

## City of Santa Fe Homeownership Support Programs

As a long-time partner of the City of Santa Fe, Homewise is pleased to respond to the Request for Proposals for Homeownership Support Programs.

### Introduction

Our mission at Homewise is to help create successful homeowners so that they improve their financial wellbeing and contribute to the vitality of our communities. The ultimate goal of every service provided by Homewise is to further the long-term financial success of our customers.

Since our founding in 1986, we have adapted to Santa Fe's evolving challenges, adding services to fill community needs, refining our processes to improve customer service, and building our capacity and sophistication to bring more resources to Santa Fe. At the same time, we have become nationally recognized as a pioneer in the affordable homeownership and community financing industries. Our work in Santa Fe is cited in the industry as an example of how mortgage lending can be combined with support services like financial coaching and education to help families overcome their obstacles to homeownership. Even as we gain national attention, our heart and core remain in Santa Fe. Our staff has grown to 85 and 71 of them are located in our Santa Fe headquarters, and we are in the process of expanding that headquarters to house continued growth.

Homewise offers a full range of home purchase and home improvement services including homebuyer coaching and education, non-commissioned real estate sales services, real estate development, lending for home purchase and home improvement, refinance and loan servicing. These client-forward services are backed by an impressive team who provide finance and accounting services, marketing and outreach, data analysis, and capital resource development. Working together, these team members provide outstanding customer service to our families and ensure accountability to our partners such as the City of Santa Fe.

Since July 2014, Homewise has achieved the following results under the city "Affordable Housing Programs" contract:

Homeownership Results July 2014 through March 2018	
Homebuyer Results	
#of New Homebuyers	696
# of HH completed Homebuyer Education	1,647
# of HH completed Financial Literacy classes	611
# of NEW HH receiving 1-on-1 Homebuyer Counseling/Prequalification	3,154
# of City SFHP and HOP affordable housing liens recorded	33
\$ amount of City affordable housing liens recorded (SFHP, HOP and NSP)	\$2,781,696
# of City assistance mortgages provided (CDBG and AHTF)	82
\$ amount of City assistance provided (CDBG and AHTF)	\$1,257,011
# of new homes built and sold	146

<b>Homeowner Results</b>	
Total # of homes improved	179
# of homes improved with energy or water conserving measures	134
Total # of homeowners who refinanced mortgage to lower rate, better terms or make needed home improvement	137
<b>Community Education and Outreach</b>	
# of outreach presentations to local businesses and other audiences	350

The impact of these affordable housing programs on the local economy and broader community are equally impressive. Our creation of new homeowners, permanent financing for new construction, and financing of home improvement supports local economic activity, which generates Gross Receipts Tax and creates jobs. We estimate that in our last four fiscal years, the construction and home improvement projects we have financed have generated over \$44 million in local construction related income and \$6 million in Gross Receipts Tax. The projects also supported 820 construction-related full time equivalent jobs.

Over the next three years, Homewise proposes to provide all the services described in the Homeownership Support Programs RFP including:

- ✓ Homebuyer Assistance for Low to Moderate Income Households
- ✓ Verifications and Certifications for Affordable Housing
- ✓ Santa Fe Homes Program, Housing Opportunities Program, and Low Price Dwelling Unit Lien Assistance and Management

In addition to these services, we will also continue to provide supplemental services including education and outreach to promote affordable housing opportunities and accomplishments of the City of Santa Fe and its partners, home improvements services including energy conservation improvements and home improvement service, refinance services to households who can secure a better rate or terms than their current mortgage, and pro-active loan servicing to support sustainability among existing homeowners.

## Scope of Services

---

### Homebuyer Assistance for Low to Moderate Income Households

#### *Program Proposal*

Homewise will assist income qualified homebuyers to buy homes using the integrated home purchase business model that we have developed over our 32-year history in Santa Fe. We provide a one-stop-shop with all the essential services needed to prepare for homeownership, find a home, finance a home, and succeed as a homeowner. The diagram below illustrates the full line of home purchase, refinance lending and home improvement services provided to Homewise customers to support long-term financial security.



