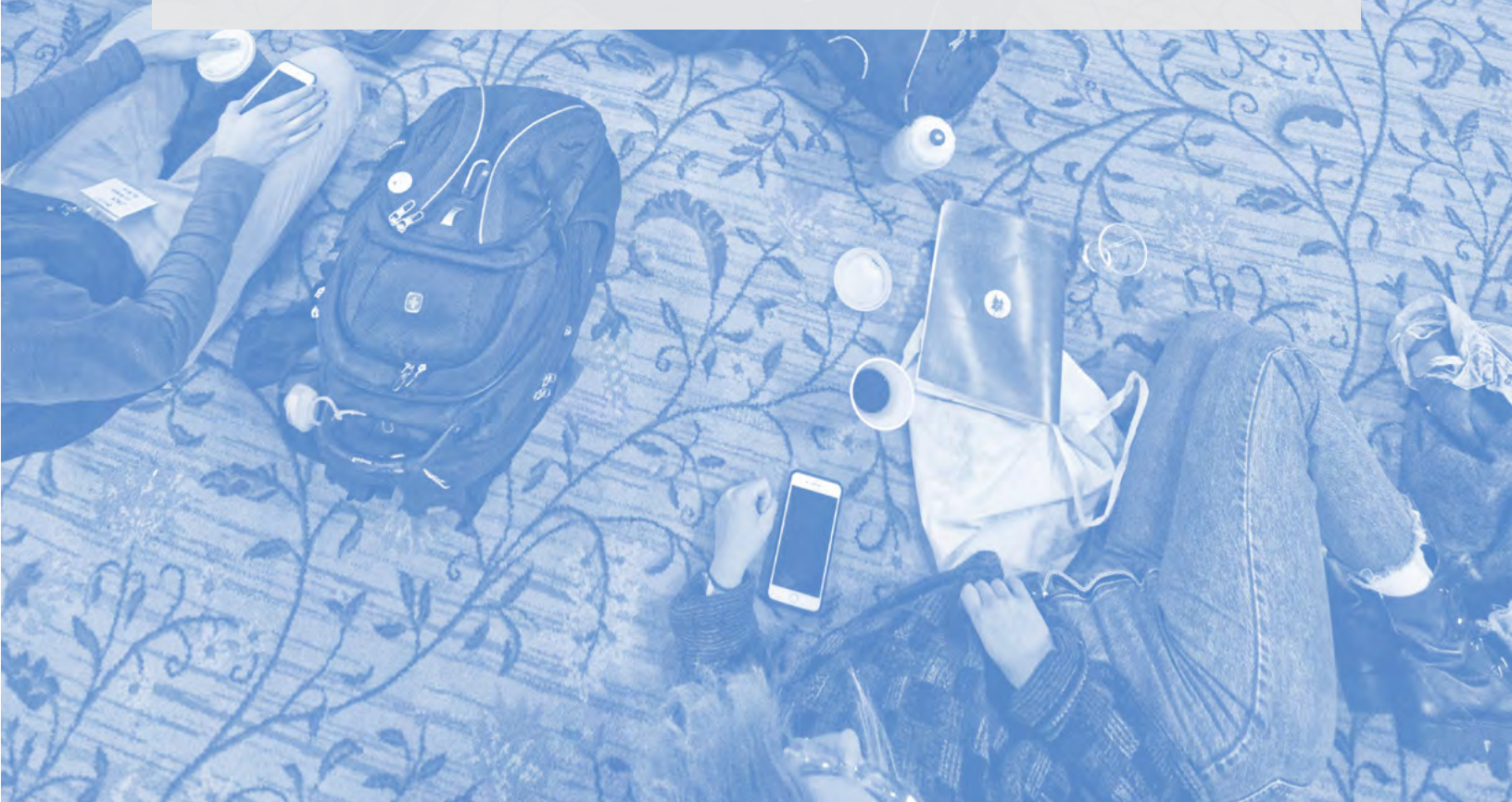




NASCO

ANNUAL REPORT

YEAR ENDING APRIL 2019



The North American Students of Cooperation Family organizes and educates group equity co-ops and their members to promote a community-oriented cooperative movement rooted in the principles of

*Voluntary and Open Membership
Democratic Member Control
Member Economic Participation
Autonomy and Independence
Education, Training, and Information
Cooperation among Cooperatives
Concern for the Community*

In 2019, NASCO commemorated our 50th anniversary by celebrating the accomplishments of cooperators that have come before us and the legacy they have left for each of us to build upon.

