



# Facilitating the Transfer of REO to Stabilize Neighborhoods

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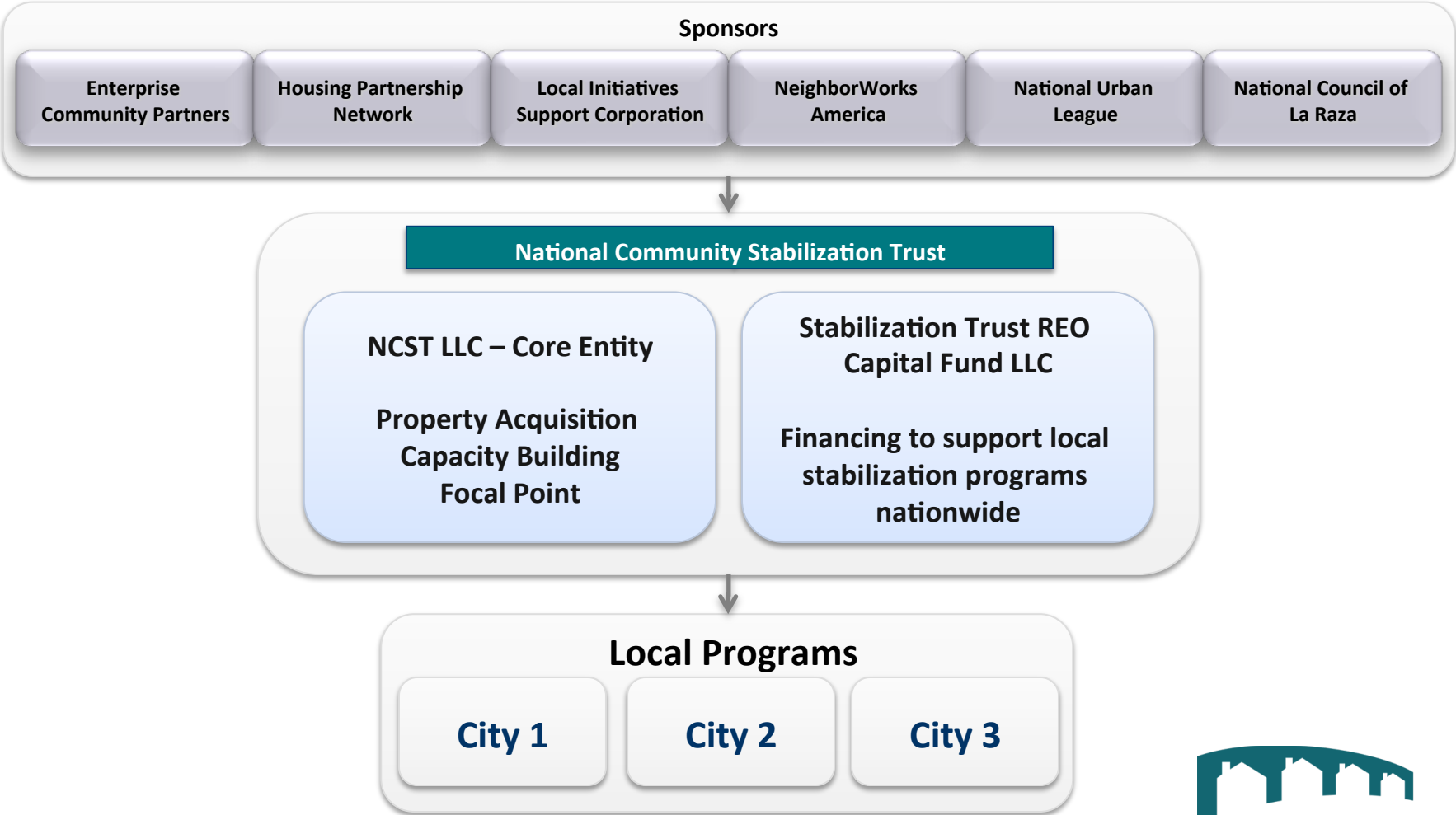
Neighborhood Stabilization and  
Foreclosure Solutions



