

ABOUT HABITAT FOR HUMANITY

Habitat for Humanity International is a non-profit housing organization that seeks to eliminate poverty housing and homelessness from around the world and to make decent shelter a matter of conscience and action.

Habitat for Humanity of Greater Los Angeles

(HFH GLA) is an affiliate of Habitat for Humanity International. It serves 51 cities and 61 unincorporated communities in the County of Los Angeles. HFH GLA has built and renovated more than 500 homes—300 locally and 200 internationally.

For more information, visit www.habitatla.org or call Veronica Garcia at 562-833-3773.



NEIGHBORHOOD STABILIZATION PROGRAM (NSP)



"It is estimated that the average additional cost that a municipality must spend on a foreclosed property is \$33,000. The cost includes loss of tax revenue, increased policing, building inspections, legal expenses and administrative costs."

**Former HUD
Assistant Secretary,
William Appgar**

A SOLUTION TO FORECLOSURES IN YOUR COMMUNITY

Habitat for Humanity of Greater Los Angeles (HFH GLA) has partnered with cities and communities for twenty years. We understand firsthand what it takes to transform communities. We want to be sure that the investment we have made in our communities doesn't fall victim to a challenged economy and place these neighborhoods at risk for destabilization. In response, we have expanded our rehabilitation program to transform foreclosed properties into homeownership opportunities for low and very low income families. This strategy, using federal NSP I and II funds, helps families realize the American Dream of homeownership through responsible lending, alleviates strain caused by foreclosed properties, and creates a positive—and immediate—impact in our cities.

HFH GLA's Neighborhood Revitalization Initiative is designed to meet NSP requirements. Below is a partial list of the services we can provide:

- Demographic needs analysis and custom GIS mapping programs
- Acquisition of distressed properties at the required HUD discount
- Experienced affordable housing developer with extensive project management experience
- General Contractor specializing in building and renovating energy efficient affordable homes
- Experience with budget development and management
- Ability to provide leveraged funding through national corporate partnerships
- Thorough marketing to identify and qualify eligible homebuyers
- Extensive on site homebuyer education programs
- Preparation for HUD audits and reporting requirements

THE PLAN

Habitat for Humanity of Greater Los Angeles has put into place a program and timeline that includes acquisition of a property to the family's move in date.

- HFH GLA purchases vacant real estate owned (REO) properties that have not sold on the market or at auction or purchases a bank-owned foreclosed properties.
- HFH GLA rehabs the property and sells the home to a low income buyer.
- HFH GLA selects families who live and/or work in the community, earn less than 80% of area median income and can qualify for a mortgage (at zero percent interest, with no down payment required).
- HFH GLA partners with the families and community volunteers to rehab the home. Families contribute 100 hours of "sweat equity" building their home or another home, attend required training and move in.

HABITAT FOR HUMANITY PARTNERS WITH:

Whirlpool, Bentley Prince Street and Grid Alternatives and others to incorporate energy-efficient and environmentally friendly green elements to all Habitat homes. This includes, but is not limited to:

- Renewable Energy
- Sustainable Site Design
- Water Conservation
- Energy-Efficient Materials (i.e. green label certified floor covering, healthy flooring materials, etc.)

THE HABITAT ADVANTAGE

Habitat's approach is a long-term affordable homeownership solution that benefits the whole community, not just a few investors. It's affordable—homes are restored using volunteer labor and in-kind donations; it's practical—a proven model from start to finish; it's responsible—family selection and homeowner education ensures a stable investment in neighborhoods.

HFH GLA is an ideal developer for NSP because:

- We are an experienced developer, lender and builder providing turnkey project management from site identification to sale.
- We have professional and experienced construction staff dedicated to building energy-efficient affordable homes.
- We are experienced in outreach and marketing to low income populations and have the ability to establish a pool of qualified homebuyers.
- We are a mortgage lender, providing 30-40 year interest free loans to enable low income buyers to purchase a home once complete.
- We have the ability to leverage dollars through private donations of cash, labor and materials.
- We partner with certified HUD agencies to provide homeowner education/counseling and offer support to Habitat homeowners before and after the sale.
- We are knowledgeable about CDBG programs and special NSP requirements.
- We have key foreclosure data sources/vendors and a database management system that will provide cities with needed statistics and reports to meet NSP requirements, saving staff time and dollars on research.
- We have the ability to select qualified vacant properties, negotiate with lenders, and ensure we take clean title.
- We have the ability to manage and rehabilitate multiple scattered properties and meet the NSP delivery timeframe.
- We have knowledge of REO distressed property valuation, REO lender holding costs, NSP appraisal processes, obtaining CEQA, NEPA and other basic environmental clearances required.
- We have the ability to create adequate benchmarks, performance measures, monitor results and generate reports for the grantee and HUD.

THE OPPORTUNITY

Habitat for Humanity of Greater Los Angeles has provided seed funding to launch this program, in addition to staff and resources. We are looking to partner with cities, the county, corporations, foundations, civic groups, churches and individuals to help with this effort. We invite you to be part of the solution. For more information, please contact Veronica Garcia, VP of Advocacy and Community Partnerships for Habitat for Humanity, at vgarcia@habitatla.org.

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