



ROC Northwest



WASHINGTON STATE
HOUSING FINANCE
COMMISSION

Opening doors to a better life

Mercy Loan Fund



JPMORGAN CHASE & CO.

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'We're more of a community than ever before'

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PUYALLUP, Wash. – It wasn't like they were unfriendly.

Residents of Elmwood Mobile Manor had always been nice neighbors. But when they began working together to collectively purchase their 41-site "mobile home park," the neighborhood dynamic began to change.

"Of course we wanted to buy it ourselves," said Joe Del Vecchio, president of the community's interim board of directors. "But we asked ourselves if this was even possible."

It was not only possible, but as Del Vecchio would learn, it had the unexpected benefit of drawing the homeowners closer together.

"We're more of a community than ever before, and that's a really good thing," said Del Vecchio, who has lived in Elmwood for eight years. "It's a big deal to have a place we can own and can project what our rent's going to be for about 10 years."

The homeowners in Elmwood, which sits on a quiet road near the small city of Puyallup, 35 miles south of Seattle, formed Elmwood Homeowners Cooperative and purchased the land and infrastructure for \$2.16 million. Financing for the resident-owned community (ROC) was provided by ROC USA® Capital, Mercy Loan Fund, the Washington State Housing Finance Commission and JP Morgan Chase.

Many residents in Elmwood moved into the community to retire, and have significant personal equity invested in their homes. If not for this purchase by the residents, the land would be at risk redevelopment, as has much of the surrounding farmland. Instead, it will be preserved for all time as affordable housing — with a reserve fund for capital improvements over the years.



ROC USA Capital Managing Director Michael Sloss said Elmwood is the sixth resident-owned community financed by ROC USA Capital in Washington, permanently preserving a total of 230 homes as affordable housing.

“We’re thrilled to meet the community acquisition needs with our unique financing,” said Sloss, pointing to the involvement of the lending partners. “The preservation of the homes in Puyallup through affordable, fixed-rate community financing so close to Seattle and Tacoma will have lasting impact here.”

ROC Northwest of Olympia will continue to provide technical assistance to the co-op for the length of the mortgage — at least 10 years.

“We are extremely happy for the new member-owners of the Elmwood Homeowners Cooperative,” said Ben Dryfoos-Guss, ROC Northwest’s Manufactured Housing Program Manager. “Many residents have lived in Elmwood Mobile Manor for decades and were quite concerned about the security of the land under their homes. By establishing the co-op to purchase their community they were able to safeguard their homes, demonstrating incredibly strong leadership and inspiring initiative.”

In a resident-owned community, homeowners each buy one low-cost share and become members of the co-op, with one vote per household on matters of the community. They elect a board of directors to act on day-to-day issues and vote on larger matters like the annual budget, bylaws and community rules.

That empowerment is important to officials at Washington State Housing Finance Commission, which helped ensure an affordable interest rate. In 2014, the Commission’s partnership with ROC USA and ROC Northwest to preserve manufactured-home communities won a Special Achievement Award from the National Council of State Housing Finance Agencies.

“We are proud to be a part of helping these diverse communities become self-owning, self-determining cooperatives, and to be recognized with our partners for an innovative and highly successful partnership,” said Karen Miller, commission chair.

The ROC USA and Mercy Loan Fund financing was made available in part through a \$4 million grant from the JPMorgan Chase’s CDFI (Community Development Financial Institution) Collaborative program. This first-of-its-kind program creates capacity building partnerships among CDFIs to improve access to capital for small businesses, affordable housing and healthy food networks as well as create economic growth in distressed and underserved communities.

“JPMorgan Chase is proud to help more residents call Elmwood home,” said Daryl Shore, Program Manager, Community Development Initiatives, JPMorgan Chase. “Manufactured housing is a valuable source of affordable housing and we are happy that our \$4 million grant will help ROC USA take a new approach to addressing important housing challenges.”

“Manufactured housing is too often overlooked as affordable route to successful home ownership,” said Jason Battista, President of Mercy Loan Fund. “In helping the homeowners in Puyallup, we have fulfilled our grant requirements with JPMorgan Chase but look forward to an ongoing collaboration with ROC USA to preserve even more affordable neighborhoods.”

About the Partners

ROC USA (www.rocusa.org) is a nonprofit organization with a national network of eight organizations (such as ROC Northwest) and a national financing source for resident corporations. ROC USA® is sponsored by the Ford Foundation, NeighborWorks® America, Capital Impact Partners, the Corporation for Enterprise Development, and the New Hampshire Community Loan Fund. The Community Loan Fund, a non-profit community development financial institution in New Hampshire, leveraged its experience with 90 resident-owned communities at the time to launch ROC USA with national partners in May 2008. Since then, ROC USA Network has helped 76 communities preserve 4,882 homes in 14 states.

ROC Northwest (www.rocnorthwest.com), located in Olympia, Washington, is a subsidiary of Northwest Cooperative Development Center — a nonprofit organization devoted to assisting new and existing cooperative businesses. It supports cooperatives in Oregon, Washington, Idaho and Hawaii. Founded by cooperatives in 1979, the Center has grown into the Northwest's leading provider of services for co-op business development. It has a long history of collaborating with communities, governments, economic development agencies and other cooperatives, sharing expertise and building cross-sector support for new and existing cooperatives.

Mercy Loan Fund (www.mercyloanfund.org), a subsidiary of the national affordable housing organization Mercy Housing, provides financing to hundreds of local nonprofit organizations, enabling them to build or preserve affordable housing in their communities. Since 1985, the organization has made 473 loans in 39 states totaling \$269 million, resulting in 20,700 affordable homes for over 55,300 residents. These loans have leveraged more than \$1.84 billion in total development funding. Mercy Loan Fund is certified by the U.S. Treasury Department as a Community Development Financial Institution (CDFI). Mercy Loan Fund was formed with the goal of supporting the mission of Mercy Housing by making loans for affordable housing developments when conventional financing is not possible or affordable.

The **Washington State Housing Finance Commission** (www.wshfc.org) is a publicly accountable, self-supporting team, dedicated to increasing housing access and affordability, and to expanding the availability of quality community services for the people of Washington. The commission, which receives no regular state funding for its operations, works with lenders, investors, developers, nonprofit organizations, first-time homebuyers, beginning farmers and ranchers and energy companies to bring private investment dollars to benefit families and achieve public goals in Washington.

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