

**THISTLE
COMMUNITY
HOUSING**

**2008
Annual Report**



***A Year of
Transition***



Thistle Community Housing creates and preserves quality, permanently affordable rental and ownership homes for working families, seniors and people with disabilities. Thistle's homes allow teachers, health-care workers and others who are the backbone of our economy to live in the communities they serve. A member of NeighborWorks Network, Thistle changes people's lives by offering the following programs.

THISTLE REAL ESTATE DEVELOPMENT – Thistle develops new construction and renovates existing buildings, including property acquisition, project concept, planning, financing, and marketing. Our 2008 developments include Phase One of Blue Vista, a mixed-income community of 198 ownership homes in Longmont, and renovation of the Cannery, a historic building with 94 rental homes in downtown Longmont.

THISTLE RENTAL HOMES – Thistle owns and manages a total of 784 permanently affordable rental homes at fifteen sites in Boulder, Longmont and Northglenn. The bilingual Property Management Team supports low-income residents, enhances neighborhoods, partners with service providers, and increases energy efficiency to benefit both our residents and the environment.

THISTLE HOME OWNERSHIP – The Community Land Trust program is Thistle's tool to underwrite affordability, steward the public investment in the land as a community asset for future generations, and provide working families a means to earn equity and build stability. With 230 homeowners and growing, Thistle continues to support long-term sustainability through homeowner training and services.

2008 Awards

For Blue Vista, our new home community:

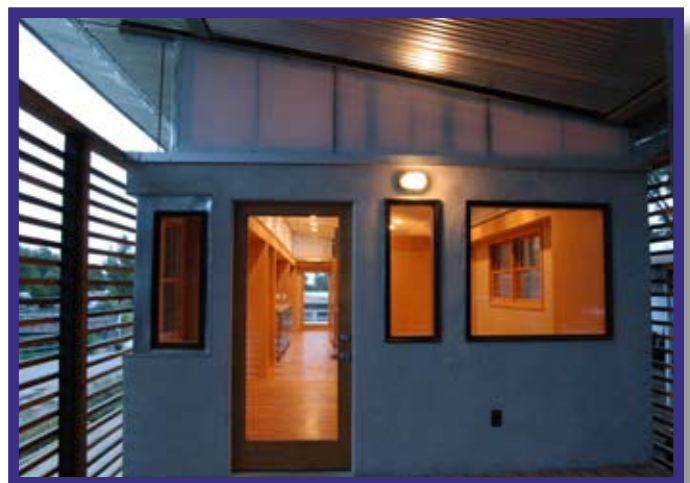
◆ **2008 Green Development of the Year** from the National Association of Home Builders

◆ **Built Green Home of the Year 2008** \$250,000 and Under from Built Green Colorado

For the Mapleton Homeowners Association Trailer Wrap (photo right), an innovative collaboration among Thistle, University of Colorado and Mapleton Mobile Home Park:

◆ **2008 Architect's Choice** from the Denver Chapter of the American Institute of Architects (AIA)

◆ **2008 Honor Citation** from the Gulf States Region of the AIA



Friend of Thistle:

In all respects 2008 is a year for the record books. We are experiencing a global financial meltdown of unprecedented proportions that touches every corner of America and the world. We are learning the downside of a global economy and it will be a bitter lesson.

2008 A Year of Transition

At Thistle we haven't escaped the ravages of this downturn. We struggle with residents losing their jobs and being unable to pay their rent or mortgages, as well as with declining values in our real estate assets and limited availability of capital. Like everyone, we are tightening our belt and looking twice before we spend money.

Why then do I feel upbeat? Because despite on-going struggles, I feel we have the best team I have seen in my nine years as part of this organization. I am proud of what our CEO and staff have accomplished as they steer us through this economic storm. The adage that heat and fire purify the elements and forge a stronger material has come to mind as I watched our CEO Mary Roosevelt lead a team that will accomplish great things in the future.

As the world changes as a result of the downturn, I expect Thistle will evolve to meet the changing needs as well. No one knows how long this downturn will last, but I do know it will end and Thistle will emerge changed and stronger for it. I also know as our world returns to normalcy, the need for quality affordable housing in Boulder and the Front Range will be even more acute. This is the future I have encouraged the staff to work toward so as an organization we will be poised to take advantage of the new day.

Like any company, we have significant challenges ahead of us but I am confident we can meet them. However, we cannot do it alone. Our partners in the various municipalities we serve, our strategic alliances with our funders, lenders, private supporters as well as our residents are part of the team that makes us the strong, vital organization we are. To these people I say thank you for helping us get to where we want to go.

Lastly, I want to thank our board members past and current for all the hours you have donated, over and above your time with families and day jobs. All your efforts are appreciated and helpful. Thank you all. We have a lot of work to do and with your help I am confident we will get there.



