



CountyCorp
Development In Motion

2005 REPORT TO THE COMMUNITY



Letter from the Chair and President

Development in Motion, CountyCorp's new tagline, serves not only to capture the essence of this year's activities and events, but, along with the "Walking C" icon, signifies our past 25 years and our future path. Fiscal Year 2005 was a year of constant motion and new opportunities at CountyCorp. Marni Flagel, who founded and grew the agency to one with an unparalleled reputation for action with integrity, retired in July 2005. We thank her for her vision and dedication. The Board of Trustees, after careful deliberation, appointed Stephen Naas to lead the organization into its next quarter century.

The definition of the word "move" is to *progress to a particular state or condition*. In order to help businesses, families, and individuals make forward progress in commercial enterprise and personally, as well as make a difference in neighborhoods and communities, we have:

- invested federal, state, and local dollars and leveraged additional sources of funding;
- played an integral role in ensuring low fixed interest, longer term financing for business owners;
- partnered with a private developer to construct 11 new affordable homes;
- transferred homeownership to 20 HomeStart Inc. families; and
- delivered on the promise that CountyCorp Mortgage would be a safe alternative to questionable lending by offering affordable loan products.

Success breeds success and looking forward we recognize and honor our past quarter century of work and identify and embrace new ideas with renewed energy. In evaluating our path we ensure that our efforts will have the greatest impact despite the reality of dwindling public resources. To that end, Fiscal Year 2006 will see us move towards:

- enhanced efforts to leverage our work with private sector partners;
- the completion of the affordable McKinley Commons homes;
- concentrated and coordinated activity in housing and economic development in identified neighborhoods for visible, substantial impact;
- working to more effectively cross-sell our products and services; and
- building on our solid reputation as the development company of choice for small businesses and homeowners.

CountyCorp, with 25 years in the industry, a well-qualified staff, and an excellent reputation for service, is well poised to meet all of these new opportunities head on. We welcome you to walk with us along our path and join us in our mission to improve the economic and housing conditions of our neighborhoods and communities.



Stephen Naas, President
CountyCorp



John Edwards, Chair
Board of Trustees

FISCAL YEAR 2005 HIGHLIGHTS

ECONOMIC DEVELOPMENT

Closed 24 loans totaling \$4,710,000.

Leveraged \$6.2 million in bank financing; \$1.7 million of owner's equity.

Created 144 jobs in our service area.

Passed all five SBA 504 benchmarks for portfolio quality each month during the year.

Began Fiscal Year 2006 with 20 approved loans totaling \$9,000,000.

HOUSING

Impacted 158 units of housing for a total expenditure of \$2,110,000.

Awarded over \$900,000 in Housing Trust funds to seven projects to benefit an additional 198 housing units.

Transferred ownership of 20 HomeStart I homes to their resident families.

Assisted over 200 clients in the Credit Repair Program.

Initiated redevelopment of the former Ft. McKinley School site for affordable housing.

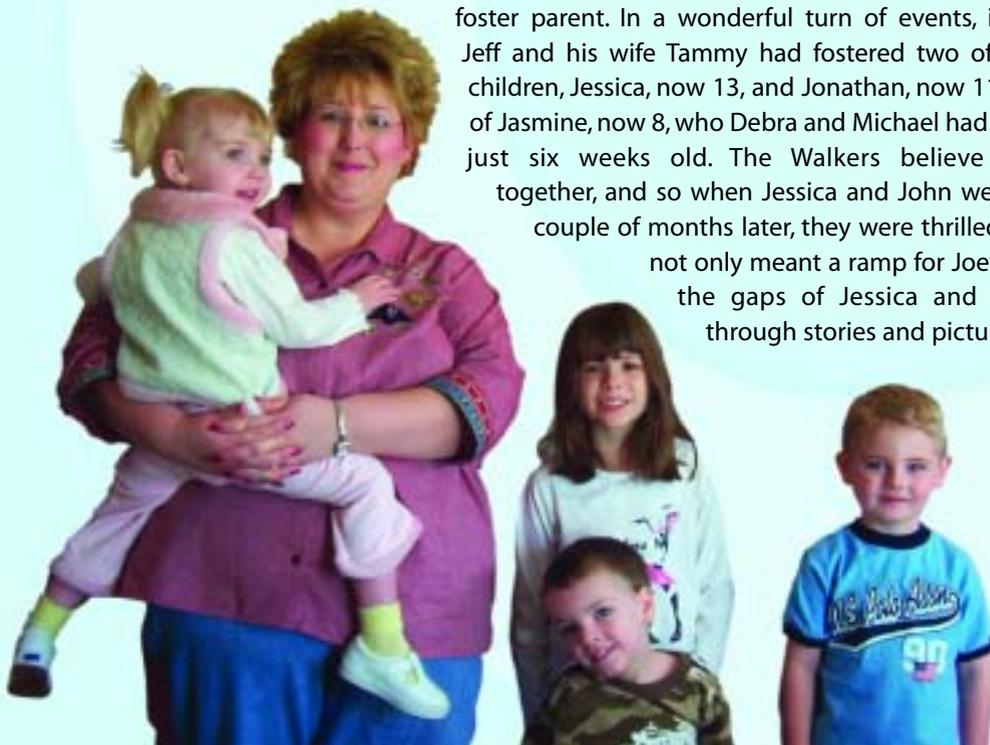
Implemented FHA 203K program to provide rehabilitation funds for homebuyers or homeowners refinancing.

