

**2020 EMBRACING TRANSFORMATION**  
FINANCIAL MANAGEMENT CONFERENCE

# The Pandemic and Organizational Change and Challenge for Home Building

Thursday, October 29, 3:30 - 5.00 ET

**STRENGTHMATTERS®**

## Peer Strategy Conversation

The pandemic has certainly turned nearly every aspect of our lives on its head. For some businesses, the fallout of the pandemic was too much to bear while other businesses paused, regrouped, and established a set of operating efficiencies that are making all the difference. Two nonprofit developers host this conversation about change and challenge of the single-family business operations in the age of COVID.

## Getting Started

- All participant lines are muted.
- Please use the **Raise Hand** feature if you would like to speak.
  - The Raise Hand feature is located in the Participant panel.
- You may also use the **Chat** feature to ask questions.

# Continuing Professional Education Requirements for CPAs

- **Polls are Required for CPEs**
  - If you are seeking CPE credits, please submit ALL polls and the conference evaluations.
- We use **Polls and the Zoom attendance record** to verify participation throughout the webinar.
  - **Participants must submit ALL polls and be logged in no later than 10 minutes after the scheduled session start time to receive a certificate.**



# Continuing Professional Education Credits (CPEs) for CPAs

- You may request a certificate of completion via the conference evaluations.
  - Links to the evaluations are emailed to all registrants.
- For more information on CPE credits, contact Lindsay Wells at [consult.lwells@gmail.com](mailto:consult.lwells@gmail.com).

## Important note on COVID-19 and CPEs

- We are part of the NASBA Registry of CPE Sponsors for Group Live programs, which covers in-person events.
- **Due to the COVID-19 crisis, NASBA has provided a temporary allowance for Group Live Sponsors to convert typically in-person programs to virtual delivery.**
- As always, state boards of accountancy have discretion regarding CPE credit acceptance. **Two states have indicated they will not extend this flexibility (Kansas and New York).**
- For details on state board responses, please check the [CPE Info page](#) of the registration site or email [consult.lwells@gmail.com](mailto:consult.lwells@gmail.com).

# Agenda

- Introductions
- The Trellis and Frontier Housing experiences
- Open discussion

## Meet the Discussion Hosts

**Glenn Karlson**

Real Estate Development Manager

Trellis

**Stephanie Cooley**

Director of Construction

Frontier Housing



Learning. Lending. Building.





*Established in 1975*

**Vision:**

An Arizona where everyone has a place to call home.

**Mission:** Trellis is dedicated to making stable homes and communities possible by educating, building and lending.

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# Programs and Services



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# Community Impact -1975 and 2018

- helped **3,571** families purchase their first home;
- built or rehabilitated **316** homes;
- Educated or counseled **42,221** families or individuals in financial management and/or how to buy a home;
- originated and/or facilitated more than **2,000** mortgage loans totaling **\$149MM**;
- saved more than **4,800** struggling homeowners from foreclosure. (Feb 2019)





# What Trellis Builds



## Trellis @ Mission

LIHTC

43 unit Multifamily – Lease to Own Model



## Trellis @ Colter

20 Unit Townhome Project

Located in Midtown Phoenix



## Villa Rosa Linda

38 Home Subdivision – South Phoenix

Factory Built



## Scattered Site Infill (SFR-D)

Valley wide

Single Family Homes - Site Built

800sf -1700sf



# Trellis @ Colter

## **Project Details:**

20 Townhomes / .73 acres

## **Location:**

Midtown Phoenix  
(16th Ave & Colter St)

## **Project Cost:**

\$5,500,000

## **Project Phase:**

In Production

## **Funding Sources**

Chase Grant: \$350,000

CHC LOC: \$2,500,000

## **Program Details:**

Work Force Housing  
(<120% AMI)

**Trellis**   
*@ Colter*

# Site Layout

Trellis @ Colter







# Via Rosa Linda (VRL)

## **Project Details:**

38 Single Family Homes – 5 acres

## **Location:**

South Phoenix  
(12th St & Weir Ave)

