

2007 ANNUAL REPORT

Our mission is to develop affordable housing through a community building approach.

ANNIVERSARY MESSAGE

2001 represented the 20-year anniversary of the CEDC. From humble roots in Cabrillo Village, a farmworker labor camp that became a model in the country for farmworker led community economic development self help, we have grown to serve the broader community. Since our incorporation in 1981, the CEDC has developed 773 units, serving nine communities and over 4,000 people, representing \$57 million dollars in economic reinvestment into our economy. Our housing production serves both rural and urban areas, and has resulted in 249 homes and 524 apartments.

Our community partners include the communities of Camarillo, Fillmore, Moorpark, Ojai, Oxnard, San Buenaventura, Santa Paula, Simi Valley, and Ventura County. We especially want to thank the County of Ventura for its financial and policy support

over the years. Thanks also to our many individual, corporate and foundation supporters. Our success is linked to your support.

The corporation has been led over the years by great volunteers on our Board of Directors. Their vision, dedication, and leadership have guided the CEDC over the years. We thank them all. And finally, we want to thank the staff for their professional commitment to improving the quality of life for so many people. Their commitment and professionalism have sparked our success.

2001 was a milestone year in our history. We present you our 2001 annual report.

Thank you.

— BOARD PRESIDENT DAVID SABEDRA,
FIRST CALIFORNIA BANK

Congratulations to Cabrillo Economic Development Corporation for its commitment to providing housing assistance over the past 20 years to all communities in Ventura County.

CEDC has actively served residents of Ventura and Santa Barbara Counties since 1981. During that time, 773 units of affordable housing have been developed in Ventura County to meet the needs of families in search of the dream of home ownership and families needing decent rental housing. CEDC is a strong community housing leader, willing to work in partnership with government and business to create housing opportunities that benefit our hard-working residents.

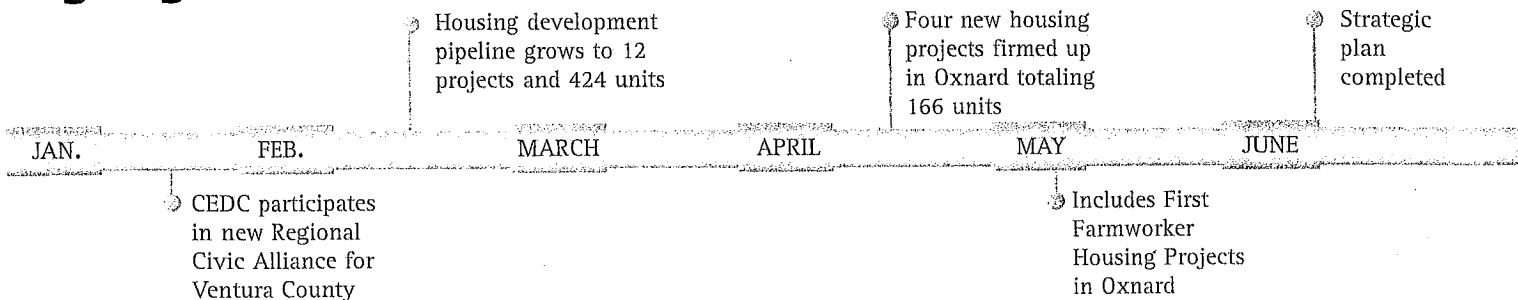
I look forward to the continued leadership of CEDC in Ventura County as we work together to provide quality housing in our communities. Congratulations on 20 years of excellent service!

*Kathy Long, Supervisor, Third District
Ventura County Board of Supervisors*



County Supervisors Kathy Long and Steve Bennett help celebrate the grand opening of CEDC's Home Ownership Center in Saticoy.

Highlights for Fiscal Year 2001



A United Way of Ventura County Agency

HOME OWNERSHIP COUNSELING AND LOAN PACKAGING

In 2001, the CEDC opened a new countywide Home Ownership Center in Saticoy.

The center provides one-stop services for families and individuals interested in becoming homeowners. Full-cycle services include home ownership orientations, pre-purchase workshops, post-purchase classes and mortgage loan packaging services. CEDC is a certified NeighborWorks® member of the Neighborhood Reinvestment Corporation (NRC).

The Center provided 24 counseling workshops in English and Spanish throughout the year and served over 500 people. A total of 75 families were assisted to become homeowners. This includes 18 loans that the CEDC packaged totaling \$3,195,231 million in mortgages. Another 8 families were assisted with foreclosure prevention totaling \$1.5 million.

Neighborhood Housing Services of America continues to be a lead CEDC partner along with Citibank and World Savings as lead lenders. Thanks to our many lenders, insurance companies, and community partners. Please see the back of this report for a complete listing.

In June, the CEDC partnered with NRC to sponsor a NeighborWorks® Week activity in La Colonia, Oxnard. Working in partnership with the Colonia Network group and volunteers from Washington Mutual Bank two dilapidated homes were painted and cleaned up.