Mom in Motion

Move: To progress to a particular state or condition. As in greater accessibility. **Debra and Michael Walker**, married for 13 years, are parents to six adopted children and three foster children. In those eight years, the Walkers have cared for 17 children in total. Debra is a Mom in motion as her typical day starts at 6:30 a.m. when the kids arise to get ready for school, then the day unfolds at a hectic pace until the little ones go off to bed at 8 p.m.

The Walkers' story is a heartwarming, moving one with a pinch of astonishment thrown in for good measure. The Walkers used CountyCorp's homeowner accessibility loan program when a ramp was needed for their son **Joey**, 3, who is in a wheelchair/stroller, but on good days moves around with the aid of a walker. As Debra noted, "I knew of CountyCorp from my Mom who urged me to call to see if we would be eligible for a program to get the ramp constructed." The Walkers needed a ramp for Joey because the exertion of lifting the wheelchair/stroller up and down their front steps was getting difficult. Debra told us, "The ramp means Joey can be independent. He can use his walker to play on the porch area with the other children. He doesn't have to be isolated." Joey can play with his siblings without Debra worrying about his safety.

The ramp means independent movement for Joey, but there is more to this story. CountyCorp wrote the specs and put the job out to bid. One of the contractors who bid on the job was **Jeff Wysong**. During the bid process, Debra asked CountyCorp if Wysong had possibly been a foster parent. In a wonderful turn of events, it was discovered that Jeff and his wife Tammy had fostered two of the Walkers' adopted children, Jessica, now 13, and Jonathan, now 11. They are the siblings of Jasmine, now 8, who Debra and Michael had fostered when she was just six weeks old. The Walkers believe in keeping siblings together, and so when Jessica and John were placed with them a couple of months later, they were thrilled. Finding Jeff Wysong not only meant a ramp for Joey, but a chance to fill in the gaps of Jessica and Jonathan's childhood through stories and pictures.



housing

CountyCorp
Celebrates
25 Years

March, 1980 - CountyCorp began operations.

March, 1980 - First Ohio County Urban Homesteading Program.

April, 1982 - Became a
Certified Development
Company for the Small Business
Administration.

July, 1983 - CDBG
Business Loan Fund
established in
Montgomery County.

1980

1981

1982

1983



People In Motion

Move: To progress to a particular state or condition. As in to homeownership. In February of 2005, 20 families of the HomeStart I partnership became the first of the 100 families of **HomeStart Inc.** to move from rental to owning their homes. Fifteen years of HomeStart I came to an end for the families, who were the first in Montgomery County, and, some of the first in the state of Ohio, to successfully complete a low-income housing tax credit program that provided long-term affordable housing.

In 1988, CountyCorp created HomeStart Inc., one of the first in the country to utilize low-income housing tax credits to purchase deteriorated properties and rehabilitate 100 single family properties. The transfer of these 20 houses represents the end of the initial

phase of six partnerships established over six years. With the support of **Montgomery County, CountyCorp** set in motion HomeStart I, a successful partnership between HomeStart Inc. and **KeyBank** who provided debt and equity financing. The HomeStart program is a solid investment the partners, the residents, and the community.

Many of the HomeStart families came into the program with small children and large dreams of homeownership, and those dreams came true this year. Through the 15 years, nine original tenants built sufficient equity to get their home mortgage-free. The remaining families now have mortgages based on a credit for the number of years they had lived in the house. The value of the homes grew 70% during the span of the partnership.