Joe Ballastrasse
President



1845 Folsom Street Boulder, CO 80302

Homeownership Program

First-time homebuyers Clint and Alisa Locks purchased their Community Land Trust home in July, 2008 and they are still thrilled. Alisa, a stay-at-home mom who looks after two toddlers, said, "Everything is within walking distance: groceries, recreation center, library, parks and coffee shops. I can go for weeks without driving my car."

"It was the only way we found to have a stepping stone into the regular market," Clint said. "We can gain equity, get our credit scores up there and in three to five years, we will look at the market."

When asked about their homebuying experience, Clint, a middle school Language Arts teacher, said, "It was an easy process, but it took some time going to the meetings and classes. The training in the classes was great. We asked a lot of questions."

The home in Lafayette was purchased by Thistle in 2001, deconstructed and reconstructed into two active solar homes with 5+ E-Star ratings. Long before green building became the standard it is today, Thistle built the homes with solar hot-water panels, radiant floor heat and energy-efficient appliances.

The Locks are the third family to call this house their home. At 1,488 square feet, three bedrooms and 1.5 baths with a yard, the home is well-suited to the needs of this young family.



Above: Clint, Brianna, Alisa and Addison Locks in front of their Community Land Trust home in Lafayette.

*Upper right: The kids enjoying their yard.
Lower right: The family's home was originally purchased by Thistle in 2001 and totally rebuilt using energy-efficient techniques. Heating bills are unbelievably low, according to the owners.*



"Having a yard is so important for the kids. There was nothing on the market at this price with a yard."



Quality Rental Homes

This past year, over 3,000 renters who work hard for low wages stabilized their families in safe, healthy homes. The average Thistle renter earns extremely low income, or 30 percent of area median (\$23,500 for a family of three). In addition, thirty households with physical disabilities live independently in accessible homes.

Thistle residents are employed in jobs that form the backbone of our economy: school and health care workers, service industry employees, construction and office

support staff. Thistle meets the needs of these working families by providing quality apartments where the cost of rent plus utilities is kept within a reasonable percentage of household income.

When people can pay a reasonable percentage of their income for housing, they become better able to afford savings, health care, insurance, education and retirement planning. The entire community benefits.

Our environment improves with fewer commuters, and green, energy-efficient buildings. Renters save up to \$400 per year in energy costs thanks to energy upgrades.

In 2008 we made significant progress toward our long-standing commitment to increasing the energy-efficiency of our apartment homes, including installing a new energy-saving boiler at Pinewood Apartments in Boulder and Trex decking at Village by the Park in Northglenn.



Above: A young resident of Village by the Park in Northglenn.

Right: Parkville Apartments in Longmont.

Below: Residents celebrate at Uptown Broadway in Boulder.



In 2008 Thistle surveyed our residents. Approximately 90% are satisfied or very satisfied with their Thistle homes when answering questions about cleanliness, courtesy and safety.

Real Estate Development

Thistle Community Housing is the most experienced developer of permanently affordable ownership and rental properties in Boulder County. In 2008, eighteen families moved into Blue Vista, our award-winning, mixed-income community of 198 homes in Longmont.

Blue Vista provides homeowners with the best in affordability and livability for a lifetime. "Our utility bills that averaged \$200 per month in our old place, are now averaging \$75 or less per month," said Mike Van-Es, a busdriver who moved into Blue Vista with his wife and two children last winter.

Each home is built green to a standard that conserves resource use, recycles materials within the building envelope and on site, utilizes innovative energy products and conserves future energy consumption.

Other development activities included extensive renovations at two of our apartment communities: Fairways Apartments and the Cannery. These improvements were funded by tax credit financing.



"National Association of Home Builders congratulates Blue Vista as a national leader in green building."

***—Ray Tonjes, NAHB
Green Subcommittee Chair***

Within our financial resources, we always give priority to energy efficiency.

At Fairways in Boulder, stucco and metal siding replaced wood shingles. Heaters were replaced with 98-percent-efficient furnaces, improving energy savings, appearance and longevity of the exterior of 70 apartment homes.

At the historic Cannery in Longmont, energy improvements to the 94 apartments included new windows and boilers, along with exterior railings and landscaping.



Above: Fairways Apartments, Boulder.