A Community Development Financial Institution (CDFI) application was prepared to the Department of the Treasury, as the CEDC created a new subsidiary corporation that will provide new expanded capital for the Center in the future

Tanya Porsche, a single mother with six children, was on the family self-sufficiency program offered by the Area Housing Authority of Ventura County and wanted to be able to own a home.

Tanya graduated from the program and became a CPA. Yet, she was still unable to obtain a home loan. CEDC helped her qualify for a home loan and she is now a happy home owner.

At right, Tanya shares her success story at the CEDC's Home Ownership Center grand opening on September 29, 2001.



PROPERTY MANAGEMENT

The property management division continues to perform extremely well. New division management was selected as two staff were promoted to Division Manager and Assistant Manager. The portfolio consists of seven properties totaling 270 units. The combined vacancy rate is less than two percent. On-site managers continue to implement community building activities and programs at each of the sites that focus leadership activities on youth, parents, and families.

● Construction of 84 homes in Moorpark and Ojai begin

● Opening of Home Ownership Center in Saticoy

● Yissel Barrajas, who grew up in Cabrillo Village, hired as New Housing Development Project Manager

JULY

AUG.

SEPT.

OCT.

NOV.

DEC.

● CEDC headquarters expanded

● CEDC selected as Developer of the Year by Southern California Association of Nonprofit Housing

A NeighborWorks® member of the Neighborhood Reinvestment Corporation

PARTNERS, INVESTORS,
LENDERS AND FUNDERS
WE THANK YOU

Affinity Bank	Freddie Mac
Allstate Insurance	Housing Assistance Council (HAC)
Mid State Bank & Trust	Local Initiatives Support Corporation (LISC)
Bank of America	Low Income Housing Fund
British Petroleum	Mercy Loan Fund
California Federal Bank	Mike and Loretta Merewether
California Network	National Council of La Raza
California Equity Fund	Neighborhood Housing Services of America
Catholic Health Care West	Neighborhood Reinvestment Corporation
Citibank	Oxnard Networking Committee
City of Camarillo	Providian Financial Corporation
City of Fillmore	Prudential Insurance
City of Moorpark	Rural Communities Assistance Corporation (RCAC)
City of Ojai	Rural Development, U.S.D.A.
City of Oxnard	Rural LISC
City of Oxnard Police Department, Weed and Seed	Schuepbach and Associates
City of San Buenaventura	Santa Barbara Bank and Trust
City of Simi Valley	State Farm Insurance
County of Ventura	State of California, Department of Housing and Community Development
Edison Capital	United Way of Ventura County
Enterprise Foundation	U.S. Department of Housing and Urban Development
Fannie Mae Foundation	Ventura County Community Foundation
F.B. Heron Foundation	Washington Mutual
First American Title	Wells Fargo Bank
Mercy Loan Fund	Westside Community Council
First California Bank	World Savings
FleetBoston Financial Corporation	

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FINANCIAL SUMMARY

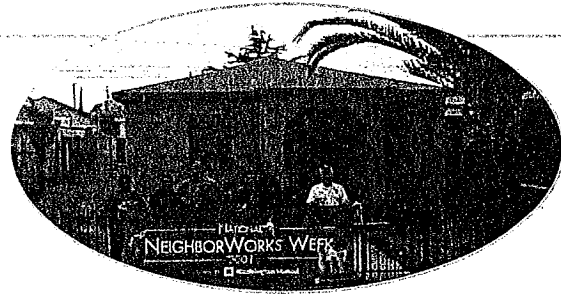
2001 was a year of financial progress for the company. Preliminary year-end financials resulted in a profit of \$11,519 on revenues of \$1,759,389 and expenses of \$1,747,800. Revenues were unrealized by \$249,000 for the period, due to delays in both the Moorpark and Ojai housing development approvals, resulting in an operating deficit, which was eliminated in overall operations. An operating line of credit of \$150,000 with Mid-State bank and a predevelopment line of credit of \$250,000 with First California Bank, provided important lines of capital for both operations and development activities. The forecast for 2002 and 2003 will see the company's cash, reserves and operating revenue position improve, as housing development production grows incrementally each year. An independent year-end audit is underway and is available upon request.

2002 PREVIEW

The housing development division will focus on completing 51 units in Ojai and Moorpark. Predevelopment work will continue on the pipeline. The goal is to move four projects totaling 185 units to construction starts in 2003, a high for the corporation. These include projects in Simi Valley and Moorpark and two in Oxnard. Five new projects totaling 235 units would be firming up in Buellton, Fillmore, Saticoy and Ventura city. Management initiates a new Business Plan to guide the housing division.

A Capital Campaign to raise \$10 million in housing development capital is under way. The First Annual CEDC Countywide Affordable Housing Conference will be held in the fall of 2002.