Sharon Christian, a HomeStart participant and board member, noted, "The HomeStart program was great and becoming a homeowner means having security. I won't have to look for somewhere else to move and I can make changes whenever I like."

To celebrate the movement to homeownership, **Montgomery County Commissioners Curran, Lieberman, and Pegg** proclaimed the week of February 10 – 17, 2005 HomeStart Week.



September, 1984 - HUD Award for Commercial Revitalization Rebate Program.

June, 1988 - Created Homestart.

October, 1988 - HUD Award of Excellence.

CountyCorp Mortgage in Motion

Move: To progress to a particular state or condition. As in working toward a goal. **CountyCorp Mortgage**, created in May 2004, became the first non-profit in the State of Ohio to enter into an affiliated business arrangement with a for-profit mortgage company. The goal of this unique partnership between CountyCorp and **National City Mortgage** was to focus on education and lending programs geared specifically to low- and moderate-income homeowners and homebuyers. Today, the results are encouraging.



CountyCorp Mortgage specializes in offering the best, most affordable loan programs to meet the needs of the client. As of August 31, 2005, CountyCorp Mortgage had closed 101 loans for a total of \$8.7 million. Forty-one percent (41%) of these loans were to minorities, and 69% were to single, female heads of households. The average income of the borrowers was \$41,250. The average loan amount was \$86,000, and 75% of all the loans were under \$100,000.

CountyCorp Mortgage now offers the FHA 203K program to provide the opportunity for homebuyers to include the cost of home improvements in their loan. The 203K program can also be used to refinance a mortgage to do rehabilitation work.

CountyCorp Mortgage provides a safe alternative to questionable loans in this changing lending environment.



Company in Motion: Mound Manufacturing Center, Inc.

Move: To progress to a particular state or condition.

As in ownership of equipment. **Mound Manufacturing Center, Inc.** was one of the first businesses to be commercialized on the Mound site when they formed in 1994. In 11 years they have grown to 13 employees occupying 9,000 sq. feet and



have quadrupled their sales over that time. CountyCorp's loan helped solidify the ownership of, and procure, additional equipment such as high precision grinders. These allow increased capacity and room for business growth. Al Hodapp, President, says, "We are a one-stop shop for precision machining and fabrication; that enables us to start a product and process it to the end. We work with customers to help develop ideas and deliver prototypes."

Serving nearly 150 businesses that span industries from aerospace to auto, from medical to research and development, Mound Manufacturing specializes in, as Hodapp notes, "tough-to-machine materials." Materials such as high-grade stainless steel that performs well in changing environments. Environments like

those that some of the components built for experiments on the space shuttle may undergo or even those components that are now on Mars! Mound Manufacturing machines to tight tolerances and makes products such as gauges, fixtures, and piece parts. Quality and customer satisfaction are the tenets on which Mound Manufacturing bases its approach to business development.

economic development

February, 1991 - Began State 166 Program in 8 Counties.

August, 1992 - Partnered with for-profit company in multi-family new construction.

July, 1993 - Initiated Down Payment Assistance.

April, 1994 - Established Day Care Revolving Loan Fund.

1990

1991

1992

1993

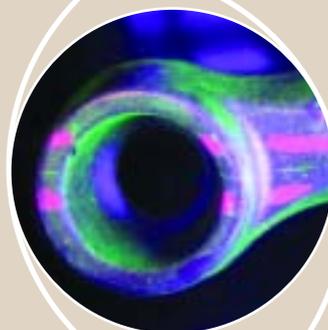
1994

1995

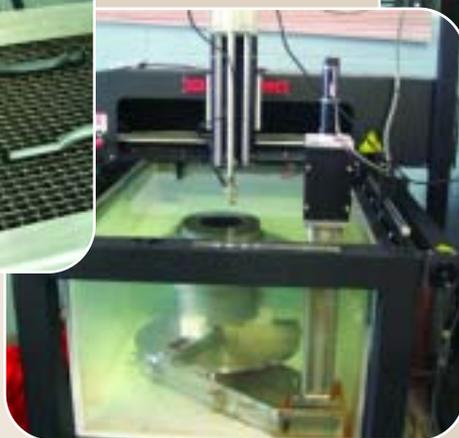
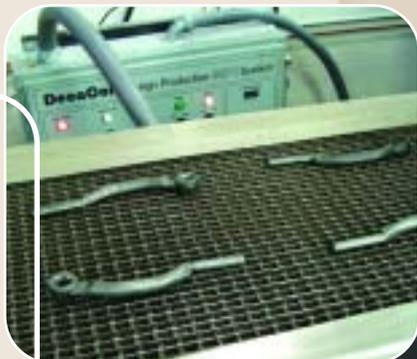
Company in Motion: American Testing Service