National Community  
Stabilization Trust

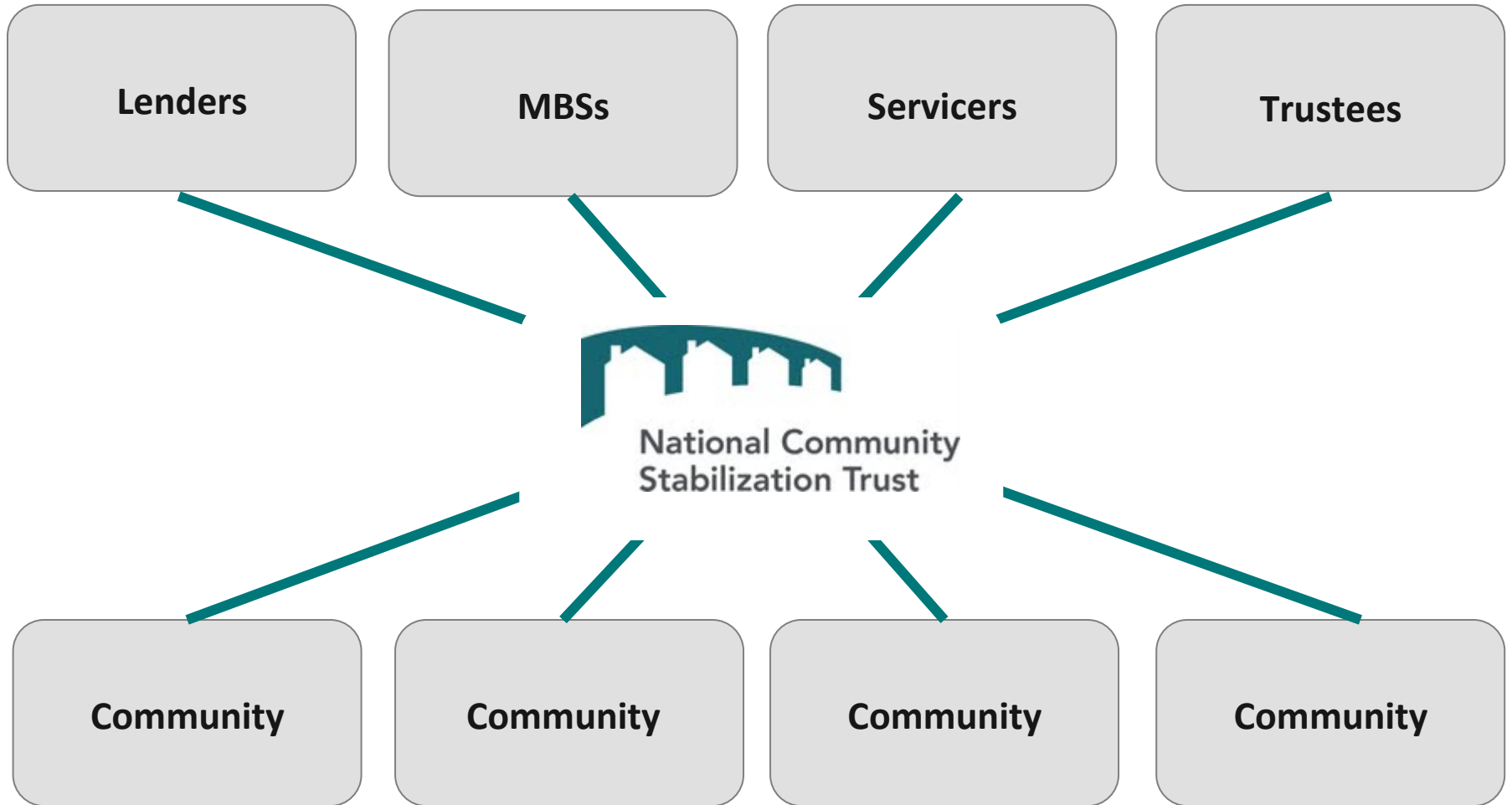
T H E   B R I D G E   T O   S T R O N G E R   C O M M U N I T I E S

# National Community Stabilization Trust Structure



# Transfer of Foreclosed Properties

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# Mortgage Servicers/ Financial Institution Participation