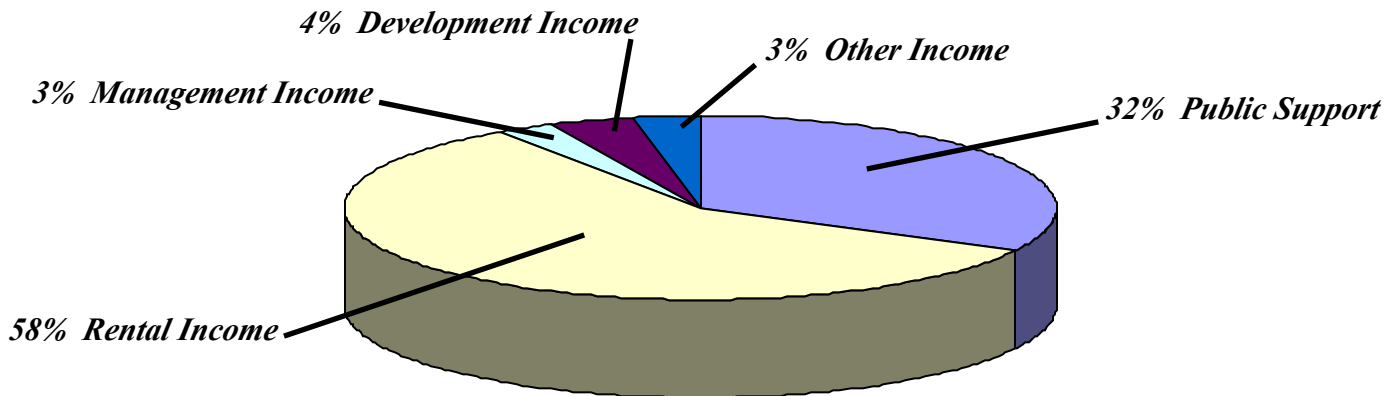
Left: Blue Vista, Longmont.

Right: The historic Cannery building, Longmont.

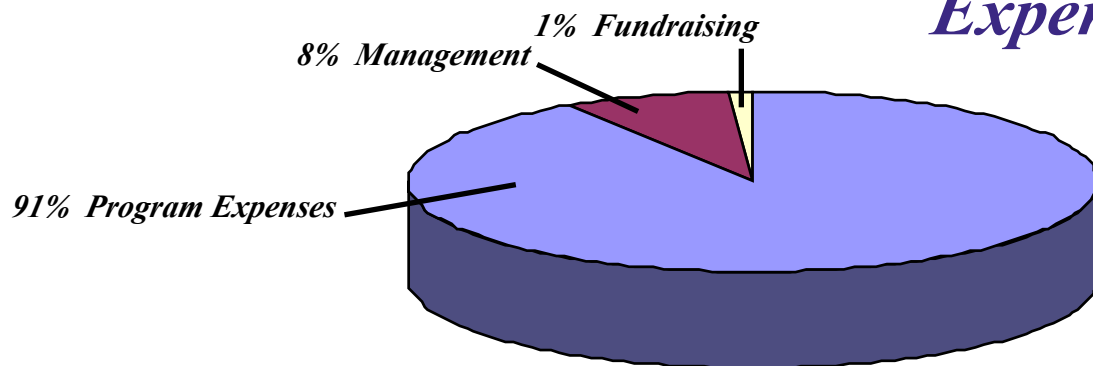


2008 Financials

Revenue



Expenses



REVENUE:

Grants	2,569,897
Contributions	77,871
Total Public Support: *	\$2,647,768
Rental Income	4,654,766
Management Income	217,615
Development Income	300,903
Other Income	249,244
Total Earned Income and Other Revenue	\$5,422,528
Total Unrestricted Public Support and Revenue	\$8,070,296

* Plus \$627,215 in restricted grants
for Blue Vista Construction

EXPENSES:

Rental Operating Expenses	5,867,099
Homeownership Expenses	191,333
Development Expenses	271,445
Total Program Services	\$6,329,877
Management and General	558,111
Fundraising	67,713
Total Costs and Expenses	\$6,955,701
Increase in Unrestricted Net Assets	\$1,114,595
Grants, permanently restricted	\$284,000
Total Increase in Net Assets	\$1,398,595

ASSETS:

Net Assets, beginning of year	13,454,766
Net Assets, end of year	14,853,361

**Thistle thanks our
2008 Major Donors**

CAPITAL INVESTMENT

**U.S. Dept. of Housing and
Urban Development**

City of Boulder

NeighborWorks America

Federal Home Loan Bank

-Topeka

Boulder County

Enterprise

Argosy Family Foundation

City of Longmont

Individual Donors

OPERATIONS SUPPORT

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NeighborWorks America

National Credit Union

Foundation

Denver Foundation

City of Boulder

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A.V. Hunter Trust, Inc.

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Wachovia Foundation

US Bank

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Thistle is a member of the NeighborWorks Network, one of 244 organizations strengthening communities and transforming lives across America. In the last five years, NeighborWorks® organizations have reinvested \$8.5 billion and helped more than 500,000 families of modest means purchase or improve their homes or secure safe, decent rental housing.