Move: To progress to a particular state or condition. As in more efficient business equipment and a new facility. Working with CountyCorp and **National City Bank**, Chris Small was able to purchase a Phased Array Ultrasonic Immersion unit which makes his company, **American Testing Services**, the first independent lab in the state of Ohio with this specialized equipment. Working with companies that deal with motion of all sorts such as automobiles, airplanes, and roller coasters, the Phased Array unit is used to detect discontinuity in parts. This type of inspection is but one method of non-destructive testing for problems, such as cracks, corrosion, or cavities that will result in catastrophic failure. Chris and his staff of 15 use a variety of means to test parts such as brakes, steering components, and landing gear.

American Testing Services also goes "on the road" to test for cracks such as in the welds on pipelines of utility companies. They contract with the two major amusement parks in Ohio and travel to inspect their roller coasters. Chris noted, "We provide testing services to the aerospace, amusement park, automotive, commercial fabricating, foundry, manufacturing, and military industries. We are able to mobilize virtually every non-destructive testing method to the field that we do in our laboratory." Even the Phased Array unit is portable to enable field inspections; it's quicker and can result in greater efficiency and information for the customer.



American Testing Services is a company on the move. They have recently relocated to a 13,100 square foot facility where they engage in what Chris describes as "Weird Science." Asked about how he got into the business, Chris replied, "Like many, I didn't know much about the business. I got into it by accident. Back in 1982 my Dad used to deliver to Dayton X-Ray which was one of the oldest labs in the country at that time. I went to work for them and in 2002 started my own business." Chris is planning to purchase the building they now occupy and has increased his staff by three this year with plans for another three to four employees in the near future.



July, 1996 -
Lease Purchase
Program
began.

October, 1996 - Extended
housing opportunities for
people with disabilities.

October, 1998 - HUD's
Ohio Best Practice Award
for Lease Purchase.

October, 1999 - Assumed
Montgomery County
Housing Trust Fund.

July, 2001 - Became
Community Development
Finance Institution
through U.S. Treasury.

1996

1997

1998

1999

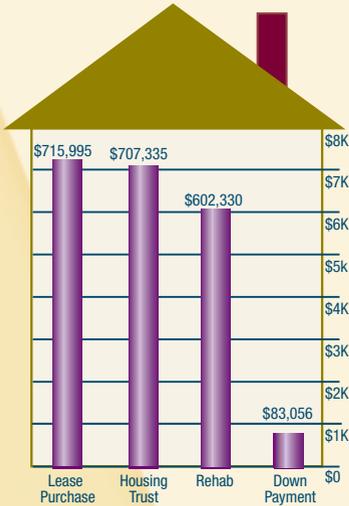
2000

2001

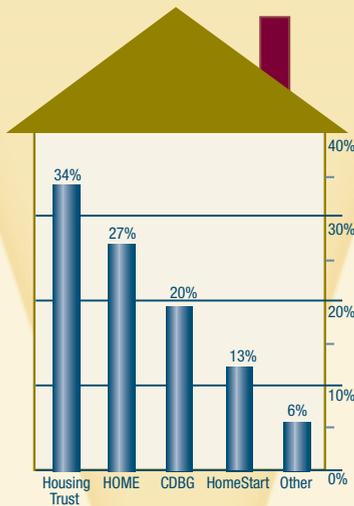


4

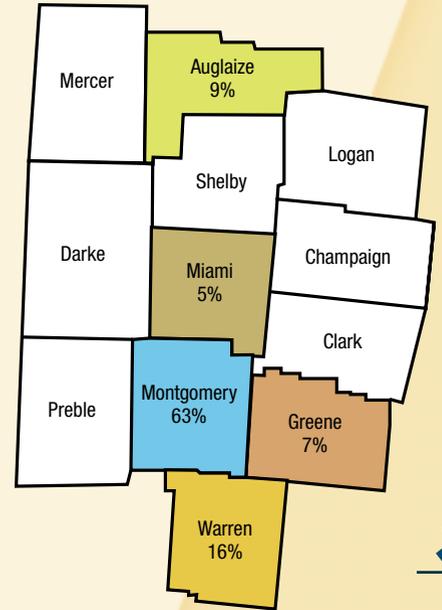
Housing Dollars Expended by Project



Housing Dollars by Funding Source



Economic Development Expenditures by County



CountyCorp, CountyCorp Development, HomeStart Inc. Program Capital Expenditures for the Year Ended September 30, 2005