The services above are provided in a coordinated effort, with an emphasis on customer service. The most significant challenges we anticipate in providing the activities and deliverables listed below are related to unpredictable market conditions. Home prices are once again rising in Santa Fe, which can make it more challenging to help buyers find homes within their purchasing power. This can result in lower production numbers than predicted. Rising interest rates also exacerbate the affordability challenge and dampen the demand for refinance loans. Homewise will address these changing market conditions in the same way we have for the last three decades: by adapting our services to the needs of the community and leveraging resources from outside sources. For example, we have recently secured three large-scale downpayment assistance programs, including Project Reinvest Homeownership, LIFT, and Capital Magnet Fund. These programs provide enough capital to fund hundreds of deferred assistance loans across the state, including here in Santa Fe and will help us address the city's increasing home prices. In addition, Homewise strategically acquired land when prices were low to create a multi-year land bank. This will help us continue to build affordably-priced new homes even as land prices increase.

Since Homewise provides all of the services needed to purchase, improve and refinance a home in an integrated model, we have control over significant components of the process. This allows us to make changes as we see opportunities to improve service. For example, in the past few years, Homewise entered into a new partnership to provide loans for buyers who use an Individual Taxpayer Identification Number in lieu of a Social Security Number. This allows us to provide low fixed rate financing for a significant part of Santa Fe's population that would otherwise lack access to home loan capital. We have developed other new lending products that meet our clients' needs and lower interest rates in order to improve affordability. Our integrated business process affords us a large degree of adaptability to address challenges raised by changing market conditions.

#### *Activities Summary*

##### **1. Marketing and Community Outreach**

The Homewise marketing and outreach strategy is a multi-faceted plan that leverages community and business partnerships, public relations, client testimonials, events, advertising, sales collateral, direct mail, website and e-marketing, social media, and brand management. We take care to ensure that materials are impactful and accessible, consistent in design and message, with clear and inviting language. Past clients are an integral part of our strategy. They are effective ambassadors because they are approachable, trustworthy and share their experiences of working with Homewise to overcome obstacles to home purchase. Clients share their experiences via social media as well, and Homewise has developed over 10,000 Facebook fans who share their stories and our message within their social networks. By featuring real clients and their stories in our marketing and outreach and at public and media events, we tap into the influential nature of peer recommendations and motivational success stories.

Homewise also conducts in-person outreach with a focus on two major Santa Fe employers: Christus St Vincent Hospital and Santa Fe Public Schools. Outreach staff hold "Power Hour" classes at these work sites, where they provide short financial fitness lessons over the hour and serve invite participants to access Homewise's complete set of services. Outreach staff also hold tabling sessions at the worksite to provide general information. Homewise holds about 100 such tabling and Power Hour sessions a year. Newly started this year, our outreach staff have also initiated a new opportunity called New Homebuyer Night. This weekly event gives prospective clients the opportunity to drop in and visit the Homewise office and speak to a Home Purchase Advisor in an accessible and casual way between 5:00 and 7:00 PM. These events fit into people's busy work schedules and are a less intimidating first-contact than a full assessment session. The combined Marketing and Outreach strategy effectively conveys the opportunities for homeownership assistance that are provided by Homewise and the City of Santa Fe.

##### **2. One-On-One Homebuyer Preparation**

###### **a. Development of Action Plans to help customers qualify for a home purchase**

Homewise has a staff of 17 in the Coaching, Education and Training Department in Santa Fe's office who work with customers to help them become ready to purchase a home through the initial contact at outreach and with financial coaching and training. During the previous contract, the Homewise staff counseled a total of 3,154 new households, in addition to providing ongoing



service to households who had started with us prior to the contract period. Each customer received a customized “Action Plan” at their intake and follow up sessions to help guide them in the steps they need to take to qualify for the best available 30-year fixed rate loan.

Working with their Home Purchase Advisors, customers are empowered to:

- improve their credit;
- reduce debt to increase their purchasing power;
- increase savings for their down payment and reserves; and
- learn budgeting techniques and set goals for long term financial success.

