



**Date:** April 25, 2013

**To:** Mayor Kleinschmidt and the Chapel Hill Town Council  
**From:** Robert Dowling, Executive Director  
**Re:** Quarterly status report for quarter ended March 31, 2013

The third quarter of the 2012-2013 fiscal year included the following highlights:

1. We sold five homes, all of which were resales of existing Home Trust properties
2. We continue to have a large inventory of homes to sell
3. We are seeking to expand financing options for buyers
4. We increased our outreach to local employers despite being short-staffed

**BOARD OF DIRECTORS**

Alan Lee  
*President*

Gloria Beissinger  
*Treasurer*

Bruce Runberg  
*Secretary*

Donna Bell

Jess Brandes

Cresha Cianciolo

Mark Dorosin

Jennifer Ferris

Jacquelyn Gist

Eric Hallman

Lisa Inman

Jaimie Lee

Jim Merritt

Maryann Toone

Jonathan Weiler

Executive Director  
*Robert Dowling*

**Five homes sold** – The five resales included three condominiums, one townhome and a single family home. We required \$45,000 of subsidy to resell these homes, \$20,000 of which came from the Housing Finance Agency. For the fiscal year through March 31<sup>st</sup>, we have sold sixteen homes, five of which were new to our inventory. We have used \$198,000 of subsidy since July, \$90,000 of which has come from the Housing Finance Agency.

**Large inventory of homes** – As I write this report we are actively selling thirty-one homes, twenty-three of which are new and eight of which are existing Home Trust properties. Of the new properties, eighteen are condominiums in 140 West Franklin. Of the eight resales, four are condos and four are townhomes. Only three of these homes are under contract, but we expect to sign contracts on several condos at 140 West in the next couple of weeks.

**Expanding financing** – The Home Trust board approved a change to our model that provides lenders with a fee simple interest as collateral (as opposed to a leasehold interest). This change was requested by Self-Help Credit Union and State Employees Credit Union. We are hoping this change, which essentially eliminates the lease in the event of foreclosure, will encourage lenders to make loans to our buyers. I should point out that this change allows a lender to take ownership of one of our properties if we do not intercede in a foreclosure. We are also working with the Kenan Flagler STAR program to identify additional financing options for our home buyers. We will receive a report from them next week.

**Increased Outreach** – During the quarter we made presentations at UNC Children's Hospital, Sports Endeavors and UNC Hospitals to educate local employees about the opportunities offered by the Home Trust. We achieved this outreach, along with our standard orientations, financial counseling sessions and homebuyer education classes while being short-staffed for most of the quarter due to an employee illness.

*Robert Dowling*