We work towards building our cooperative legacy through education, property management, co-op development, and fostering an inclusive network of co-op members, staff, and alumni across North America.

Together with over 40 member co-ops and our wonderful network of partners and supporters, we continue to work towards our vision to achieve a socially and financially responsible North American cooperative economic sector for all people and organizations interested in applying the principles and practices of cooperation.

NASCO PROGRAMS

NASCO COOPERATIVE EDUCATION AND TRAINING INSTITUTE

Our flagship annual conference of cooperators from across the continent

STAFF AND MANAGERS CONFERENCE

A conference tailored to the unique needs of group-equity housing cooperative staff

REGIONAL SUPPORT

Support to local groups to organize regional gatherings of cooperators

COOPERATIVE INTERNSHIP NETWORK

Summer internship placement service connecting future co-op leaders with cooperative career opportunities

TRAINING AND EDUCATION

Cooperative education workshops

CONSULTING

Technical assistance tailored to member co-op needs

PROPERTY LEASING

NASCO Properties, a "co-op of co-ops," is a system of properties across the US. Members support one another with finances and information.

DEVELOPMENT

NASCO Development Services provides technical assistance to cooperatives who are working to form, expand, or stabilize.

ONLINE SHARED RESOURCE LIBRARY

Free online templates, trainings, videos, policies, and technical resources

LINKING AND NETWORKING

NASCO acts as the organized voice of the North American cooperative housing movement and the youth cooperative movement.

MONTHLY NEWSLETTER

Reports on recent NASCO activities as well as the greater cooperative movement globally

*"It is not enough to have ideals.
We must translate them into
action. We must clear our own
little corner of creation."*

TOYOHICO KAGAWA



ACTIVE MEMBER CO-OPS

- 4th Street Co-op
- Bloomington Cooperative Living
- Boulder Housing Coalition
- Campus Co-operative Residence Inc. (CCRI)
- Central Pennsylvania Community Housing
- Chateau Student Housing Cooperative
- Cole Townhomes
- College Houses
- Community Housing Expansion of Austin
- Community of Urbana Cooperative Housing
- Decleynre Cooperative
- Evergreen Cooperative
- Franklin Student Housing Cooperative
- HAUS Project
- Horizontal Housing
- ICC-Austin
- Interfaith Committee for Detained Immigrants
- Kalamazoo Collective Housing
- Madison Community Co-op (MCC)
- Marcy Park
- Marshall
- MSU Student Housing Co-op
- Nickel City Housing Co-op
- Oberlin Student Cooperative Association (OSCA)
- Peoples Owned and Operated Cooperative Housing (POOCH)
- Picklebricolage
- Portland Collective Housing
- Providence East Association of Cooperative Housing (PEACH)
- Qumbya Housing Cooperative
- Red Clover
- River City
- Solar Community Housing
- Stone Soup Cooperative - Leland House
- Student Cooperative Organization
- Student's Co-op Inc.
- Students Cooperative Association (SCA)
- The Hearth (Coaching House)
- Waterloo Cooperative Residence Inc. (WCRI)
- Weaver Community Housing Association
- Whitehall



NASCO BOARD

- Alex Green (President)
- Bob Cook NP Rep
- Brel Hutton-Okpalaeke
- Camryn Kessler
- Christopher Bell
- Dominique Pearson (Diversity Congress Chair)
- Elizabeth Benedict (Secretary)
- Jennifer Scott (Vice President)
- Kiyomi de Zoysa (Treasurer)
- Lana Wong
- Leonie Cesvette
- Matt Kemper (Active Member Rep)
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- Nick Coquillard
- Nola Warner
- Syd Burke (Development Officer)
- Topaz Hooper
- Tristan Laing

