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strong communities  
from the ground up

# Post-Purchase Stewardship

Staci Horwitz | September 29, 2016



- 1. Welcome & Introductions**
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- 4. Family Feud – CLT Style!**
- 5. Impact of Stewardship**
- 6. Questions / Answers / Evaluations**

# Introductions



- ▶ Who?
- ▶ Where?
- ▶ Letter from first name and give an adjective that describes you
- ▶ Table votes on best adjective

# What is Stewardship?



- ▶ Definition: *The conducting, supervising, or managing of something; especially, the careful and responsible management of something entrusted to one's care*

(Merriam-Webster Dictionary)

# Goals of Stewardship



- ▶ Promote success of homeowners
- ▶ Protect affordability of publicly-subsidized homes
- ▶ Preserve the quality and condition of homes for future generations
- ▶ Prevent loss of public investment and homeowner returns, especially to foreclosure

# Stewardship Regime



- ▶ Disclose all contractual restrictions
  - ▶ Approve proposed actions / changes
  - ▶ Monitor compliance
  - ▶ Serve homeowners
  - ▶ Engage homeowners
  - ▶ Link homeowners
- Contractual
- Enhanced



Through stewardship,  
compliance becomes routine  
and enforcement becomes  
rare.



# Stewardship Activities



# Post-Purchase Stewardship



## HOMEOWNERS

- ▶ Ongoing education, support and engagement
- ▶ Repairs and alterations support
- ▶ CLT approvals
- ▶ Foreclosure prevention
- ▶ Resale and steps

## HOMES

- ▶ Monitoring support
- ▶ Replacement / repair reserve funds
- ▶ Overseeing resales
- ▶ Enforcement when necessary



- ▶ Ongoing Education on Contractual Requirements
- ▶ Support
  - Trainings
  - Resource
  - Financial counseling
- ▶ Engagement & Outreach
  - Newsletters
  - Social events
  - Board or committee roles
  - Regular “check-ins”



# Repair and Alterations



- ▶ **Clear Policies and Procedures**
  - Condition standards
  - Inspections (?)
  - Capital improvements
- ▶ **Financial Incentives**
  - Resale formula
  - Repair fees and savings program
  - Loan fund
  - Service discounts
- ▶ **Education and Referrals**



# CLT Approvals



- ▶ Capital Improvements
- ▶ Refinancing
- ▶ Home Equity Line of Credit
- ▶ Household Occupancy Changes



# Foreclosure Prevention



- ▶ Create Culture of Support and Communication
- ▶ Ground Lease Fee Payment – Early Detection System
- ▶ Foreclosure Prevention Counseling
- ▶ Sales Support (if necessary)

# Resale Support



- ▶ Clear Procedures and Expectations
- ▶ Resale Formula and Seller Proceeds
- ▶ Marketing Assistance



# Monitoring Condition



- ▶ Establish a Continuum of Actions
- ▶ External and Internal Inspections (?)
- ▶ Consequences of Deferred Maintenance



# Replacement / Repair Reserve



- ▶ Funding
  - Initial purchase
  - Resale
  - Monthly fee
  - Grants
- ▶ Policies
- ▶ User
  - CLT
  - Homeowner



# Overseeing Resale



- ▶ Ensuring Quality of Home
- ▶ Resale Formula and Ongoing Affordability
- ▶ Monitoring Resale Restrictions and Buyer Eligibility



- ▶ **Material Default**
  - Mortgage
  - Taxes
  - Insurance
  - Ground lease fee
  
- ▶ **Non-material Default**
  - Use and occupancy
  - Upkeep and code violations



Monitoring and early intervention  
precludes enforcement and  
losses!