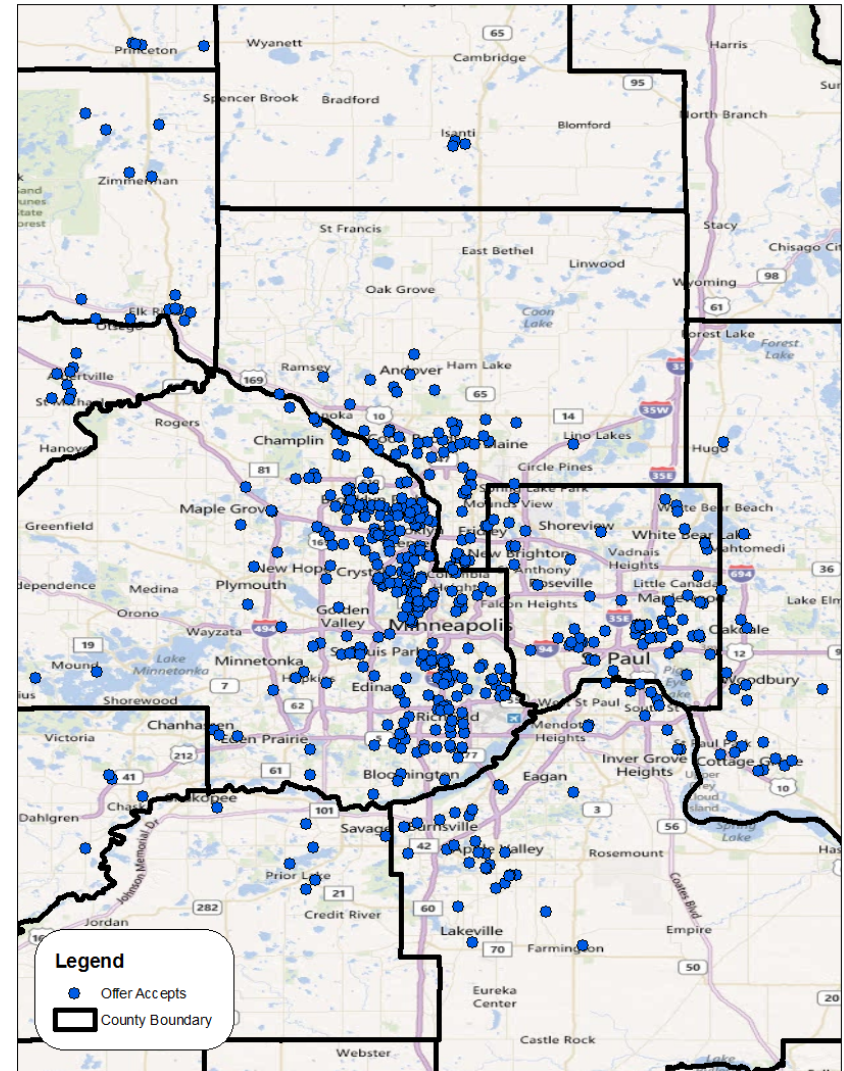
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## National *First Look* Program

- Bank of America
- Citi
- Chase
- Freddie Mac
- GMAC
- Ocwen
- Saxon
- US Bank
- Wells Fargo
  