NASCO PROPERTIES BOARD

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- Nico White (Vice President) Community
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- Tristan Laing NASCO Board Rep
- holly jo Sparks NDS Rep
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- Bolo Henderson SCO
- Bob Cook Nickel City Housing Co-op
- Norah Getz Kalamazoo Collective Housing
- Samm Powell UKSHA
- Brel Hutton-Okpalaeke NDS Rep
- Ben Pearl NDS Rep
- Graham Wills UKSHA

INDIVIDUAL & ASSOCIATE MEMBERS

- Ayman Khafagi
- David Mowery
- David Nekimken
- Steve Dubb
- Erik Jones
- Mark Fick
- Francesca Tettamanzi
- Jaime Wise
- James Eaton
- Jerry Hinojosa
- Julian Lauzzana
- Liam Delmain
- Logan Williamson
- Maria Alexandra Garcia
- Natalie Leonard
- Neill-Wycik Cooperative
- Rek Kwawer
- Shelby Polisuk
- The Kola Nut Collaborative
- William Nelson
- UCSD Co-op Alumni
- UTILE

NASCO DEVELOPMENT SERVICES BOARD

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- Kim Garmany College Houses
- Nick Coquillard (Secretary) ICC Ann Arbor
- holly jo Sparks East Lansing MSU-SHC
- Olivia Williams (Treasurer) MCC
- Matt Dietrichson Sasona Co-op/ CHEA
- Noah Compo Santa Barbara Student Housing Co-op
- Alex Green Community
- Tony Sanny Community
- Ben Pearl (President) Community
- Jim Jones Community

NASCO INSTITUTE

3

DAYS OF PROGRAMMING INCLUDING WORKSHOPS, CAUCUSES, PANELS, AND GAMES

400

ATTENDEES FROM ACROSS THE US AND CANADA

54

PRESENTERS ON TOPICS ACROSS 6 DIFFERENT COURSE CATEGORIES

48

INDIVIDUALS RECEIVED LOW-INCOME SCHOLARSHIPS TO ATTEND THANKS TO OUR DONORS

NASCO Cooperative Education and Training Institute was held November 2-4, 2018 in Ann Arbor, Michigan.

The Institute theme was **A Legacy of Cooperation**, as a celebration of NASCO 50th anniversary. We are made up of the stories of our members who have made the student cooperative movement over the last half-century and we plan to carry these stories into the future.

Esteban Kelly, NASCO Institute Keynote speaker pictured to the right, has participated in and been witness to the cooperative movement for over 20 years. Kelly's keynote explored how cooperatives have been a resilient tool in social movements, youth leadership, and economic democracy over the last half-century, and how we can carry on the legacy of cooperation towards the social change we need to deal with the future of our planet and our society.



"I HAD A WONDERFUL TIME EXPLORING THE CITY OF ANN ARBOR WITH OTHER BRILLIANT, CURIOUS AND PASSIONATE CO-OPERS! I LOVED HEARING FROM OTHER PARTS OF THE COUNTRY SHARING EXPERIENCES IN THEIR HOMES"

- NASCO INSTITUTE ATTENDEE



NASCO PROPERTIES

The NASCO Properties (NP) 2018-19 fiscal year was a transition between a recent period of expansion and setting the stage for our next phase of growth. During this time NASCO Properties planned for an increase in member services for our co-ops, adjusted our policies after collecting feedback from former board members, and worked with several of our local co-ops and partner organizations to set up new projects.

This year saw the departure of Kalamazoo Collective Housing from NASCO Properties, as local grant funding opportunities made ownership through NASCO Properties less feasible. The two organizations worked together to negotiate terms for a sale that would allow NASCO Properties to focus resources on other co-op support and development, while letting Kalamazoo Collective Housing expand their own member services and increase their grant-based fundraising.

During this year, NASCO Properties and our local partner Community Housing Expansion of Austin (CHEA) developed a partnership with ROC USA to develop housing cooperatives in manufactured home parks. CHEA will provide local staffing support, NASCO Properties will provide technical and administrative support, and ROC USA will bring access to grants, loans, and a network of other co-op developers specializing in manufactured home parks. This partnership would allow co-op development in these communities throughout Central Texas, where affordable manufactured home parks are disappearing at a concerning rate.