## **Project Cost:**

\$11,500,000

## **Project Phase:**

Pre-Production

## **Funding Sources**

BBVA Grant: \$150,000

ADOH Development Subsidy: \$1,000,000

ADOH DPA Source: \$2,000,000

Dignity Health LOC: \$3,500,000

## **Program Details:**

ADOH Pilot project for manufactured housing





# Covid19 Effect



## Timing

Municipalities  
Contractors  
Vendors



## Materials/Trades

Smaller Crews  
Delivery Times  
Not Available



## Funding

Access to Funds  
Cost of Money  
Loan Requirements

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# Villa Rosa Linda

## Proforma

- Cost: \$10.5 million
- Factory Delivery
  - 3 months
- Entitlements
  - 6 months
- Funding
  - 5% standard loan
  - Favorable terms
- Grants
  - \$500k
- Project Timing
  - 48 months
- Construction Start
  - 3Q20

## Current

- Cost: \$11.5 million
- Factory Delivery
  - 9 months
- Entitlements
  - 12 months
- Funding
  - 3.25% Non-Traditional Source
  - Tougher underwriting requirements
- Grants
  - \$1 million+
- Project Timing
  - 60 months
- Construction Start
  - 3Q21



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# Trellis @ Colter

## Proforma

- Cost: \$5.2 million
- Delivery – Site Built
  - Phase I – 215 Days
  - Phase II – 180 Days
- Entitlements
  - 6 months
- Funding
  - 6% standard loan
- Grants
  - \$500k
- Project Timing
  - 14 months
- Construction Start
  - 7Q19

## Current

- Cost: \$5.6 million
- Delivery – Site Built
  - Phase I – 280+ Days
  - Phase II – Unkown
- Entitlements
  - 9 months
- Funding
  - Change Funding Partner
  - Tougher underwriting requirements
  - Increased Costs
- Project Timing
  - 16+ months
- Construction Start
  - 2Q202





# Frontier Housing

Providing affordable housing solutions  
to build better communities.

# Who is Frontier Housing?

Founded in 1974

4 churches & a Holy Cross Brother:

- United Methodist
- Catholic
- Disciples of Christ
- Presbyterian





# Built on a solid foundation of service

We were founded with a mission to do away with unsafe and unaffordable housing options for the underprivileged.



# Our Board

- Earl Rogers, Board Chair
- Dorothy Clemons, Vice
- Wes Holland, Secretary
- Brad Frizzell, Treasurer
- David Lollis, Member Emeritus
- Kamilia Lawson
- Renee Parsons
- Sherry Mathis
- Gene Detherage
- Ann Ballard





frontierky.org

5445 Flemingsburg Rd  
Morehead KY 40351

# Service Area



*County Available for Lending and New Construction Programs*



*County Available for Lending Programs*



*Frontier Housing HomeOwnership Center*



# Frontier Housing today...

## WE WORK WITH ANYONE!

- Free Credit Counseling
- Rental housing options
- Access to well-built, factory-assembled homes
- Owner-occupied rehab
- Loans to buy an existing home
- Develop and finance new construction





# Free Credit Counseling

Thanks to special funding by HUD, we are able to offer free credit counseling through our HomeOwnership Center.



# Rental housing options

- 16 scattered site rental homes
- Boodry Place





# Owner-occupied rehab

Programs available for families who need repairs for the homes they already live in and own.



# Access to loans to buy an existing home

Full service lending

Competitive interest rates and repayment options

100% financing and assistance with down payment and closing costs





## New construction financing

Deferred loans and grants are available to finance new construction



# New construction development

We can build a home to suit the needs of each household.





# Coming together to help each other.

Our new Mutual Self Help program aims to make homeownership a reality for buyers.

Mutual Self Help provides an opportunity to get \$30,000+ more home for what buyers are putting in by bringing families together to build 65% of each other's homes to save on labor costs.



# Why homeownership?

Homeownership changes the relationship people have with the place they live.

We believe that homeownership has a transformational effect for households.

That change impacts the present, and future generations.





# The Frontier Housing Difference

Frontier can handle any problem that comes up in a customer's path to homeownership. We have the ability to take on a customer from the very first stages of credit repair and debt counseling through to lending and finally construction of their new home.



# Challenges we face due to COVID 19

- Reduced in-office staff
- Customer relations
- Job site precautions and inspections
- Mutual Self-Help
- Increased cost and delays in receipt of materials
- Recruiting qualified subcontractors





# Contact Us

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