

Grantee: Neighborhood Housing Services of Orange County

Grant: B-09-CN-CA-0049

April 1, 2021 thru June 30, 2021 Performance Report

Grant Number: B-09-CN-CA-0049	Obligation Date:	Award Date:
Grantee Name: Neighborhood Housing Services of	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$7,500,000.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$7,500,000.00	Estimated PI/RL Funds: \$8,829,492.09	
Total Budget: \$16,329,492.09		

Disasters:

Declaration Number

NSP

Narratives

Executive Summary:

On behalf of members of the Home Again Consortium, Neighborhood Housing Services of Orange County (NHS OC) was awarded \$7,500,000 in NSP2 funds to acquire, rehabilitate and re-sell or rent at least 100 housing units in census tracts in Orange County with an average foreclosure need score of 18 or greater. The organizations that make up the HomeAgain Consortium formed a collaborative in 2008 to address how to reduce the impact of REOs in neighborhoods in Orange County. After becoming aware of the availability of NSP2 funds for non-profit organizations, the collaborative decided to apply for NSP2 funding as the HomeAgain Consortium to increase efforts to stem the negative effects of foreclosures on neighborhoods and property values throughout Orange County. The consortium members are all non-profit organizations who have histories of providing housing opportunities for very low to moderate income residents in the County. Orange County has been identified as one of the hardest hit areas in the country in terms of foreclosure. In Quarter 2 2008, 3,085 trustees deeds were recorded in Orange County, which was a 276% increase from the same quarter the year before, when only 821 trustees deeds were recorded. The rise in foreclosures negatively affected property values, which decreased by 41% in a 2 year period from mid 2007 to mid 2009, when the HomeAgain Consortium initially applied for the grant. The large rise in foreclosures led to a significant decline in homeownership rates and a further decline of neighborhood stabilization. Although home sales are rising and the market is slowly stabilizing, Orange County continues to see decreasing median home prices. In March 2012 the median home price in Orange County was \$400,000, which was down 7 percent from March 2011 (www.dqnews.com). The consortium's NSP2 strategies include: · Acquiring at least 100 housing units through the National Community Stabilization Trust and other means in a target geography which has an average combined foreclosure needs score of 18 or greater. · At least 25 percent of the consortium's NSP2 funding will be used for the purchase of abandoned or foreclosed homes or residential properties that will be used to home individuals or families whose incomes do not exceed 50 percent of Area Median Income. · Rehabilitate the properties to community standards and where possible use "Green Practices" when making repairs or replacements. · Re-sell or rent the units to qualifying individuals or families. When re-selling properties, down payment assistance will be provided for households in need of assistance. The main program activities are: · Acquisition, Rehab, Resale: Single Family Residential (ARR-SFR) \$6,239,264 program funds (This number has increased and was \$5,400,000 in the original application.) · Acquisition Rehab, Rental: Single-Family (AAR-Rental) \$510,736 program funds , One strategy in selecting homes is to focus on properties that are least likely to be purchase

Executive Summary:

d because of the amount of rehabilitation required or the impact of foreclosures in the census tract. This will help neighborhoods and allow down payment assistance mortgages to be placed on the properties that are hard to sell. The consortium will target completing acquisition and rehabilitation of 92 single family residential units and/or condominiums for resale and 8 units for rent. A number of the rental units are targeted to serve special needs populations. All of t

Target Geography:

The Target Geography includes the following census tracts in Orange County, California with an average foreclosure need score of 18:

11.01,741.02, 13.01, 741.06, 13.03, 741.07, 15.01, 741.11, 15.05, 742.00, 17.04, 743.00, 17.07, 744.03, 110.00, 744.07, 117.15, 744.08, 117.16, 745.01, 218.02, 746.01, 219.13, 746.02, 219.20, 747.01, 219.23, 747.02, 320.02, 748.01, 320.14, 748.02, 320.15, 748.03, 320.23, 748.05, 320.27, 749.01, 320.28, 749.02, 320.34, 750.02, 320.38, 750.03, 320.39, 751.00, 320.44, 752.01, 320.48, 752.02, 320.49, 754.03, 320.50, 755.15, 320.51, 756.04, 320.52, 756.07, 320.53, 760.00, 320.56, 761.02, 421.11, 863.01, 421.12, 864.04, 422.03, 865.02, 422.05, 867.01, 423.07, 867.02, 423.10, 870.02, 423.12, 871.03, 423.15, 876.02, 423.20, 877.03, 423.27, 877.04, 423.32, 878.01, 423.35, 878.02, 524.08, 878.03, 524.16, 878.06, 524.18, 884.03, 524.20, 886.01, 524.24, 888.01, 524.27, 890.03, 524.28, 890.04, 525.02, 891.02, 525.17, 891.05, 525.25, 992.02,



525.27, 992.15, 626.04, 992.31, 626.10, 992.43, 626.12, 992.48, 626.21, 994.13, 626.25, 995.14, 626.33, 997.02, 626.38, 1,102.01, 626.39, 1,103.01, 626.43, 1,104.01, 740.04, 1,106.04, 740.06

