

2025 Financial Management Conference

Innovations in Single-Family Homeownership by Nonprofits

Julie Porter, CEO of DreamKey Partners

Jay Perlmutter, Managing Director of Single-Family Development at The Atlanta Neighborhood Development Partnership

Cindy Holler, CEO of Community Housing Capital

Patrick Kelley, Vice President of Capital Solutions at HPN (moderator)

Sept. 18, 2025

STRENGTHMATTERS[®]



Agenda

- Introductions
- Review **Learning Objectives**
- Four stories of portfolio acquisitions and consumer services
 - DreamKey Partners
 - Atlanta Neighborhood Development Partners (ANDP)
 - Community Housing Capital (CHC)
 - Community Aggregators Group (HPN)
- Q&A
- Wrap up

Learning Objectives of Session

- Recognize challenges and solutions in nonprofit housing acquisition
- Draw actionable insights from the experiences of the four nonprofit organizations to inform future housing acquisition efforts in diverse markets.
- Explore creative funding and partnership models
- Evaluate impact on affordability and community development

Continuing Professional Education (CPEs) Requirements for CPAs

- Please find the **SESSION HOST** to **SIGN IN** at the beginning and **SIGN OUT** at the end of every session. We use that attendance log to verify your participation for CPE credits.
- Please **submit all conference evaluations**. Evaluation links are emailed to registrants daily. The session host monitoring the sign-in process has paper evaluations if you prefer.
- For more information on CPE credits, contact Lindsay Wells at consult.lwells@gmail.com.

Engagement Activity: Poll or Exercise

- I.) Are you pursuing single family acquisitions and if so how?
 - Not pursuing
 - Yes, off MLS
 - Yes, from private equity
 - Yes, from default and foreclosure auctions

- II.) Which of the following (if any) are you trying out?
 - ADUs
 - Modular
 - Manufactured housing

DreamKey Partners, Charlotte, NC



OUR VISION

Thriving communities where everyone has an opportunity to succeed.

OUR MISSION

We transform lives, communities and what is possible through affordable housing.

OUR TEAM

We work each day to bring solutions to those seeking an affordable, sustainable place to live.

Charlotte Portfolio Purchase

Investor owns approximately 5,000 rental homes in Charlotte. They have a social purpose disposition model and contacted DreamKey without referral. Portfolio was marketed at 48 units, DreamKey ultimately purchased 30 in gentrifying neighborhoods in Charlotte.

Capital Structure	30 Occupied Homes	Acquisition Cost: \$7,931,250
City of Charlotte CDBG	\$1,860,000	Average Price Per Home: \$264,375
Senior Debt	<u>\$6,071,250</u>	
Total at Acquisition	\$7,931,250	

Charlotte Portfolio Disposition

DISPOSITION	TOTAL
Sources	
CDBG funds	\$ 1,860,000
Net Sales Proceeds	\$ 8,412,900
Rental Income 2023	\$ 600,929
Total Sources	\$ 10,873,829
Uses	
Acquisition	\$ 7,931,250
Repairs / Improvements	\$ 829,161
Operating Expenses	\$ 194,753
Closing Costs	\$ 59,356
Legal	\$ 15,383
Other Expenses	\$ 34,330
Indirect OpEx	\$ 146,339
Interest Expense	\$ 794,105
Relocation	\$ 29,216
Total Uses	\$ 10,033,893
Developer Fee (10%)	\$ 1,003,390
Net Program Income (Loss)	
SOURCES	\$ 10,873,829
USES (INCLUDING DEV. FEE)_	\$ (11,037,283)
NET PROGRAM INCOME (LOSS)	\$ (163,453)



Virtually Staged



Questions

- We will pause during presentation and again at the end for Q&A.

Atlanta Neighborhood Development Partnership

ANDP SINGLE-FAMILY DEVELOPMENT

Investor First-Look Purchase Initiative



*Investor Acquisition
Lake Esther Drive, Fairburn 30213
3-Bed, 2-Bath; Sold - \$279,000*

ANDP Working with Institutional Investors

Market Need & Opportunity

- Black neighborhoods with homeownership rates above the national average were **impacted by the foreclosure crisis**, mortgage fraud, predatory lending and more – stripping generational wealth.
- Post-foreclosure crisis environment **gave rise to institutional investors mass purchase** of single-family homes, converting them to rental property.
- Some investors have begun to **sell portions of their single-family portfolio**.
- In 2025, market supply of **affordable homeownership still lacking**.
- ANDP has identified opportunities to **restore homeownership to Atlanta** neighborhoods.



Investor Acquisition
Kelly Lake Drive, Decatur 30032
3-Bed, 2-Bath; Sold - \$250,000

ANDP Working with Institutional Investors

Returning Affordable Homeownership



*Investor Acquisition
Indian Manor Drive, Stone Mountain
3-Bed, 2-Bath; Sold - \$260,000*

- Working with **institutional investors**, we are developing a strong pipeline of available properties.
- ANDP spends \$20-35K per home for light renovation and return to homeownership.
- Cost per home is approximately 20%+ below comparable new construction. Requires less DPA subsidy to meet affordability.
- Acquisition/Rehab model rotates capital 2-3 times faster than new construction
- In addition, ANDP is proving its ability to transition its **existing** rental homes (after market appreciation) to homeownership

ANDP Working with Institutional Investors

Early Success

- Developing strong pipeline of available properties.
- 30 homes acquired May 2024 – August 2025
- Status
 - ✓ 10 homes sold
 - ✓ 8 on the market
 - ✓ 12 in renovation

Plus 4 pending acquisition!



*Investor Acquisition
Clovis Court NW, Atlanta 30331
3-Bed, 2-Bath; Sold - \$225,000*

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Minnesota Portfolio Purchase

- 345 Single Family homes mostly located in the Twin Cities.
- Distressed Sale under pressure from AG and Renters United
- Projected Average Sale Price of Approximately \$270,000 (AMI in Twin Cities is \$124,000).



Minnesota Portfolio Purchase

Capital Structure	62 Vacant Homes	283 Occupied Homes	Total
Senior Debt	\$7,495,750	\$39,770,000	\$47,265,750
Preferred Equity		\$15,450,210	\$15,450,210
Equity	\$5,951,027	\$14,250,000	\$20,201,027
TOTALS	\$13,446,777	\$69,470,210	\$82,916,987
Loan To As-Is Value	50%	50%	
Loan to Project Costs	57%	56%	
MOIC	1.18	1.72	
IRR	9%	19%	

Q&A

- Please ask any questions you have for our speakers.

Evaluation Reminder

- Please submit all conference evaluations.
- Look for the electronic evaluation link in your email.
- Contact consult.lwells@gmail.com if you do not receive the link.

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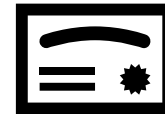
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