#### **b. Follow-Up Coaching**

Homewise Home Purchase Advisors also initiate follow-up contacts with customers on at regular intervals, no less than once a month. Follow-up activities include credit repair, collection negotiation advice, debt-reduction planning, and budgeting advice. Advisors typically follow up with customers each month, either by phone or in-person and manage an on-going caseload of about 700 clients at any given time. There is no limit to how long a client can work with Homewise Home Purchase Advisors or how many coaching sessions they can receive. We will continue to work with a client for as long as they desire our help until they reach their financial goals and become mortgage ready.

#### **c. Maintenance and tracking of customers through Homewise’s customer relationship management system, STARS**

Homewise has built a customized database that allows us to track customers’ progress through the various stages of home buying: inquiry, intake, home purchase advising, training, and buyer ready, real estate sales services, financing, closing and loan servicing. At each stage of the process, staff is able to track their individual caseload and be pro-active about following up with customers based on their needs. Each customer has a “Next Follow Up Date” noted in the database that allows staff to keep in contact with that customer through time. The database enables seamless transitions as clients progress through the system. Staff from different departments are able to see client data simultaneously and work together to best serve the customer’s needs. We are also able to produce customized reports for our management team, the Board of Directors and funders on production outcomes and operational efficiency.

### 3. Financial Fitness Classes and Homebuyer Education Classes

Homewise marketed and provided a total of 128 Homebuyer Education and Financial Fitness workshops for 2,258 households during the contract period through March 2018, with an average of 17 households per class. Classes were offered regularly in English and Spanish. Classes are taught by Homewise professional staff with both content expertise and education experience. The Homebuyer Education curriculum includes information about all stages of the home purchase process, as well as segments on refinancing, home equity lines of credit, and predatory lending.

#### **a. Financial Literacy Classes – Financial Fitness for Life**

Homewise's Financial Fitness class was first offered in 2002 and since that time 3,389 Santa Fe households have attended the classes in order to improve their financial skills to buy a home or to build wealth and financial security. These free classes are held bi-monthly and are also taught at various sites throughout the City in conjunction with community partners.

Some of the topics covered in the Financial Fitness and other educational workshops offered to community groups include the following:

- Goal setting
- Developing a budget (spending and savings plan)
- Understanding ways to improve credit scores and repair credit problems
- Learning savings strategies
- Evaluating spending in order to meet personal financial goals
- Debt-reduction tools (reducing debt to increase purchasing power)
- Other strategies that help families gain control over their money and financial future

#### b) Homebuyer Education Classes

Homewise provides eight-hour Homebuyer Education classes to Santa Feans who are preparing themselves to purchase a home, many of whom are first-time homebuyers. Since 1995, over 10,000 households have taken Homebuyer Education. The classes help customers understand what they need to know to protect their interest when buying a home, which for most people will be the largest purchase they will ever make. Homebuyer Education is offered in English and Spanish and covers the following topics:

- The vocabulary and homebuyer process through all phases of purchase.
- Prequalification criteria and obtaining a mortgage
- Mortgage financing and down payment assistance programs including ways to shop for the lowest cost mortgage loan
- Household budgeting and credit basics
- Real estate transaction, including inspections, purchase contracts and negotiating offers
- Closing process
- Post purchase resources around maintaining a home, insurance, taxes and other financial issues that help homeowners protect their equity
- Understanding refinancing, home equity loans and lines of credit, and predatory loans

#### 4. Home Improvement Assistance and Refinance Lending

Since 1986, Homewise has helped over 2,181 homeowners improve their homes with investments valued at over \$31 million. As an alternative to Home Equity Lines of Credit, high-cost personal loans or credit card, the Homewise Home Improvement program provides low-cost loans that help owners make repairs and maintain the value of their most important asset.

The overall strategy of Homewise is to increase the financial security of modest income families by providing affordable financing for essentials such as roofs, windows, stucco and heat/cooling systems. By helping homeowners maintain and improve critical infrastructure and systems as problems arise or earlier, homeowners can minimize damage and the need for costly corrective

repairs later, and in doing so, likely reduce their utility consumption. In recent years, Homewise has increased our focus on providing financing for installation of photovoltaic solar systems. We created the Solar Opportunity Loan (SOL) Fund, which was further supported by assistance from the City's Verde Fund. The SOL Fund is our effort to increase the use of solar by homeowners with modest income.