# Family Feud – CLT Style!



## Family Feud

1

3

2

4



## Family Feud

1

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3

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2

4



## Family Feud

1

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2

4



## Family Feud

1

3

2

4





## Family Feud

1

3

2

4



## Family Feud

1

3

2

4



# Impact of Stewardship

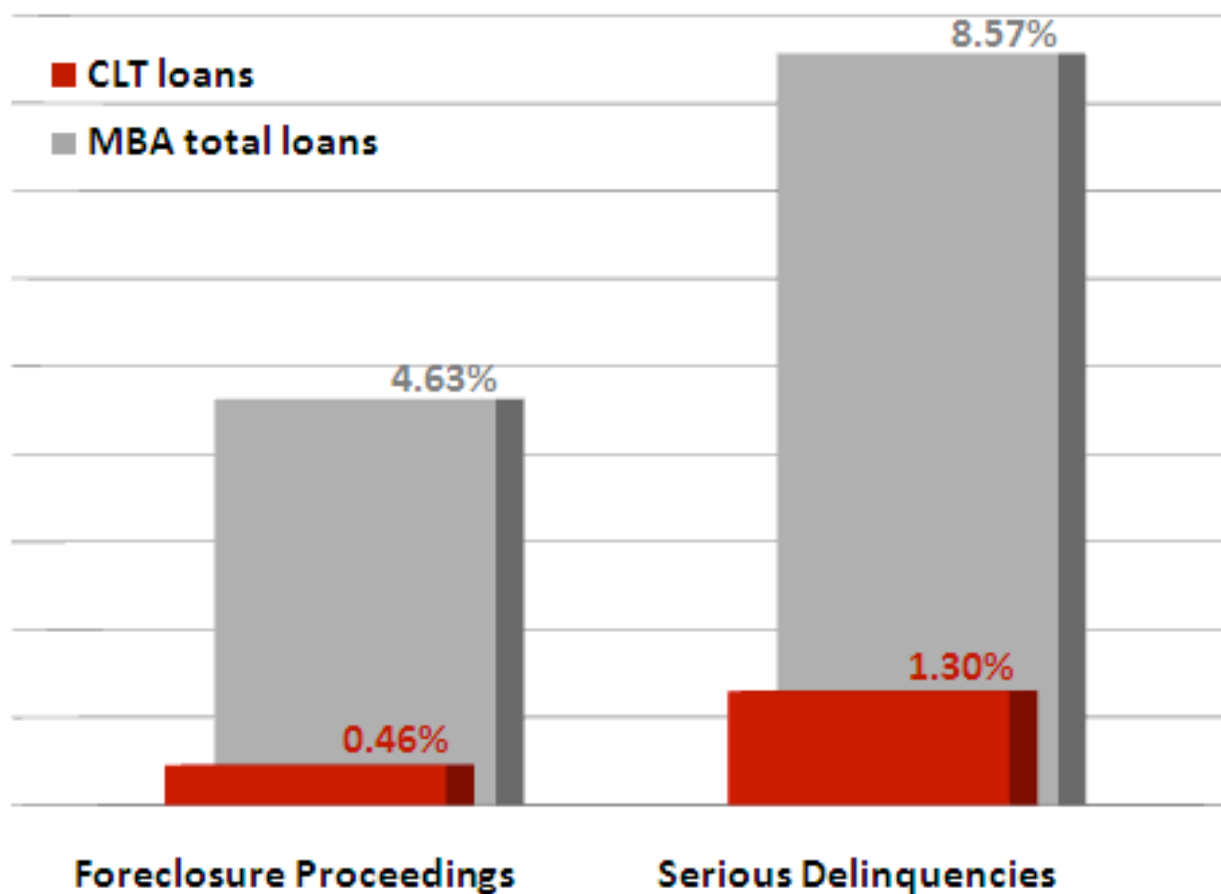
# Impact of Stewardship



- ▶ Foreclosure Data
- ▶ Demonstrating Outcomes
- ▶ Cost to Organization

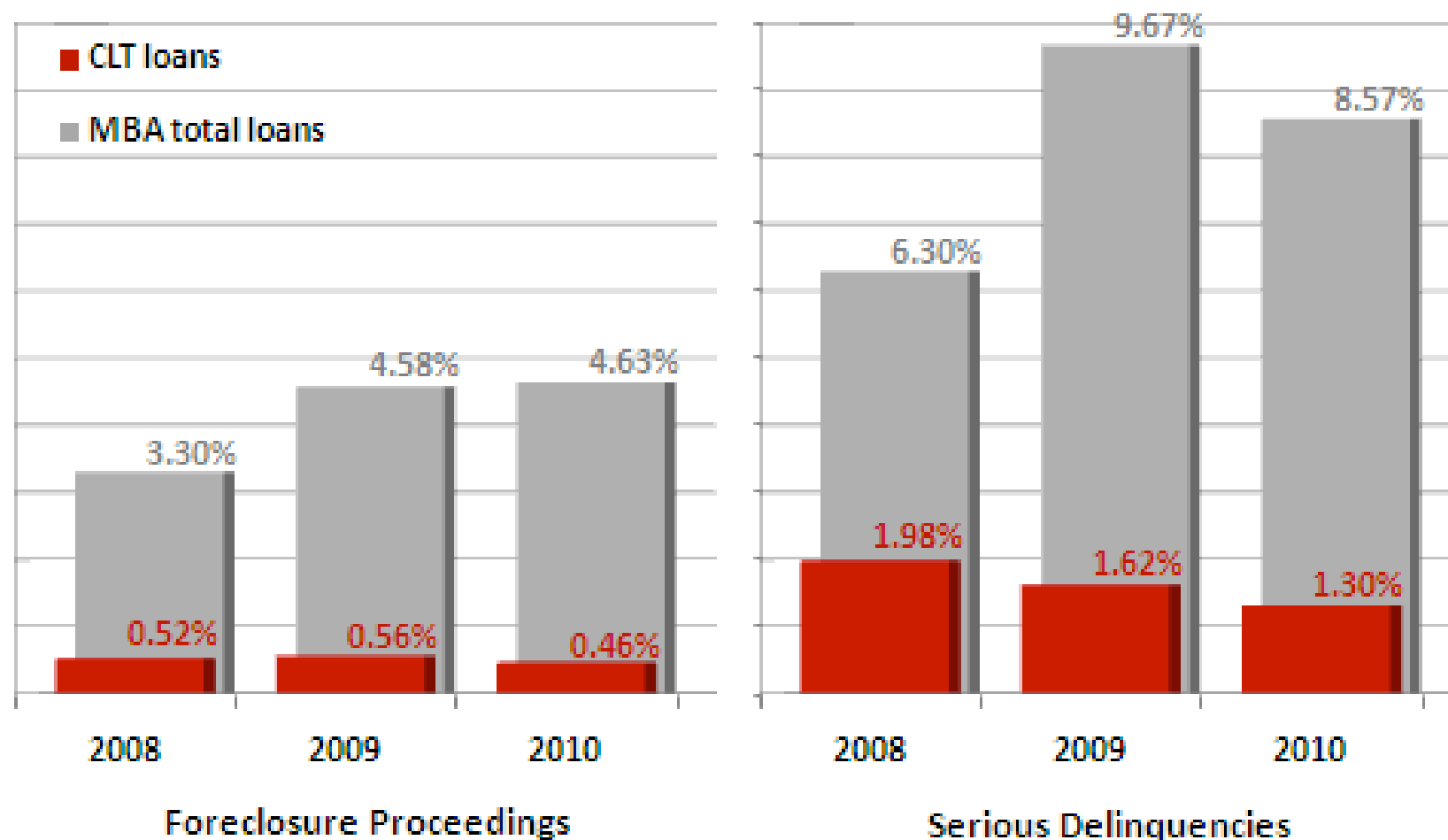


## End of 2010 rates of foreclosure proceedings and serious delinquencies in CLT loans and MBA loans.



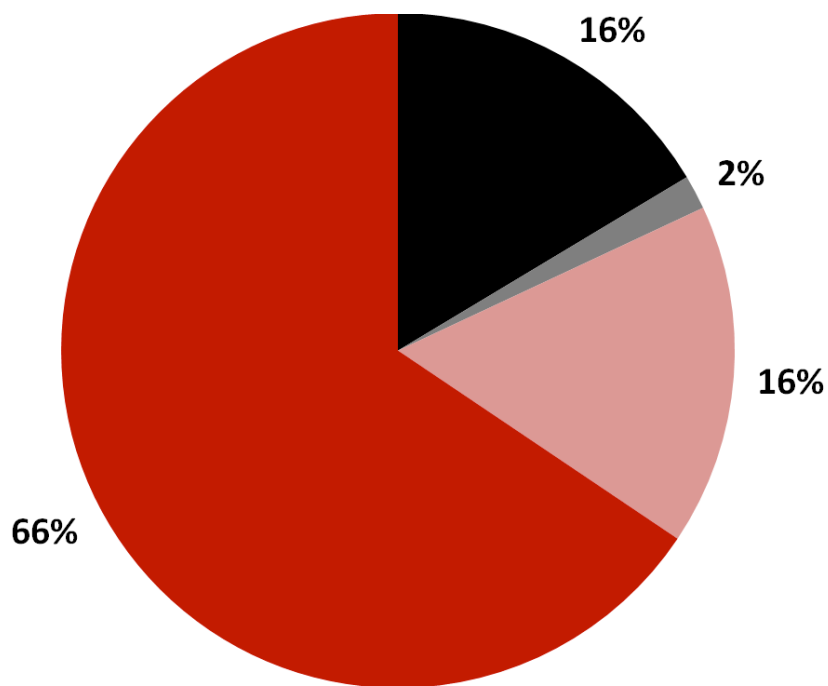


## End of 2008, 2009, & 2010 rates of foreclosure proceedings and serious delinquencies in CLT loans and MBA loans.





## Outcomes of homeowners who were seriously delinquent during 2010 (n =61).



- Foreclosed
- Completed short-sale
- Sold home to CLT/eligible buyer
- With financial assistance, remained in home



**Questions?**





# Wrap Up & Evaluation

# Evaluation



*The one thing I wished they would have talked about is ...*

*Next time I would leave out ...*

*One thing I learned is ...*

*Hmm, I'm not sure they want to hear this? (We do!)*



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**Thank you!**

# Thank you!

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