The housing median prices throughout the County of Orange have tumbled from \$645,000 in June 2007 to \$380,000 in April 2009; representing a price decrease of 41%. These plummeting home values have only added to the number of housing foreclosures, even from steady home owners as they walk away from homes with negative equity. In March 2012, the median home price remains low compared to 2007, at \$400,000 (www.dqnews.com). Lower housing prices may seem to benefit the cause of homeownership in the County of Orange as the market adjusts from previous overvaluation, however, the unemployment rate as of February 2009 in Orange County was 7.8% and has risen to 8% in February 2012. This level of unemployment in Orange County severely undermines the ability for residents of the County to meet their basic housing needs as well as receive credit for proceeding into the future. Renters have also experienced loss of housing due to foreclosure in Orange County. Though not as prevalent as that of foreclosure of single family homes, an opportunity exists to acquire rental properties either of one to four units or more than five units to create affordable long term rental options for very low income families which are needed throughout the county.

Program Approach:

The Consortium will purchase and rehab properties in census tracts in Orange County with an average foreclosure needs score of 18 or greater. This will help to support older neighborhoods with a greater need for structure rehabilitation and will make it possible to access troubled rental projects that otherwise may not be eligible for NSP2 funding.

The Home Again Consortium has four Proposed Activities that require NSP2 funding:

1. Acquisition, Rehabilitation and Resale - Single Family Residences Program (ARR-SFR)
2. Acquisition, Rehabilitation and Rental Program (ARR-Rental)
3. Homebuyer Assistance Program (DPA-SFR)
4. Administrative costs will not exceed 10% of NSP2 funding.

For clarification, the Consortium intends to provide Homebuyer Assistance in the form of a deferred 2nd or 3rd mortgage on the for sale properties. For the most part, the Consortium plans to provide this assistance to homebuyers that will purchase homes that have been purchased and rehabilitated by one of the Consortium Members with NSP funds. Thus, this Action Plan reflects moving the 45 units of Homebuyer Assistance totaling \$2,700,000 to the Acquisition, Rehab, Resale activity. This would increase the ARR-SFR activity for a total of \$6,239,264 with the ARR-Rental activity at \$510,736. In the case that it is necessary to acquire NSP homes with private funds, NSP funds may also be used for Homebuyer down payment assistance for homes acquired with private funds.

Consortium Members:

Currently, the NSP2 HomeAgain Consortium includes the following nonprofit organizations:

- Affordable Housing Clearinghouse
- Orange County Community Housing Corporation
- Habitat for Humanity of Orange County
- Mary Erickson Community Housing
- Community Housing Resources Inc.
- Neighborhood Housing Services of Orange County, Inc.

In the original application Irvine Community Land Trust was also a member of the HomeAgain Consortium. Irvine Community Land Trust was not able to purchase a property in the approved census tract in the City of Irvine that fit their NSP2 budget. Thus on November 8, 2012, HUD approved a substantial amendment to remove Irvine Community Land Trust from the NSP2 HomeAgain Consortium.

How to Get Additional Information:

Please contact Yolanda Lujan-Sanchez at 714-409-3436 or yolanda@nhsoc.org.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$17,217,016.77
Total Budget	\$0.00	\$14,955,625.68
Total Obligated	\$0.00	\$14,955,625.68
Total Funds Drawdown	\$0.00	\$14,937,860.71
Program Funds Drawdown	\$0.00	\$7,500,000.00
Program Income Drawdown	\$0.00	\$7,437,860.71
Program Income Received	\$0.00	\$8,879,702.09
Total Funds Expended	\$0.00	\$14,937,860.71
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 2,261,391.09
Match Funds	\$ 0.00	\$ 2,261,391.09
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
Affordable Housing Clearinghouse	\$ 0.00	\$ 1,271,238.40



Community Housing Resources, Inc.	\$ 0.00	\$ 510,736.00
Habitat for Humanity of Orange County Incorporated	\$ 0.00	\$ 674,559.36
Irvine Community Land Trust	\$ 0.00	\$ 0.00
Mary Erickson Community Housing	\$ 0.00	\$ 684,617.12
Neighborhood Housing Services of Orange County	\$ 0.00	\$ 10,328,788.19
Orange County Community Housing Corporation	\$ 0.00	\$ 1,467,921.64

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.00%	.00%	.00%
Minimum Non Federal Match	\$.00	\$3,547,376.41	\$2,261,391.09
Overall Benefit Amount	\$14,583,887.35	\$.00	\$.00
Limit on Public Services	\$.00	\$.00	\$.00
Limit on Admin/Planning	\$750,000.00	\$1,598,292.75	\$1,580,527.78
Limit on Admin	\$.00	\$1,598,292.75	\$1,580,527.78
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$4,082,373.02		\$4,181,891.32

Overall Progress Narrative:

No activities reported.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
Administration, Administration	\$0.00	\$1,598,292.75	\$1,130,345.54
ARR-Rental, ARR-Rental	\$0.00	\$510,736.00	\$510,736.00
ARR-SFR, ARR-SFR	\$0.00	\$13,900,070.41	\$5,858,918.46
DPA-SFR, DPA-SFR	\$0.00	\$0.00	\$0.00