NASCO Properties also worked closely with our local partner Community of Champaign-Urbana Cooperative Housing (COUCH) to create a new housing co-op from what had previously been a privately operated group house. The newly formalized Randolph House property, pictured, will operate under COUCH management, with plans to purchase the property from the landlord through NASCO Properties within the next 2-3 years.

Another NASCO Properties co-op development project involved working with the members of the Leland House in Chicago on bringing their property into the NP network of co-ops. This project is on hold pending lender approval, though in the meantime NASCO staff and Leland members remain in touch, collaborating on budgeting and financial planning, and

also making members aware of what might change over time as their co-op shares resources and information with the other organizations represented in NASCO Properties.

During this time, NASCO Properties has also been in discussions with Lots in Common (LINC) over a proposal to merge LINC into NASCO Properties, bringing the Chicago-based Wells and Haymarket houses into NASCO Properties. As of the end of the fiscal year this conversation is still at an early stage, but Lots in Common and NASCO Properties share a great deal of history and overlap in policies and so in addition to administrative savings this could allow for a simpler organizational structure for our members and a smooth transition.

Within the current NP co-ops, this year saw major renovations in our Providence and Urbana properties with new fire safety systems, and the renovation of one of our Athens, Ohio properties to create a drier and more comfortable basement suite. This past year also saw a member-driven reset at the Kansas-based Sunflower House, where high turnover, low engagement, and dissatisfaction with the labor system led to proposals still in use today. Related to this process, NASCO staff and our Kansas-based members in the UKSHA co-op worked together to revise the local staff positions' job descriptions to improve the co-op's operations and

COOPERATIVE INTERNSHIP NETWORK

This summer, 15 young cooperators participated in our Cooperative Internship Network. The interns are all members of NASCO co-ops, noted below, and worked with cooperative and new economy organizations across the US and Canada.

Nora Gosselin Brown Association for Cooperative Housing
Marty Sloan MSU Student Housing Cooperative
Molly Thayer Oberlin Student Cooperative Association
Cassidy Durkee ICC Ann Arbor
Rene Kiss MSU Student Housing Cooperative
Caide Jackson Oberlin Student Cooperative Association
Noelle Larcher College Houses
Ravi Lawton College Houses
Emmanuel Navarro Oberlin Student Cooperative Association
Ben Ayik ICC Austin
Shelby Polisuk ICC Ann Arbor
Em Webster Oberlin Student Cooperative Association
Elsa Schlensker Oberlin Student Cooperative Association
Lars Dreith Oberlin Student Cooperative Association
Joseph Kim Waterloo Cooperative Residences Inc

"I think overall my favorite part of this internship was being able to put my all into being part of a co-op. During the school year I'm active in my home co-op, but only to the extent to which I'm able to while balancing classes and working. By taking on this internship, I didn't have those normal distractors and my main focus became my co-op, which was a really wonderful experience."

MEMBER VISITS



NASCO provides in-person and remote training to member co-ops, former members, and co-ops in crisis. Visits consist of educational workshops, technical assistance or direct consulting, and usually shared meals and casual conversations about life in cooperatives. Co-ops visited this year include:

Solar Community Housing Association Davis, CA
Student Cooperative Organization Athens, OH
MOSAIC Evanston, IL
PEACH Providence, RI
Evergreen Cooperative Chicago, IL
Chateau Housing Cooperative Minneapolis, MN
OSCA Oberlin, OH
POOCH Lawrence, KS

DEVELOPING NEW COOPERATIVES

NASCO Development Services (NDS) provides technical support to new co-ops and co-ops who are looking to expand or take on major renovation projects. Development support is funded by NDS investing members:

- ICC-Ann Arbor - Ann Arbor, MI
- College Houses - Austin, TX
- Boulder Housing Coalition - Boulder, CO
- SBSHC - Santa Barbara, CA
- Madison Community Cooperative - Madison WI
- MSU-SHC - East Lansing, MI
- NASCO Properties - Chicago, IL
- Portland Collective Housing - Portland, OR

This year, NDS provided consultations with 25 startup groups and supported the following projects:

Evergreen Co-op

We worked with this 12-unit, limited-equity co-op in Chicago, IL to help restructure their debt and finances in a sustainable way after several challenging years and unfavorable terms from a lender of last resort. This co-op, which started in 1963 and is the successor to a student co-op that started in the 1940s, now serves members that are majority African American families.