The homeownership center will focus on closing 32 CEDC loans in Ojai and Moorpark and expanding the loan production and special loan programs for existing "high income" public housing families. A new Marketing Plan will be put in place, as a new Business Plan is completed, as management moves to increase loan packaging production in a very difficult market. The Center will expand its counseling services by adding orientation classes to existing counseling classes. A total of 60 classes would be held serving 1,300 people. The CEDC Certified Development Financial Institution (CDFI) will become certified and we will start operations by developing a Capital Plan and improving loan service systems.



As part of National NeighborWorks® week, CEDC partnered with Washington Mutual, the Oxnard Police Department, Weed and Seed Program, Oxnard Networking Committee and other community based organizations to sponsor a rehabilitation project at 503 Roosevelt Avenue in Oxnard. The house, owned by a 97-year-old woman who is now in a nursing home, was vacant and in great need of cleaning, painting and landscaping. The cleanup event was held on June 2, 2001.

National NeighborWorks Week, now in its 18th year, is a celebration of the accomplishments of the NeighborWorks network working in more than 1,500 communities across the nation. During this week, residents, business people, government officials and other volunteers work side by side to help rehabilitate homes, improve playgrounds, conduct neighborhood tours and participate in various other projects designed to improve communities across the country.



CEDC's Roosevelt Avenue event centered on the complete cleaning and renovation of front and back yards and exterior painting of the house. Because the house had been vacant for several months, the landscaping had not been maintained. The house appeared abandoned and trash was accumulating.



The CEDC-led team worked long and hard all day to clear the yard, paint the house, put up fencing and even planted flowers. By the end of the day the property was completely transformed!

An affiliate of the National Council of La Raza

HOUSING DEVELOPMENT

The division portfolio of projects in predevelopment expanded to 12 projects totaling 424 units that will serve approximately 2,000 people in Oxnard, Simi Valley, Moorpark, Ojai, and Santa Paula, with an estimated value of \$65 million. The portfolio consists of 248 rental units and 176 homes. Construction started on two single family projects in Moorpark and Ojai. A total of 51 units are under construction. These consist of 26 affordable and market rate homes in Moorpark and 25 affordable homes in Ojai. A fourth Project Manager was added to the division to keep pace with growth. Another five projects totaling 235 units in Ventura, Fillmore, Saticoy and Buellton are in the feasibility stage for 2002.

The CEDC was selected Developer of the Year, by the Southern California Association of Non Profit Housing, a Southern California affordable housing trade association. We are also actively working with the Ventura County Economic Development Association to promote and increase the supply of new affordable housing, by serving on a new organization called HOME. HOME is Housing Opportunities Made Easier and is a volunteer effort by the business community to address the affordable housing crisis.

Special thanks to our predevelopment lenders for their support. These include Catholic Health Care West, the Enterprise Foundation, Rural LISC, LA LISC, NRC, and Rural Communities Assistance Corp.

BOARD OF DIRECTORS AND STRATEGIC PLAN

The board of directors and management completed a new five-year Strategic Plan. The Plan included a year-long process that included stakeholder interviews, surveys, and a focus group of stakeholders. The process was led by management consultant Mark Levine. Financial support was provided by the Pacific District of the Neighborhood Reinvestment Corporation. Highlights of the Plan include a goal for the production of 1,000 new housing units, creation of a \$10 million dollar housing development fund, and increasing the loan packaging capacity to 150 annual loans.

I lost my husband six years ago after 62 years of marriage. One of my children insisted that I must come live with him and his family. I did. They were wonderful to me but children don't realize that just because we are old, it doesn't mean that we can't make our own decisions. I longed for a place of my own. Independence is so important to older people.



Teddy at the pool.

My other son, who lives in Santa Paula, told me about the Santa Paulan Senior Apartments. I moved here in February, 2001. It was beautiful and I could afford it. Carmita Wood, the Activity Coordinator (also a tenant) said that in summer, she goes to the pool every day to exercise. I decided to join her. I have been handicapped from polio since I was a child, but that doesn't stop me from swimming. We met almost every day at the pool last summer and I can't wait until it opens again in April.

This place is so lovely and well maintained. The people are friendly but do not intrude on my privacy. I will be 87 in May of this year and enjoy the peace of my life and the feeling of belonging to a community where people care about me.

Teddy McCauley, resident, Santa Paulan Apartments

COMMUNITY BUILDING

Two external community building activities focused on regional policy and providing organization development management assistance to a fellow non-profit service group. CEDC is actively involved in the newly created Regional Civic Alliance for Ventura County (RCA). RCA is a regional civic group whose mission is to address unmet regional policy issues by increasing civic engagement toward sustainable smart growth. Funded by the Irvine Foundation and managed by the Ventura County Community Foundation, RCA is one of 21 Civic Regional Initiatives in the state.

CEDC is also providing organization development assistance to El Concilio del Condado de Ventura, the primary Latino service organization serving the county. We are assisting them to do strategic planning, organization development, and providing ongoing mentor support to the new Executive Director. We are also involved in supporting community development activities in La Colonia, Oxnard, and the cities of Ventura and Santa Paula.