

Acquisition & Disposition Matrix by Property Type

<u>Acquisition</u>	<u>Disposition</u>
<p>Targeted/Core Property. 1-4 unit property in targeted neighborhood. Market value (as rehabbed) in the \$200,000 - \$300,000 range.</p> <p>Purchase in bulk, directly from financial institution. Target acquisition price at 50% of ultimate retail price (\$100,000 to \$150,000).</p> <p>Acquisition goal: Acquire as many as possible.</p>	<p>Rehabilitate property, according to established standards.</p> <p>Coordinate with community-based agencies to develop pipeline of qualified buyers.</p> <p>Price at market, at price affordable to 80% - 120% AMI buyers (\$210,000 to \$290,000). Create package of potential seller concessions to include down-payment assistance and/or seller-paid closing costs.</p> <p>Use selected/qualified “area leaders” as listing agents/transaction coordinators. Area leaders act as independent agents, but coordinate closely with Land Bank to prepare and market properties.</p> <p>Link to homebuyer support programs. Encourage buyers to promote ownership opportunities to others.</p>
<p>Condominium in Core Area. Condominium in core area. Market value (as rehabbed) in the \$120,000 - \$220,000 range.</p> <p>Seek to focus acquisitions on condominium projects with significant quantity of distressed units. Attempt to purchase majority of units in building.</p> <p>When building presents complex-wide deficiencies (e.g. deficient funds for operations/reserves, deferred maintenance, work with HOA board to address).</p> <p>Acquisition goal: Acquire when necessary for bulk portfolio purchase, or when a significant number of units within a building can be acquired.</p>	<p>Same as above.</p> <p>When the Land Bank owns a high percentage of units in building, seek to address any deferred maintenance on a complex-wide basis.</p> <p>Work with a community agency and/or condominium management company to provide leadership training and HOA management skills to develop board members.</p> <p>If appropriate, look at opportunities to revert to rental properties with long-term strategy for affordability.</p>
<p>Extremely Distressed Property in Core Area. Property with extreme functional/economic obsolescence & deferred maintenance. Rehabilitation costs exceed 35% of (as rehabbed) market value.</p> <p>Acquisition goal: Acquire when necessary for bulk portfolio purchase, or when property is available at a rate sufficient to provide a return and it is causing blight in the immediate area.</p>	<p>Consider deconstruction/demolition of existing building to capture underlying land value, when property is determined not to be a historic resource.</p> <p>Bundle and transfer to affiliated organization, or another community group/agency (e.g. Habitat for Humanity).</p> <p>Assemble adjacent properties for larger development if/when possible.</p> <p>Construct new buildings on property. Create building prototypes that match community character/architecture, and have been pre-approved by appropriate planning groups for their aesthetics. Seek to increase density, when zoning allows and community support exists.</p>

<p>Property outside of targeted neighborhoods. All properties that, due to their location or product type, are not priority acquisitions.</p> <p>Acquisition goal: Acquire when necessary for bulk portfolio purchase that allows acquisition of targeted properties at appropriate discount, or when a quick “flip” to another responsible buyer can provide sufficient margin to fund operations/objectives of the Land Bank.</p>	<p>Seek to dispose of property to provide return of capital and operating funds as quickly as possible.</p> <p>Where appropriate, bundle in small groups for investor sales.</p> <p>Perform minimal rehab, when necessary, for quick/profitable (e.g. small repairs, appliance replacement, etc.)</p> <p>Use identified local resources in each market area to prepare/market properties.</p>
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