In addition to home improvement, Homewise supports existing owners with a refinance lending program. Homewise refinance loans help owners reduce their monthly payment by securing a lower interest rate, combine a necessary home improvement with their mortgage or get out from risky adjustable rate, sub-prime, or interest only mortgage. This program dovetails with home improvement services. When a customer comes to Homewise for a home improvement loan, lending staff looks at the potential of refinancing to lower the interest rate or provide a more financially secure mortgage. The customer may benefit with a home improvement, a fixed interest rate mortgage and lower monthly payment.

#### *Deliverables*

	Projected in Fiscal Year
Number of classes to be provided in fiscal year	30
Number of households attending classes	510
Number of mortgage ready prospective borrowers	450
Number of income qualified homebuyers placed in homes	60
Number of income-qualified owners assisted with refinancing	12
Number of income-qualified owners assisted with home repair, energy efficiency improvements and lending services	12

Homewise projections are based on our assessment of the future market opportunities. We anticipate that home purchase activities will increase as the market continues to strengthen. We project a decrease in refinance activity as so many existing owners have already secured interest rates that are comparable to those currently available.

#### Verifications and Certifications – Affordable Housing

##### *Program Proposal*

Since adoption of the Housing Opportunity Program and the subsequent adoption of the Santa Fe Homes Program, Homewise has assisted City staff, SFHP and HOP Developers and prospective buyers to fully implement the programs. Homewise will continue to help carry out SFHP and HOP by providing the services described below. The biggest program challenge we identify for Verifications and Certifications of Affordable Housing is the potential for changes and to the Santa Fe Homes Program. Changes make it more difficult for our staff to stay abreast of current regulations and make disclosures more challenging as rules differ for various buyers. To mitigate this challenge, our staff works closely with the City staff to monitor changes to ordinances and administrative procedures. We update internal documents whenever changes are made and ensure that staff is trained on any changes.

In addition, changes that weaken the program will result in fewer units being produced, which will make it difficult to meet the production levels we project. It is difficult for Homewise to mitigate any changes that result in fewer affordable units. Instead, we will continue to work City staff to provide our input on proposed changes through the appropriate forums.

#### *Activities Summary*

#### 1. Income verifications for the City's Santa Fe Homes Program (SFHP) and Housing Opportunity Program (HOP)

Homewise certifies the eligibility of the buyer for the purchase of a specific SFHP or HOP unit and provides that certification to the developer and the City. Homewise has worked with City staff to develop the tools necessary to complete these certifications and has conducted internal training to ensure that staff is versed in the requirements of SFHP and HOP. In addition, Homewise compiles and maintains the necessary documentation showing exactly how eligibility was certified and completes a checklist for each certification showing what document or information was used to satisfy each component of eligibility. This information is available for review by the City on any SFHP or HOP file, providing maximum transparency and accountability in the certification process.

#### 2. Certificates of Eligibility for waivers and benefits available for low-priced dwelling units

Homewise certifies Low Priced Dwelling Units for the applicable fee waivers, reductions and reimbursements. Developers of these units work with Homewise, either through our direct relationship with them or through a referral from City staff, to have their units certified by Homewise prior to the applications for the various permits. Homewise verifies that the intended home price and income limit for the unit meets the designated limits for the Low Priced Dwelling Unit fee waiver requirements. Because these waivers are granted before the unit is sold to the final buyer, Homewise also assists City staff on any unit where a post-purchase verification is requested by providing the City with the documentation showing that purchase price and household incomes are within required limits.

In addition, Homewise provides verifications for individual households who are building their own home that qualifies as a Low-Priced Dwelling Unit and wish to receive fee waivers or reimbursements. We collect the requisite documentation to verify income and we make the process approachable for the individual owner-builder.

#### 3. Providing the City of Santa Fe with pipeline reports

Homewise maintains a database called STARS of all customers who are working with Homewise. Our database maintains detailed information on our Buyer Ready customers, including their household size, income, AMI and mortgage qualification amount. This database allows us to efficiently match buyer-ready clients with available Santa Fe Homes Program properties.

#### 4. Documentation that states the policies of the SFHP/HOP program with regard to pricing of SHFP/HOP homes and buyer eligibility.

