



ACQUISITION AND DISPOSITION POLICY

Our Vision

Affordable HomeMatters envisions communities where quality of life, access to housing, and economic opportunities are not determined by race, socioeconomic background, or zip code. Communities support impactful partnerships that increase access to opportunities in ways that are equitable and inclusive.

Our Mission

To Preserve and Develop Inclusive, Diverse, and Equitable Homeownership Opportunities.

Purpose

The Acquisition and Disposition Policy (“Policy”) is to advance the mission of the organization, govern the operations of the organization in accordance with its strategic plan, and ensure that its investments in real estate are transparent, equitable, and inclusive. These Policies and Procedures shall be reviewed annually by Staff and the Affordable HomeMatters Committee.

Overview

Affordable HomeMatters (a subsidiary of Intend Indiana, Inc.) will acquire, hold, improve, transfer, sell, and otherwise dispose of real estate in furtherance of its comprehensive community development goals. The Policy provides planning guidance to the organization for investing its resources within a five-year horizon that promotes affordable, single-family housing for both homeownership and rental. The Policy is informed by community priorities, current and potential partnerships, availability of funding, current property holdings, market dynamics, and commitments to the communities we serve.

The Policy defines two priority areas – Focus Areas and Areas of Opportunity. Within each area, there are up to four categories of properties. Both the areas and the properties within each category will be reviewed and updated on at least an annual basis. In addition, the Policy outlines acquisition strategies and disposition pricing strategies. The policy shall be reviewed annually by the Affordable HomeMatters Committee and Staff will prepare annual action plans and procedures to guide the short-term implementation of this Policy.

Focus Areas

Focus Areas are defined by four primary characteristics:

1. Defined neighborhood or geographic boundaries
2. Defined population
3. Include a multi-year commitment of resources from Intend
4. Formalized partnerships with organizations providing other services or programs

Affordable HomeMatters's activities within a Focus Area should further the priorities identified within a community-informed plan, include a community-based partner whose primary service area includes the Focus Area, where Intend Indiana's programs are implemented in coordination with programs and services of partner organizations. Affordable HomeMatters may acquire properties within a Focus Area.

Areas of Opportunity

Affordable HomeMatters adopts the Freddie Mac framework for defining areas of opportunities, which uses the following criteria:

- Access to Amenities
 - Healthcare providers, retail node, and grocery store within 2.5 mile radius
- Economic security
 - Major employer or employment hub within 2.5 mile radius (see, for example, <https://www.robertmanduca.com/projects/jobs.html>)
- Housing stability
 - Greater than 50% homeownership rate
 - Home values increasing at rate greater than Marion County average
- Higher income levels
 - Average income in the top 2/3rds for the County
 - Less than 1/3rd of the population living at or below the poverty line
- Access to transportation
 - Bus service within .5-mile radius

Using the most recent data available, an area must meet 1) the housing stability and income level requirements and 2) at least two of the remaining three criteria above to be considered an Area of Opportunity. Affordable HomeMatters may acquire properties within Areas of Opportunity.

Property Categories

Affordable HomeMatters shall categorize all of its property holdings at least annually. The category in which the property is listed will define the intended use, disposition strategy, and pricing strategy. The four categories of properties include:

- **Development Ready** – Affordable HomeMatters or its partners plan to begin development of the property within one year and have secured or applied for funding to support the project.
- **Hold For Development** – Affordable HomeMatters or its partners anticipate developing the property within 3 years (i.e., Phase II of a project or area adjacent to a current Focus area).
- **Dispose for Affordable Housing** – properties located within the service area of other organizations actively developing affordable housing. Priority will be given to non-profit developers. Intend staff shall develop criteria by which the applicant's ability, readiness, and capacity to develop the property as proposed.
- **Dispose without Restriction** – Properties that are not located within Areas of Opportunity and which Affordable HomeMatters does not foresee redeveloping within the next three years. All properties must be offered to non-profit housing developers for at least 90-days before it may dispose of a property without restrictions.

Acquisitions

Affordable HomeMatters may acquire properties in Focus Areas and Areas of Opportunity if there is reasonable expectation that Intend or one of its partners will develop the property

within three years. Staff shall develop an annual acquisition strategy, which includes methods for acquiring properties, budgets, and reasonable project timelines.

Dispositions

Affordable HomeMatters shall adopt the pricing procedures established by the Renew Landbank Committee for determining the market-rate value of properties designated for disposition. Non-profit purchasers that commit to developing the property for affordable housing ($\leq 80\%$ Area Median Income) shall receive a fifty percent (50%) price reduction based on the market-rate value. All other developers of affordable housing that commit to developing the property for affordable housing shall receive a twenty-five percent (25%) price reduction based on the market-rate value.

Eligible Purchasers

Affordable HomeMatters shall prioritize sales to the following purchasers:

1. Non-profits and Community Development Corporations
2. For-profit developers with a proven track record and community engagement
3. Adjacent property owners

Readiness and Capacity shall be evaluated based on:

1. Applicants who submit a detailed development plan
2. Applicants who intend to begin development promptly
3. Applicants who plan to develop "missing middle housing" (i.e., triplex, quadplex, etc.)
4. Applicants who will develop affordable housing
5. Applicants who can demonstrate the financial capacity
6. Applicants who can demonstrate development capacity

The following buyers are prohibited from purchasing property:

1. Applicants with outstanding property tax liability
2. Applicants that own properties with outstanding liens from Business & Neighborhood Services or Heath & Hospital Corporation
3. Out of state investors
4. Any buyer (not-for-profit, corporation, individual, or other) who is not in good standing with Intend or any of its affiliates including the Renew Landbank.
5. Any buyer whose development meets unfavorable input/feedback from neighbors/neighborhood organizations

Authorization

Transactions in accordance with this policy may be authorized with the approval of 1) the Chief Executive Officer and/or the Chief Operating Officer or another designated member of the Executive Leadership team or 2) an action of the Board of Directors.