- HUD/FHA – NSP funds must be used
- Fannie Mae – different process

# Twin Cities Community Land Bank

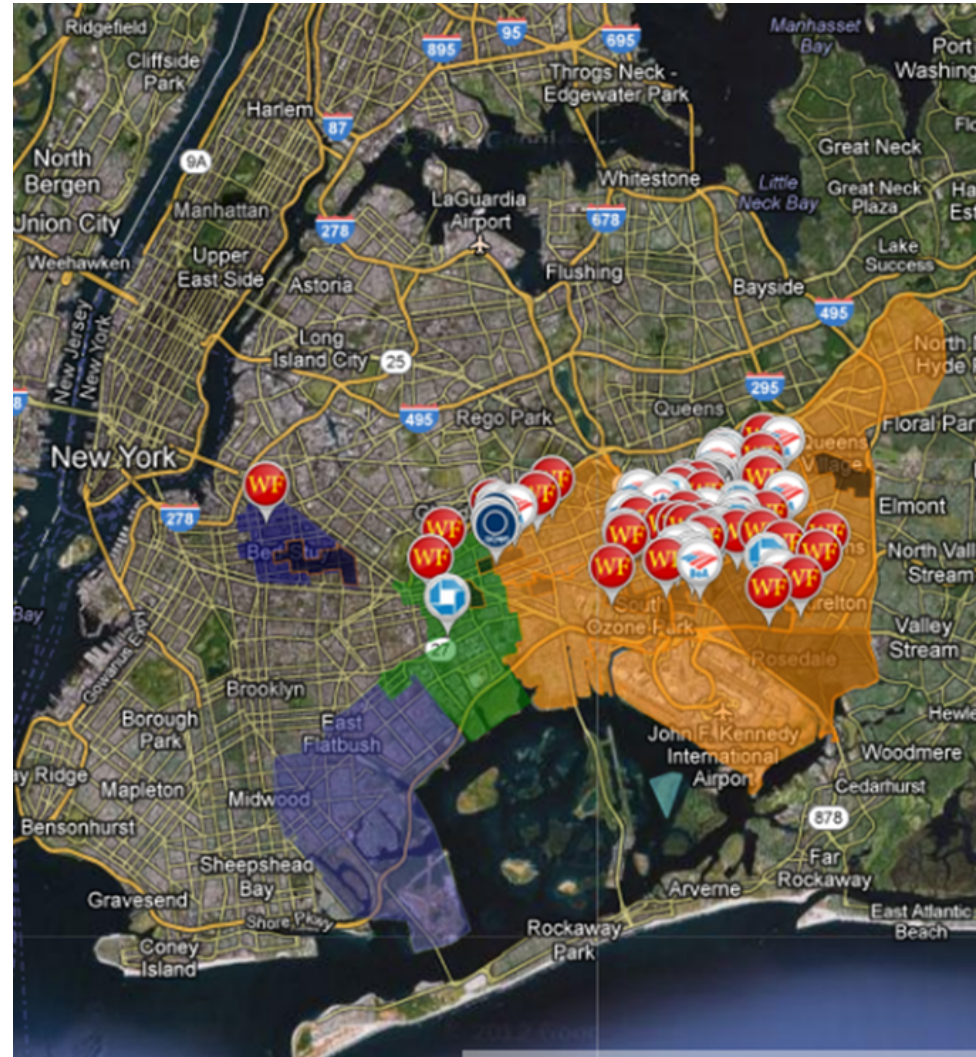
- **First Look Program /Twin Cities Community Land Bank:** \$30 million leveraged, \$6.8 million saved through coordinated transfer of real estate-owned properties from financial institutions nationwide to local housing organizations in collaboration with state and local governments.
- **731 total foreclosed properties purchased through the NCST First Look** pre-market discount program from 2008 to date. Minneapolis only: 297 properties, 91 to private developers, 154 to nonprofit developers, and 52 to the City. Of these, 133 properties will utilize Neighborhood Stabilization Program funds.
- **11 properties were donated through the Land Bank** to the City from financial institutions, including Fannie Mae (3), Wells Fargo (2), Bank of America (2), Chase (2) and others.





# New York City

- **Restored Homes Housing Development Fund Corporation** grew out of ACA program and began buying REO properties in 2008
- Under the REO Program, Restored Homes has been allocated \$24 million in federal and city subsidies which will leverage \$32 million in private financing. The \$56 million will allow Restored Homes to purchase and redevelop 85 to 100 REO properties over a 36-month period.
- To create the largest positive impact, the REO Program targets the areas of greatest need, based on the highest percent of foreclosures, high cost loans and lis pendens filings.
- Restored Homes works with community-based partner organizations to market the properties, identify eligible homebuyers, and provide them with homeownership counseling and training.



# REOMatch®

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- REOMatch is for use exclusively by participating NCST Community Buyers.
- **Proprietary web-based mapping and property transaction program:**
  - Enables REAL TIME connectivity to NCST's property transfer platform
  - Helps Community Buyers make better strategic decisions in property selection to stabilize target areas within distressed neighborhoods.
- **Making Property Acquisition Faster and Smarter**
  - Mapping functions and downloadable property data enable Buyers to accurately pinpoint and define the status of properties pivotal to neighborhood revitalization activities.
  - Creates a virtual 'marketplace' through which *First-Look and Listed* REO properties available for sale from Stabilization Trust Sellers are aggregated in one platform.

REOMATCH®



# Second Half of Neighborhood Stabilization...

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## ...Looks Different Than First Half

- Neighborhood stabilization is no longer a secret!
- REO Supply and Demand has changed dramatically
- Homeownership vs Rental options are growing
- Focus likely to be on REO and Pre-foreclosure solutions?
- AG Settlement – the good news and the unintended consequences
- Private investors – will they be part of the problem or the solution?
- Private capital is going to private investors; not nonprofit providers



# Contact Information

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National Community  
Stabilization Trust