

Real Estate Committee

April 16, 2024

Members Present: Pat Clark, Chelsie Downs-Hubbarth, Thomas Whitener

Members Absent: Carl Roberts

Staff Present: Sidney Ellis, Derek Mann, I'yanina Wilson

Agenda:

1. Water Meter

Ellis provided the committee with insight on the quote from Glas Associates. Utilities are metered together. The committee has had discussions concerning separating the meters. To install six meters it would be \$6448.

Whitener made a motion to send the change order of the water meter to the board.

Downs-Hubbarth seconded the motion.

Motion carried.

The committee will be sending over the Standard Operating Procedures for construction changes for the board to review. This was delegated to Mann and Ellis from the September board meeting.

2. Down Payment Assistance

McCann from KNHS provided the committee with insight on KNHS programs and downpayment assistance. The client works with a counselor in KNHS to work through their work plan to get them mortgage ready. Down payment assistance is done on a need based system, but can be combined with other avenues of down payment assistance. KNHS has a post-purchase program for buyers in partnership with Community Homeworks.

Ellis inquired on their list of mortgage ready clients. McCann explained there are a number of clients on the list with different statuses some are ready and others are not. However, down payment assistance for condos is restrictive. Few lenders are favorable for condos because of fees and lack of control of the entire building.

Discussion ensued on KNHS' lease purchase program, land contracts, and AMI. The lease purchase program is the best option for individuals with a low average income and are considered high risk buyers.

Whitener will be connecting with some lender contacts to gain some perspective and if they would be interested in this project. Lockett-Jones will be able to start marketing the condos. Ellis and Whitener will be sending McCann Eastside Square details to gain insight on prospective interest.

Discussion ensued on AMI assignments. McCann suggested a sliding scale for the condo fees and allow the prospective buyers to choose their unit. The sliding scale could be easier to finance. Discussion ensued on splitting the commercial and residential into two different formulas for condo fees. Foster will be looking into this deal structure to potentially follow.

Discussion ensued on the pricing on the condos. McCann inquired how the committee landed on the pricing. The pricing was based on a comparative analysis of similar properties on the Eastside.

3. Homeward Promise Vacant Properties Balance

Mann and Wilson present the committee insight from the board meeting concerning open balances. Discussion ensued regarding open balances. The committee shared they do not wish to pursue further action on current balances for vacant properties. The committee wishes to allow the new hire to take points for future outstanding balances and a potential course of action.

Peterson suggested Ellis reach out to McCann from KNHS because there have been similar issues within their rental properties.

4. Condo Budget

Quotes for insurance, lawn, and trash were presented to the committee. The quotes and will be presenting the quotes from State Farm, Republic, and 2nd Chance along with a proposed budget to the board.

5. East Main Accelerator

Peterson provided the committee with an overview on the East Main Accelerator program for the commercial space. The committee will provide more insight during the next committee meeting.