for the company. The input and assessment phase included forty interviews with a wide variety of stakeholders, a focus group meeting that included 15 stakeholders, and additional sessions by the CEDC management team and board of directors. The Plan is due in April. Four new board members were added to the board.

Administration/Human Resources/Accounting -

A new Administrative Assistant/Receptionist was added to the staff early in the year. A new phone system was installed. Additional computers, network server, e-mail, and Internet services were purchased. Late in the year a new Office Manager/Human Resources Officer was added to the staff to increase our capacity in these important areas. Our NRC partner provided valuable grant and technical

support to make the above three goals obtainable. Finally, the accounting division went through reorganization as two new bookkeepers were added to the staff under the leadership of our contract Controller and Accounting Manager.

Resource Development/ Finances - 2000 was a good financial year for the corporation. Revenues were up over 1999 levels. Total revenues were \$1,972,912, an increase of \$439,503, or 29% over the 1999 level of \$1,533,409. Total operating expenses were \$1,358,479 compared to \$1,058,222 for 1999, an increase of \$300,257, or 28%. No operating line of credit was required during the year. Reserves are projected to be \$185,000 on a non-cash basis, until the third quarter of 2001.

2001 Outlook - In 2001 CEDC will celebrate its 20-year anniversary with a special event planned for the fall. In the Spring we will publish a five-year Strategic Plan and add new community board representatives. A Home Ownership Center will be opened in June. Our housing construction production will continue to increase as 51 units in Ojai and Moorpark will be in construction. To keep pace with our growth we will be expanding our headquarters and adding new staff in the first half of the year. Finally, CEDC will be more involved in local housing policy and regional issues throughout the year.



CEDC hosts National Rural LISC Conference in Ventura County

PARTNERS, INVESTORS, LENDERS AND FUNDERS
We thank you.

Affinity Bank	First Federal Bank
American Commercial Bank	Local Initiative Support Corporation (LISC)
Bank of America	Low Income Housing Fund
Cal Fed	National Council of La Raza
California Equity Fund	Neighborhood Housing Services of America
Camarillo Community Bank	Neighborhood Reinvestment Corporation
Citibank	Prudential Insurance
City National Bank	Rural LISC
City of Camarillo	Santa Barbara Bank and Trust
City of Fillmore	State Farm Insurance
City of Moorpark	State of California, Department of Housing and Community Development
City of Ojai	Southern California Edison
City of Oxnard	United Way of Ventura County
City of Oxnard Police Department, Weed and Seed	U. S. Department of Housing and Urban Develop- ment
City of San Buenaventura	Ventura County Community Foundation
City of Simi Valley	Washington Mutual
County of Ventura	Wells Fargo Bank
Enterprise Foundation	Westside Neighborhood Council
Fannie Mae Foundation	World Savings
F. B. Heron Foundation	

A copy of the 2000 Audited Financial Statements will be sent separately.

Other interested parties may inquire at 805-659-3791.