Homewise has developed documents to explain policies of SFHP and HOP with regard to pricing and eligibility. We use these documents internally to guide and help staff explain the requirements of the programs to our clients. Staff is trained on these documents to ensure they understand the programs and can guide potential buyers appropriately.

In addition, Homewise provides disclosures for such items as the deed restrictions, restrictive covenants, affordability liens, owner occupancy requirements and any other necessary requirements before the buyer closes on the home. This includes the provisions specific to SFHP and HOP. Homewise has already developed this process as part of our integrated service model. During the home selection stage, buyers are told about different requirements on the house they have chosen. At the lending stage, the loan officer walks the buyer through every required form and explains what each form means and what kind of restrictions accompany the house. The loan officer also explains any and all mortgages or liens that will be placed on the home. Homewise has trained our staff to ensure that they understand the SFHP and HOP affordability liens. In addition, Homewise has developed tools to help explain these requirements to buyers.

#### 5. Fairly Allocating Homes

Homewise has a history of managing large projects where immediate demand outstrips supply. Homewise maintains an equitable process for allocating the opportunities to purchase SFHP or HOP units. Homewise uses a model that has been successfully proven on past projects in which the builder provides Homewise with a list of buyers who have inquired about a project. Throughout the homebuyer preparation and home selection stages, Homewise Home Purchase Advisors maintain interest lists for all upcoming projects for which demand is expected to exceed supply. Any customer who expresses an interest in a specific project, inquires about that project, or is referred from the developer or another agency is included on that interest list.

When the developer releases lots for sale, Homewise contacts all the buyers on the interest list to find out if they are still interested. Homewise then re-verifies their eligibility for the project and develops a final list of interested buyers who have been verified as eligible. Homewise then ranks these buyers through a lottery, which can be attended and witnessed by anyone interested in the outcome. Buyers are then allowed to select a unit and go under contract in the order of the ranked list. This process has been successful in past projects as it provides every buyer with an equal opportunity to purchase an affordable unit. Homewise feels this is extremely important to the fair implementation of SFHP and HOP because it prevents situations where buyers who have received "insider" information get an unfair advantage in locating and reserving a SFHP or HOP unit. It also creates a level of transparency that ensures confidence in the system for the buyers, the developers and the City.

#### 6. Marketing available units

Homewise markets SFHP and HOP homes equally to all of its eligible buyers and provides information in the marketing materials about the requirements of the SFHP and HOP. Homewise realtors provide consistent information for each unit they show that allows a potential buyer to compare each unit, ensuring they understand the home price, any applicable association fees

and if there are restrictions on eligibility. More detailed information about the programs is then provided on an individual basis when a buyer shows interest in SFHP or HOP Homes.

Our on-staff real estate agents are familiar with the intricacies of SFHP and HOP requirements, and they keep abreast of the available inventory offered by various developers. Clients can work directly with one of our agents or they can work with an outside agent. In the latter case, Homewise will work closely with the client's agent to make sure the agent understands the options and requirements of SFHP and HOP. The goal is to ensure that buyers are aware of the available opportunities that are available to them because of the City of Santa Fe's efforts to improve affordability.

In addition, Homewise markets the SFHP and HOP programs in general through our extensive marketing and outreach efforts. During these efforts, we inform potential clients of the programs we implement and let Santa Feans know that there are options available beyond those listed on Multiple Listing Service.

#### *Deliverables*

	Projected in Fiscal Year
Number of income qualified homebuyers matched with homes built to comply with SFHP or HOP	20
Number of Low Priced Dwelling Units that will benefit from waivers, reimbursements or reductions	15
Number of income qualified homebuyers who purchase market rate housing that qualifies as a LPDU	15

#### *Santa Fe Homes Program/Housing Opportunity Program/Low Priced Dwelling Unit Lien Assistance and Management*

##### *Program Proposal*

Homewise will assist the City in preparing deeds of trust and program agreements for SFHP and HOP buyers, drawing upon our understanding of these City programs and our expertise in mortgage lending and loan servicing. Homewise anticipates few challenges in completing the activities described below to support the City in preparing and managing affordability liens. Most of the program challenges revolve around anticipating the questions and difficulties of clients and other parties to the transaction who are not familiar with SFHP, HOP, and LPDU regulations. Homewise mitigates this challenge by producing user-friendly explanatory documents and by keeping abreast of changes to City regulations. Also, though not required, Homewise notifies borrowers of the balance of any deferred liens annually along with the mandated 1098 mortgage interest deduction statements mailed to all borrowers each January. This has helped homebuyers to remember any subordinate assistance they may have received when they purchased their home, and helped reduce unhappy surprises at resale.