Foster Village

We supported Foster Village Cooperative in Portland, OR to successfully purchase a new house called the Orange House (pictured). Staff worked with members to finalize the structure of their property transfer to the cooperative.

Lots In Common

We worked with Lots In Common in Chicago, IL to complete loan applications, coordinate site visits, communicate with lenders, and other administrative tasks to support the refinancing of their properties. The application was approved and funded major capital improvements on two Chicago-area affordable housing co-ops.

Houston Access to Urban Sustainability (HAUS)

HAUS worked with NASCO staff to create business plans, which were used in loan and grant applications for the cooperative in an attempt to purchase their two buildings from their landlord.



KAGAWA FUND

The Kagawa Fund for Student Cooperative Development was created in 1989 to meet the need for democratically-controlled, affordably-priced cooperative housing in campus communities across North America. Established through an initial gift of \$50,000 from the Japanese Consumer Cooperative Union, this Fund has grown through other gifts and social investments from NASCO members.

This year, MATCH cooperative in the Twin Cities, MN, received a \$30K down payment loan from the Kagawa Fund. This allowed their small co-op house to start with very little initial cash investment needed from the members.



COMPARATIVE FINANCIAL REPORTS

NDS creates reports comparing the financial statements of all participating member co-ops in order to share knowledge and best practices. The Comparative Financial Report project has now introduced National Apartment Association data into the mix and our analysis shows useful trends comparing cooperative housing to the market in general. One such trend is that we're beginning to be able to show cooperatives reinvesting in their housing stock at rates notably above those of the market.

STATEMENT OF ACTIVITIES

	NASCO Properties	NASCO Development	NASCO Consolidated				Eliminations	Total
			NASCO	Lots In Common		Total		
Revenues and Support								
Rental income	\$ 1,023,987	\$ -	\$ -	\$ 176,662	\$ 176,662	\$ -	\$ -	\$ 1,200,649
Program services fees	-	40,616	80,343	-	80,343	22,137	-	98,822
Management fees	-	-	201,009	-	201,009	132,563	-	68,446
Membership dues	-	55,091	104,661	-	104,661	-	-	159,752
Contributed revenue	-	-	25,647	-	25,647	-	-	25,647
Interest income	10,072	5	-	-	-	-	-	10,077
Total Revenues and Support	1,034,059	95,712	411,660	176,662	588,322	154,700	-	1,563,393
Expenses								
Salary and employee benefits	-	-	274,609	-	274,609	-	-	274,609
Program events and meetings	-	-	75,391	-	75,391	-	-	75,391
Coop property and liability insurance	76,662	-	4,252	15,000	19,252	-	-	95,914
interest	249,773	-	-	52,050	52,050	-	-	301,823
Coop property taxes	191,729	-	-	17,633	17,633	-	-	209,362
Coop maintenance and repairs	98,015	-	-	18,809	18,809	-	-	116,824
Coop utilities	21,111	-	-	4,487	4,487	-	-	25,598
Professional fees	6,108	1,280	8,703	2,940	11,643	-	-	19,031
Success fees	-	29,225	-	-	-	-	-	29,225
Board expenses	10,764	3,192	-	-	-	-	-	13,956
Dues	7,344	-	732	-	732	-	-	8,076
Management fee	89,892	43,133	-	28,388	28,388	154,700	-	6,713
Scholarships	10,926	-	4,600	300	4,900	-	-	15,826
Depreciation and amortization	222,192	-	-	33,790	33,790	-	-	255,982
Bad debt expense	53	-	-	-	-	-	-	53
Office expenses	-	-	22,667	-	22,667	-	-	22,667
Staff travel	-	-	19,044	-	19,044	-	-	19,044
Loss on disposal	55,750	-	-	-	-	-	-	55,750
Miscellaneous	8,138	2,877	43,459	4,241	47,700	-	-	58,715
Total Expenses	1,048,457	79,707	453,457	177,638	631,095	154,700	-	1,604,559
Change in net assets	(14,398)	16,005	(41,797)	(976)	(42,773)	-	-	(41,166)
Net assets, beginning of year	2,574,171	7,226	81,315	269,509	350,824	-	-	2,932,221
Net assets, end of year	\$ 2,559,773	\$ 23,231	\$ 39,518	\$ 268,533	\$ 308,051	\$ -	\$ -	\$ 2,891,055