	Dollars Expended	Cases
Housing		
Montgomery County Programs*	1,972,733	119
Other Programs**	135,983	39
Total Housing	2,108,716	158
Economic Development		
Montgomery County Programs^	523,208	8
Other Programs^^	4,186,696	16
Total Economic Development	4,709,904	24
Total All Programs	6,818,620	182

*Montgomery County Housing Programs:

CDBG Residential Loans; Lead; Townview Empowerment; Housing Trust; HOME Residential Loans; Fort McKinley Rehab Loans; Emergency Assistance; American Dream; CHDO/Lease Purchase

**Other Housing Programs:

CDFI; Vectren Weatherization; West Carrollton Rehab Loans; Foundation Grants

^Montgomery County Economic Development Programs:

CDBG Business Loans

^^Other Economic Development Programs:

State 166; SBA 504 Loans; Child Care Loans; City of Kettering

May, 2003 - National Performance Award for Greatest Increase in SBA 504 Loans.

April, 2004 - CountyCorp Mortgage Program Opened.

May, 2004 - Credit Repair Program Offered.

February, 2005 - HomeStart I Tenants Became Homeowners.

2005 CountyCorp Board of Trustees

Chair

*John Edwards, Senior Vice President
Fifth Third Bank

Allen Elijah, Director
Programs and Projects
Wright-Dunbar Business Village

Vice Chair

*Dan Davis, Senior Vice President
National City Bank

Maxine Gilman, Mayor
City of West Carrollton

Treasurer

Steve Stanley, Executive Director
Montgomery County Transportation
Improvement District

*Bill Hamilton, First Vice President
Relationship Market Manager
Bank One, NA

Secretary

*Barbara Duncombe, Esq. Of Counsel
Sebaly Shillito & Dyer

Ann Higdon, President
Improved Solutions for Urban Systems

*Ed Blake, President
Real Estate Group
Miller-Valentine Group

*Bonnie Langdon, Volunteer

David Bohardt, Executive Director
Home Builders Association of
Dayton and Miami Valley

Jesse Livesay, Executive VP & CEO
Dayton Area Board of Realtors

Marva Cosby, Vice President
Human Resources
Kodak Versamark, Inc.

Amy Luttrell, President
Goodwill Industries of the
Miami Valley

*John Danis, Chairman and CEO
Danis Building Construction Co.

Bonnie Parish LISW. LPCC.
Executive Director
Family Service Association

*David Dickerson, MAI, CCIM
President & CEO
The Gem Real Estate Group, Inc.

Cathy Ponitz, Volunteer

*Neal Ratliff, Senior Vice President
KeyBank

* Denotes member of CountyCorp Development Board of Trustees

Greg Sample
RG Properties

Rick Smalldon, President & COO
National City Mortgage

*John Staten, President
O'Neil & Associates, Inc.

Don Vermillion
Community Leadership Consultant
Raymond L. Fitz, S.M. Center for
Leadership in Community
University of Dayton

*Dick Wick, President
Industrial Grinding

Roland Winburn
Harrison Township Trustee

**CountyCorp extends
sincere thanks to the
Montgomery County
Commissioners and Staff for
their support and funding.**

2005 HomeStart, Inc. Board of Trustees

Chair

George Brack, Vice President
Community Development
Fifth Third Bank

Karen DeMasi
Phoenix Project
CityWide Development

Vice Chair

Judith Thompson
Executive Director
Kettering Fund

Reva Dudley Loveless
HomeStart IV Tenant &
Neighborhood Representative

Charles Abramovitz
Volunteer

Shirley Omietanski
Volunteer

Lillian Ashby
Lease/Purchase Homeowner &
Neighborhood Representative

Gary Roan, Vice President &
Regional Manager
Community Development Banking
KeyBank

Sharon Christian
HomeStart I Homeowner &
Neighborhood Representative



40 West Fourth Street,
Suite 1600
Dayton, Ohio 45402
Tel 937.225.6328
Fax 937.225.5089
www.countycorp.com