### *Activities Summary*

#### 1. Counseling to all SFHP/HOP/LPDU buyers regarding conditions of purchase

Homewise provides counseling to potential SFHP and HOP buyers regarding the terms and restrictions of agreements at two stages in the process: first during the meetings with the realtors in choosing a home and again during the lending process. When meeting with Homewise realtors, buyers are informed of the basic agreements and requirements that attach to each SFHP and HOP home they view so that they are fully informed as they make their decisions. During the lending process, any SFHP and HOP buyer receives more thorough counseling and disclosure about the specifics of the agreements and liens that attach to the homes from Homewise loan officers. In addition, Homewise staff is cross-trained in the requirements of SFHP and HOP homes so that buyers with general or specific questions can receive accurate information at any stage in the process, including post purchase. As part of this counseling process, we utilize tools that clearly explain the how affordability liens work.

#### 2. Completion of SFHP/HOP/LPDU income certification

Homewise is experienced in preparing income certifications for all three of the City's major affordable housing types: SFHP, HOP and LPDU. We have developed the internal training tools and staff expertise to accurately complete certifications which include the following aspects:

- ✓ Determining market value of home
- ✓ Determining SFHP/HOP/LPDU priced based on appraised value
- ✓ Determining lien amount
- ✓ Verifying family's AMI percentage and household size
- ✓ Identifying other sources of financing

#### 3. Support and assistance to the City of Santa Fe and to parties involved in SFHP/HOP/LPDU transactions

Homewise currently provides support and assistance to City Staff with regard to the terms and conditions of SFHP and HOP deeds of trust and program agreements whenever it is requested. Homewise staff will continue to help develop and/or review affordable housing documents as needed. Because Homewise has expertise as a seller of affordable units, a mortgage lender, and a loan servicer, Homewise staff is able to provide valuable input as basic forms are developed and adopted. In addition, Homewise makes its staff available on an as-needed basis to answer questions that may arise about any specific deals.

Homewise uses this same expertise to provide technical assistance to other parties involved in the transactions of affordable housing, including developers, realtors, title companies, lenders, and attorneys. Homewise will provide support and assistance to these parties regarding the deed of trust and program agreements, helping them understand the program requirements and procedures.

#### 4. Quarterly report on affordability liens

Homewise tracks all of the liens we hold on the properties we build using our loan servicing software. Along with STARS, we use this software to manage our portfolio and provide reports

as needed to various funders and partners. Homewise will provide to the City on a quarterly basis a report detailing the affordability liens we hold for the SFHP and HOP units we build. The report will include the value and terms of liens, income levels of homebuyers, subordination history of the liens, and the payoff history, including any recycling of liens to another qualified homebuyer. Homewise will work with the City to ensure that these reports are in an appropriate and useful format.

#### *Deliverables*

	Projected in Fiscal Year
Number of SFHP/HOP deeds of trust and program agreements recorded against affordable units	20
Number of deeds of trust and program agreements recorded against affordable units built by applicant	12

#### *Additional Service Opportunities*

##### *Program Proposal*

Homewise will provide additional services to the City of Santa Fe under this contract which will improve access to homeowner services and help advance the City's mission of creating and supporting housing opportunities that maintain and enhance economic, social and cultural diversity. These additional services included strategic outreach and education as well as ongoing post-purchase support for homeowners.

