

We help local government  
make and maintain  
responsible investments  
in affordable homeownership.



# hello stewardship

a program of Hello Housing



# stew·ard·ship

*noun* \stü-ərd-ship

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

We offer a cost-effective, professional and consistent approach to administering affordable homeownership programs on behalf of municipalities.

# why stewardship?

Municipalities work hard to provide opportunities for working families to purchase Below Market Rate (BMR) homes. Without proper monitoring, a community's supply of resale-restricted housing is at risk. Homes may be sold at market value, rented for profit, lost to foreclosure or refinanced for amounts greater than the restricted value. Hello Housing has developed a deep understanding of the problems municipalities face in preserving affordable for-sale homes – and we offer solutions.



How do you ensure your portfolio of Below Market Rate, for-sale homes is protected and stays affordable?

why now?

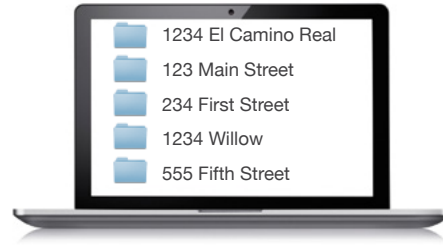
By providing active, professional and affordable administration of Below Market Rate (BMR) homeownership and loan programs, Hello Stewardship helps jurisdictions achieve their program goals within a context of limited resources. Managed well, homeownership programs create real opportunities for low- and moderate-income families to improve their lives. This means homebuyers not only purchase a home, but are able to stay in their home or use the benefits of participating in a BMR program to enter the conventional homebuyer market.

Home prices are rising once again in many parts of California. Preserving affordability for future generations is our primary goal. We educate aspiring homebuyers to ensure they understand the complexities of resale restrictions. After homes are sold, we maintain regular contact with homeowners, ensuring that they meet compliance obligations, answering any questions they have, and assisting them should they decide to sell or refinance their home. In the event of a resale, our database of qualified applicants enables us to quickly identify income-qualified buyers.

## What do we do?

- ✓ Monitoring of homeowner compliance with resale restrictions
- ✓ Down Payment Assistance (DPA) program administration
- ✓ Program design and development
- ✓ Homebuyer identification and qualification
- ✓ Homebuyer education regarding resale restrictions
- ✓ Underwriting and processing
- ✓ Pre and post-closing administration
- ✓ Sales of inclusionary units
- ✓ Rehab and emergency loan program management
- ✓ Loan servicing
- ✓ Marketing and outreach

How do we do it?  
simplify.  
serve.  
sustain.



simplify.

Hello Stewardship prides itself on making complexity simple.

We invest heavily in setting up programs for success. We create a custom webpage for each program we manage, clarifying program guidelines and providing downloadable access to key forms for program participants. We scan each file for efficient reference. We enter key data into our online Salesforce database, providing us and our partners with homebuyer details and transparent reporting at the touch of a button.

With the elimination of redevelopment agencies and the transfer of many BMR portfolios to successor agencies without admin dollars, there can be a great deal of confusion among BMR owners. This lack of clarity creates stress for the owner and presents real challenges for municipalities charged with serving its citizens. We provide relief to jurisdictions by educating BMR owners about ongoing program requirements, helping owners through the refinance and resale process and providing active management when something goes wrong.

serve.

I need to refinance my home. Who do I call? What do I do? Where do I turn?



I have a plan. I know what I can and can't do. And if I get stuck, I can call Hello Housing.





# sustain.

Hundreds of millions of taxpayer dollars have been invested into affordable homeownership programs in California. Like any investment, active management is necessary to reduce the risk of loss. Without the dedicated support of people who understand the program, owners of Below Market Rate units may lose their home to foreclosure, ending up worse off than when they started. Hello Stewardship follows national best practices to preserve BMR units for generations. With the generous financial support of the Cornerstone Housing Innovation Program (CHIP), we can offer our partners high-quality services at an affordable price.



Hello Stewardship is skilled at co-creating programs that meet the needs of our government partners, each of whom has a unique set of goals and resource constraints. We believe it is our job to understand the context and adapt our services to make sense for our clients. By offering a variety of services to choose from, we can fill small gaps in existing programs or provide comprehensive program administration.

## Our services are designed for you.

- ✓ Below Market Rate program administration
- ✓ Rehab loan program management
- ✓ Loan servicing
- ✓ Sales of inclusionary units



## Below Market Rate program administration

Cities, counties and municipalities throughout California have worked hard to create affordable homeownership opportunities. However, with the loss of redevelopment agencies and never-ending budget cuts, many lack resources to administer their BMR programs, leading to program inconsistencies, violations of resale restrictions and, in the worst case, the permanent loss of affordable homes. We help jurisdictions meet the daily needs of program participants while protecting the portfolio for future generations.