STATEMENT OF FINANCIAL POSITION

	NASCO Properties	NASCO Development	NASCO Consolidated			Consolidated
			NASCO	Lots In Common		
Assets						
Current Assets						
Cash and cash equivalents	\$ 68,927	\$ 31,570	\$ 51,654	\$ 72,719	\$ 124,373	\$ 224,870
NCDF preferred shares	520,256	-	-	-	-	520,256
Accounts receivable, net of allowance	42,132	-	-	-	-	42,132
Prepaid insurance	407,661	18,889	76,287	6,520	82,807	509,357
Other assets	35,530	-	-	6,745	6,745	42,275
Current portion of loans receivable	217	-	650	-	650	867
	<u>6,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,332</u>
Total current assets	1,081,055	50,459	128,591	85,984	214,575	1,346,089
Property and equipment, net of depreciation	5,257,365	-	4,211	1,069,641	1,073,852	6,331,217
Loans fees, net of amortization	131,319	-	-	-	-	131,319
Loans receivable	100,224	-	-	-	-	100,224
Total Assets	\$ 6,569,963	\$ 50,459	\$ 132,802	\$ 1,155,625	\$ 1,288,427	\$ 7,908,849
Liabilities and Net Assets						
Current Liabilities						
Accounts payable and accrued expenses	\$ 4,894	\$ 12,352	\$ 62,855	\$ -	\$ 62,855	\$ 80,101
Interest payable	11,135	-	-	-	-	11,135
Property taxes payable	74,645	-	-	13,932	13,932	88,577
Deferred membership revenue	-	14,876	30,429	-	30,429	45,305
Member deposits	2,300	-	-	-	-	2,300
Vacancy Reserve	64,203	-	-	-	-	64,203
Current portion of notes payable	103,328	-	-	22,516	22,516	125,844
Total current liabilities	260,505	27,228	93,284	36,448	129,732	417,465
Long-Term Debt						
Notes payable, net of current portion	3,749,685	-	-	850,644	850,644	4,600,329
Total liabilities	4,010,190	27,228	93,284	887,092	980,376	5,017,794
Net Assets						
Unrestricted	2,559,773	23,231	39,518	150,378	189,896	2,772,900
Non-controlling interest in Lots in Common	-	-	-	118,155	118,155	118,155
Total net assets	2,559,773	23,231	39,518	268,533	308,051	2,891,055
Total Liabilities and Net Assets	\$ 6,569,963	\$ 50,459	\$ 132,802	\$ 1,155,625	\$ 1,288,427	\$ 7,908,849



THANK YOU TO OUR DONORS FOR MAKING THIS WORK POSSIBLE

- Aidan Sponheim
- Alan Robinson
- Alex Green
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- Amazon Smile
- American Online Giving Foundation, Inc.
- Anaga Vijaykumar
- Andrew Rasmussen
- Anjanette Bunce
- Anne Kessler
- Aria Banks
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- Rebecca Wolfe
- Riverton Community Housing
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- Santa Barbara Student Housing Cooperative
- Schwab Charitable
- Scoreboard Pub Men's Soccer Club
- Shining Li
- Steve Benedict
- Steve Ediger
- Steven Kelly
- Tamiko Rothhorn
- Timothy Clark
- Tony Sanny
- Deniz Tuncer
- Valley Natural Foods
- Tom Welsh
- Edward Yaker
- Zachary Kessler



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