##### *Activities Summary*

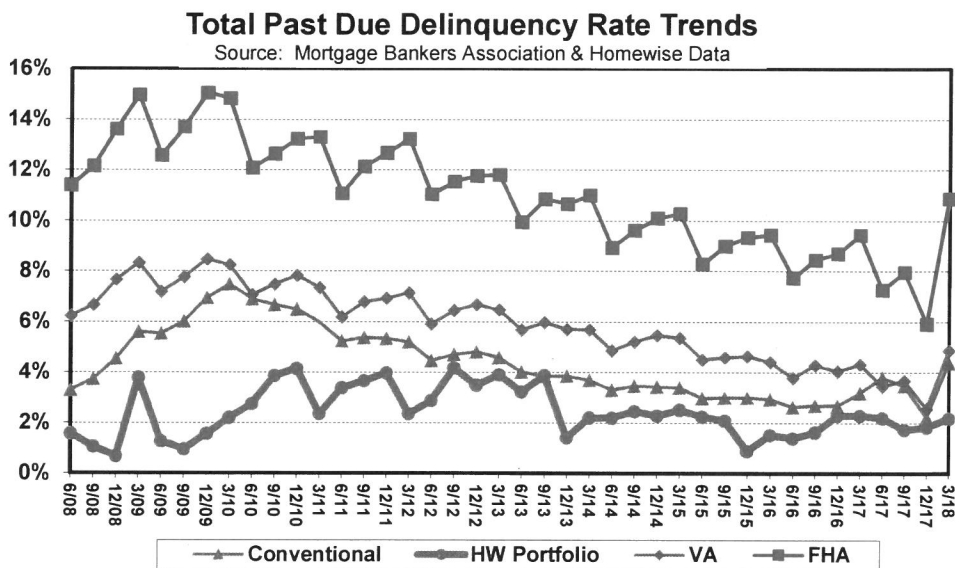
#### 1. Community Outreach and Education with Strategic Partners

Homewise provides our coaching, outreach and education services to the general public and all of these services are free to the client. Homewise will continue to provide these services city-wide with a special emphasis on reaching employees of strategic partners, including Christus St. Vincent Hospital, Santa Fe Public Schools, Santa Fe Community College and the City of Santa Fe (including the Police Department). Outreach and education to these targeted partners is important to Santa Fe's vitality because these institutions provide essential services to the community. Recruiting and retaining workers for these critical positions is a challenge because of the high cost of ownership in Santa Fe, and the relatively low cost in surrounding communities. Our partnership helps these employers provide an additional benefit to existing and prospective employees to help stabilize their workforce.

The quality of the services provided by these critical institutions is improved when the workers live here in Santa Fe. Santa Fe residents are more in tune with the needs of the community and better able to relate to their students, patients, and constituents. And encouraging Santa Fe's workforce to live in Santa Fe also reduces the negative economic impact of out-commuting, which occurs when workers spending their income in surrounding communities instead of in Santa Fe. Homewise will continue to provide our general marketing and outreach services and to target critical workers through our strategic partnerships.

## 2. Post purchase coaching and support

Homewise provides coaching and support to help homeowners with financial and homeowner issues after their home purchase. Homewise staff write and distribute a quarterly newsletter, *At Home*, to homeowners covering issues such as how to avoid repair scams or unscrupulous contractors, ways to protect and build equity, and ways to save money by reducing water and energy use in their homes. Homewise also provides coaching support to homeowners who are in financial trouble and need assistance understanding the financial options to help them catch up on mortgage payments and/or prevent foreclosures. Homewise services all of the loans we originate, which creates an ongoing link to our homeowners and gives us early warnings whenever a family may be experiencing financial hardships. The effectiveness of this hand-on assistance and our in-house loan servicing is reflected in our consistently low delinquency rates, as shown in the following chart.



## Deliverables

	Projected in Fiscal Year
Number of Outreach Presentations	90
Number of Home Purchase intakes (clients who participate in an initial buyer assessment appointment)	800
Number of Financial Fitness and Homebuyer Education Class Attendees	510

## Cost

---

Homewise is requesting \$300,000 annually to cover the costs of all of the services and deliverables described in this RFP response. We request that this compensation be formatted as follows:

### Base Compensation Amount

One-third of the amount, or a request of \$100,000, will be a base compensation amount. This is important for several reasons: first, the coaching and education services we provide are free to our clients and essential to the successful homebuyer process. Moreover, they are widely marketed to the community as a public service. Second, the services we propose include a variety of activities for which per-unit reimbursement is not practical. This includes all of the services in the Verifications and Certifications section as well as the Lien Assistance and Management section. Such activities include outreach and education to the community about the affordability programs, and technical assistance to other builders, real estate agents, title companies and the City Staff on an as-needed basis. Finally, Homewise can use general operating support from the City as matching funds for other grant applications like the US Treasury's Community Development Financial Institution's Fund, which allows us to leverage an equal amount of additional grant funding. (Per units payments for desired outcomes is viewed as a fee for service contract which makes it ineligible for use as matching funds). Creating this base compensation amount allows us to further leverage the City's resources to bring outside funds into our community.

