

# Post-Purchase Stewardship 101

STACI HORWITZ – CITY OF LAKES CLT  
INTERSECTIONS: 2015 NATIONAL CLT CONFERENCE

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# Welcome & Introductions

Session Overview & Agenda

“Who Should I Call?”



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# 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

- 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 & homeowner returns, especially to foreclosure.

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## Stewardship Regime (DAMSEL)

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

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Through stewardship,  
compliance becomes  
routine and enforcement  
becomes rare.

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## Stewardship Activities

### Instructions

- Work with your table mates
- Review list of stewardship activities and associate each with one or more of the main goals of stewardship.
- Each group will be asked to share a portion of their work with the larger group.

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## Post-Purchase Stewardship

### HOMEOWNERS

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

### HOMES

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

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## Education, Support & Engagement

### Ongoing Education on Contractual Requirements

#### Support

- Trainings
- Resource
- Financial counseling

#### Engagement & Outreach

- Newsletters
- Social events
- Board or committee roles
- Regular "check-ins"



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## Repair & 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



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## CLT Approval

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



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## Foreclosure Prevention

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

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## Resale Support

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



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## Monitoring Condition

Establish a Continuum of Actions

External and Internal Inspections (?)

Consequences of Deferred Maintenance



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## Replacement / Repair Reserve Funds

### Funding

- Initial purchase
- Resale
- Monthly fee
- Grants

### Policies

#### User

- CLT
- Homeowner

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## Overseeing Resale

Ensuring Quality of Home

Resale Formula and Ongoing Affordability

Monitoring Resale Restrictions and Buyer Eligibility

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## Enforcement

### Material Default

- Mortgage
- Taxes
- Insurance
- Ground lease fee

### Non-material Default

- Use and occupancy
- Upkeep and code violations

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Monitoring and early  
intervention precludes  
enforcement and losses!

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## Creating a Stewardship Plan *(Stewardship In The Real World)*

1. What do you think are the most important elements of a stewardship plan?
2. What do you think your organization can realistically do?
3. What kind of support (e.g. financial, education, technological) will you need?
4. What kind of partnerships can you form to help you meet your goals?

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# Impact of Stewardship

- Foreclosure Data
- Demonstrating Outcomes
- Cost to Organization

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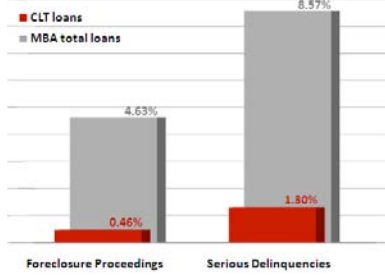
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End of 2010 rates of foreclosure proceedings and serious delinquencies in CLT loans and MBA loans.



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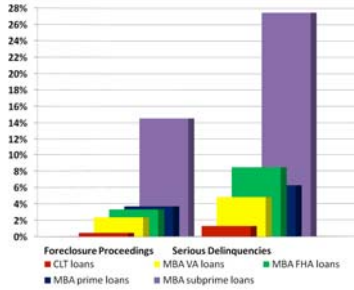
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End of 2010 rates of foreclosure proceedings and serious delinquencies in CLT loans and MBA loans by type.



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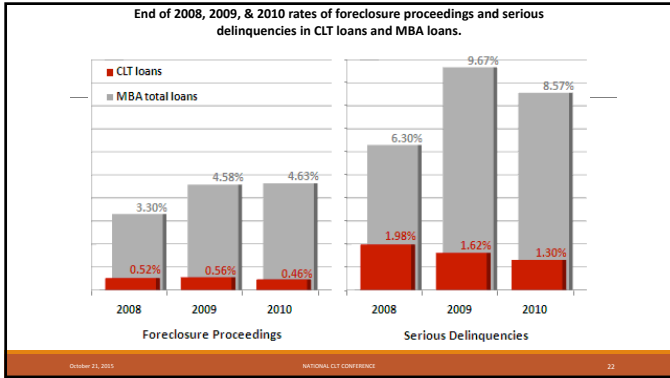
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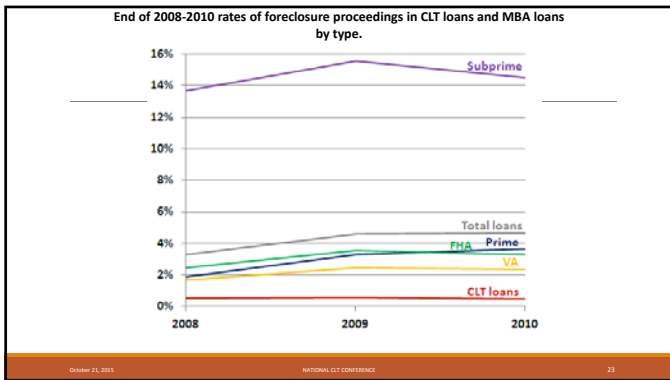
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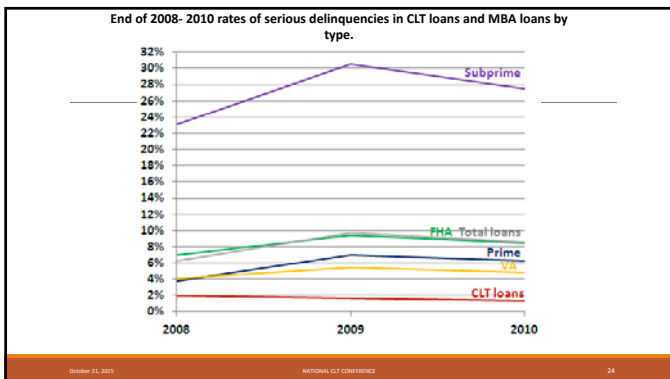
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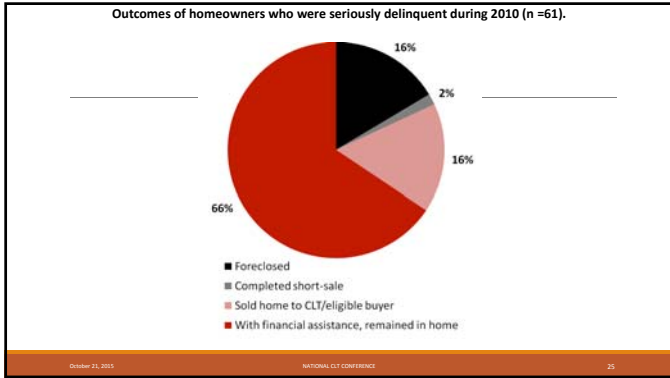
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### Impact of Stewardship

Foreclosure Data  
Demonstrating Outcomes  
Cost to Organization

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### Questions / Evaluation

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Thank you!

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