### Existing BMR portfolios

- Digitization of all loan documents and extraction of pertinent data for efficient reference
- On-going monitoring of homeowner compliance with resale restrictions
- Early identification of potential violations
- Feasibility analysis for jurisdictions to exercise their option to purchase

### Refinances, sales and resales

- Homebuyer education including the offering of program-specific workshops
- Review of refinance requests for program compliance
- Creation of subordination agreements
- Marketing & outreach to ensure pipeline of qualified applicants
- Targeted marketing to Hello Stewardship's 10,000-person database of aspiring homeowners
- Calculation of restricted resale price (including capital improvement calculations)
- Screening of applications and backup documentation for income and program eligibility
- Preparation of loan documents including restrictions, prom notes and DOTs
- Coordination among all parties for a successful close

our services

## Rehab loan program management

Due to scarce resources, many cities and counties have downsized, or halted altogether, important emergency and rehab loan programs. Often, there is capital available to lend but no staff available to manage the program. Hello Stewardship draws on Hello Housing's development and rehab expertise to administer rehab programs on behalf of jurisdictions, providing low-income, disabled and senior citizens with the support they need to maintain and remain in their home.

- Marketing & outreach to ensure citizens are aware of the resource
- Borrower education including the offering of program-specific workshops
- Qualification of borrowers according to program requirements
- Screening of applications and backup documentation for program eligibility
- Site visits to establish the necessary scope of work
- Review of due diligence reports to finalize the scope and assess budget feasibility
- Preparation of loan documents including restrictions, prom notes and DOTs
- Coordination and review of contractor's bids
- Progress inspections to ensure timely and quality workmanship
- Review of refinance requests
- Creation of subordination agreements

## Loan servicing

Many cities and counties rely on outdated software or Excel spreadsheets to service their small- to mid-sized loan portfolios. Portfolios may have a variety of loan terms, some with deferred payments and some with monthly payments. Using state-of-the-art technology, we can efficiently service these diverse portfolios on behalf of jurisdictions. Unlike large corporate servicers, we can design a servicing process that is sensitive to the unique needs of borrowers, many of whom have limited financial resources.

- Digitization of all loan documents and extraction of pertinent data for streamlined process
- Generation of payment coupons
- Collection, reconciliation and remittance of loan payments
- Performance of any necessary late, partial or non-payment follow-up
- Tracking of maturity or conversion dates of deferred loans
- Provision of quarterly loan performance summaries to jurisdictions
- Review of refinance requests and creation of subordination agreements
- On-going monitoring to ensure borrower compliance with program requirements
- Underwriting and processing of new loans using proceeds from loan payoffs

## our services

### Sales of inclusionary units

For many for-profit developers, managing the sale of inclusionary units within specific regulatory requirements can be a daunting task. As a result, many choose to pay in-lieu fees, reducing the number of affordable units built in California. With expertise as a for-sale developer and BMR program administrator, Hello Stewardship can manage this process, ensuring expedited sales to qualified buyers.

- Targeted marketing to Hello Stewardship's 10,000-person database of aspiring homeowners
- Community-based marketing & outreach to ensure pipeline of applicants
- Preparation of BMR marketing materials that reflect the market-rate sales brand
- Income qualification and program-eligibility assessment of applicants
- Homebuyer education including the offering of program-specific workshops
- Ongoing communication with developer to ensure sales meet the project timelines
- Design and coordination of a lottery and waiting list to ensure fair housing compliance
- Preparation of loan documents including restrictions, prom notes and DOTs
- Active communication with buyers from application through COE
- Coordination among all parties throughout the sales transaction

“Hello Housing offers a very entrepreneurial and customer focused non-profit team with a cost structure that helps minimize the impact to the City’s General Fund....Hello Housing has proven their ability to take on complicated projects, create clear systems to streamline operations, and prepare polished marketing materials for education and outreach...References for the Hello Housing team were excellent and confirmed our impressions. While each of the vendors are clearly qualified to provide these services, the cost proposal and service delivery model of Hello Housing came to the forefront.”

- City of Novato Staff Report to City Council

“On behalf of my family, I would like to extend our grateful appreciation of your excellent service. You were very helpful and accommodating in returning our calls and answering our questions. Trying to refinance with a resale restriction was complicated, but you made it easy. Thank you very much!”

- BMR Resident, Contra Costa County

# Hello Housing will be pleased to prepare a proposal based on your unique program needs.

We know that each and every city and county operates differently, and a one-size-fits-all solution doesn't work. We are happy to schedule a phone call or in-person meeting so we can better understand your needs and the needs of your constituencies. Based on our conversation, we can prepare a detailed proposal which will include:

- A detailed description of services
- A clear pricing sheet
- A summary of our organizational and staff experience
- Sample marketing and workshop materials
- References

Thanks to the generous support of the Ford Foundation and the federal Social Innovation Fund, NCB Capital Impact is providing Hello Housing with multi-year grant funding to expand its stewardship. As a result, we can offer high quality services at a price that makes sense for government agencies facing budget challenges at every turn. Our low, one-time set-up fee plus our task-based pricing makes Hello Stewardship the most cost-effective way to ensure professional and consistent administration of your affordable homeownership and loan programs.

For more information, please visit [www.hellohousing.org/stewardship](http://www.hellohousing.org/stewardship) or schedule an informational meeting by emailing [hello@hellohousing.org](mailto:hello@hellohousing.org) or by calling (415) 863-3036.

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- ✓ Rehab loan program management
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