### Per Loan Amount

One-third of the contract amount, or a requested \$100,000, will be payable on a per-loan cost of \$1,000 per loan to eligible family. Homewise will receive a fee of \$1,000 for each household placed into an affordable home, or assisted with a home repair or refinancing that results in a loan closing. The per unit reimbursement will apply to households who earn less than 100% AMI and are placed into a SFHP, HOP, LPDU, or market rate home. It will also include households who earn 100-120% AMI and are classified as essential workers in City Code.

### Education/Outreach Amount

One-third of the contract amount, or a requested \$100,000, will payable for education and outreach activities with particular emphasis on key employers including Christus St Vincent Hospital, Santa Fe Public Schools, Santa Fe Community College, and City of Santa Fe (including Santa Fe Police Department). Homewise will bill the City quarterly and request payment based on the percentage of the goal achieved in that quarter. For example, the total goal is for 1,400 total activity units. If Homewise achieves 350 activity units, we will bill for 25% of the contract amount for this general activity, with the total amount not to exceed \$100,000.

### Leveraging other resources

Homewise will continue our successful practice of leveraging other resources. Homewise has been very active in efforts to get the County of Santa Fe to fund affordable housing programs in

the entire county, including that portion of the county that lies within the City of Santa Fe, and we have effectively used their downpayment assistance program to help eligible buyers. No City funding under this RFP will be used to fund activity outside the city limits.

In addition, we are successful at leveraging other funds to provide investment in Santa Fe. As mentioned previously, Homewise has recently secured capital from three major downpayment assistance programs that can be used in Santa Fe. We recently secured two New Markets Tax Credit allocations which will bring significant investment to a distressed census tract along Agua Fria Road. And we recently closed on a \$15 million Bond Guarantee Loan Program transaction, the first time this federal program will be used in Santa Fe.

## Project Schedule

The project schedule for the major activities of this RFP is shown below. Homewise is already operating the activities included in this proposal and will continue direct service to customers immediately upon receipt of a contract. These services are on-going throughout the year.

Task	Existing	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Obtain approval for Contract Activities from City		X			
<i>Homebuyer Assistance for Low to Moderate Income Households</i>					
Marketing and Community Outreach	X	X	X	X	X
One-on-One Homebuyer Preparation	X	X	X	X	X
Financial Fitness and Homebuyer Education Classes	X	X	X	X	X
<i>Verifications and Certifications – Affordable Housing</i>					
Verify that all forms are current for most recent SFHP, HOP, and LPDU regulations		X			
Provide income verifications for SFHP and HOP		X	X	X	X
Certificates of eligibility for waivers for LPDU builders	X	X	X	X	X
Develop format of pipeline reports for City	X				
Provide pipeline reports for City		X	X	X	X
Verify that documentation for SFHP/HOP buyers reflects most recent program regulations		X			
Provide buyers with documentation for SFHP/HOP program requirements		X	X	X	X
Fairly allocating homes	X	X	X	X	X
Marketing available units	X	X	X	X	X
<i>SFHP, HOP, and LPDU Lien Assistance and Management</i>					
Counseling to all SFHP/HOP/LPDU Buyers	X	X	X	X	X
Support and assistance to the City and other parties in SFHP/HOP/LPDU transactions	X	X	X	X	X
Create format for quarterly reports on Homewise affordability liens	X				
Provide quarterly report on Homewise affordability liens		X	X	X	X
<i>Additional Services</i>					
Community outreach and education	X	X	X	X	X
Post purchase counseling and education	X	X	X	X	X



## **Organizational Chart and Resumes**

---

The Homewise organizational chart is attached along with resumes of the Homewise management team and other staff assigned to this project.