



Citizens' Housing and
Planning Association, Inc.

3/16/2009

Massachusetts Foreclosed Properties Initiative **Fact Sheet**

Citizens' Housing and Planning Association (CHAPA), a statewide non-profit affordable housing organization, is launching a new statewide program that helps communities in the wake of the growing foreclosure crisis. This program will address the greatest challenge these communities face—getting foreclosed properties back on the market and re-occupied. CHAPA will serve as a foreclosed properties clearinghouse connecting banks that own foreclosed properties with local organizations (individual homebuyers do not qualify), which will purchase the properties and upgrade these homes for low- and moderate-income families.

I. Background and Program Goals

In 2008, there were more than 12,000 foreclosure deeds in Massachusetts, more than triple the amount in 2006. These properties have had a negative impact in municipalities across the Commonwealth from Cape Cod to Western Massachusetts and in many cases have led to the destabilization of certain neighborhoods.

CHAPA has designed this program in coordination with the Patrick-Murray Administration; a broad-based local advisory committee; and the National Community Stabilization Trust, a national non-profit organization specifically created to help local communities acquire foreclosed properties. The program's local partners include approximately 50 housing organizations and 30 municipalities (see attached list). The first phase of the program includes properties owned by Fannie Mae, Freddie Mac, Citi, Wells Fargo, GMAC, JP Morgan Chase (including Washington Mutual), and Bank of America (including Countrywide). Additional banks may be included in a second phase of the program.

The goals of the program are to:

- Stabilize neighborhoods by reducing vacant and abandoned units and by providing important property tax revenues to municipalities.
- Ensure that the sale of foreclosed properties is done in a sustainable manner that does not set the stage for a future cycle of foreclosures and property decline.
- Help responsible renters who are living in foreclosed properties avoid eviction and displacement.
- Provide affordable housing opportunities—both homeownership and rental—to low and moderate income residents.

II. CHAPA's Role

CHAPA will act as a clearinghouse for statewide information, specifically:

- Pre-qualify and designate local organizations that are eligible to purchase properties.
- Transmit property information to potential purchasers in a timely fashion.
- Work with banks and the National Community Stabilization Trust to facilitate the sale of properties to certified purchasers in an efficient manner.



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III. Program Components

First Look

The participating banks will provide a first look to eligible purchasers prior to listing the property on the open market. During this time period (which is likely to be an average of 14 days), the seller will provide local organizations with physical access to the property and offer an adjusted sale price. This process will ensure that capable buyers will return the homes to productive use and in good condition. In addressing the critical bottleneck to the process, participating banks will assign a senior level contact person with authority to provide up-to-date listings of foreclosed properties, grant property inspections, and negotiate acquisitions.

Bulk Sale

Participating banks will provide the opportunity to purchase multiple properties in a community as part of a bulk sale, particularly in areas with a higher concentration of foreclosed properties. This will allow local organizations to renovate properties on a whole block or in larger areas of a neighborhood, thereby having a greater impact on revitalization efforts.



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Massachusetts Foreclosure Properties Initiative Qualified Purchasers and Municipal Partners

Qualified Purchasers

Advocates
Affordable Housing Associates of Lynn
Barnstable Housing Authority
Bay Cove Human Services
Boston Community Capital
Brockton Housing Authority
Caritas Communities
Castle Rock Properties
Center for Human Development
Chelsea Neighborhood Developers
Chicopee Neighborhood Development Corporation
Coalition for a Better Acre
Codman Square Neighborhood Development Corporation
Combined Resources Company
Common Ground Development Corporation
Community Action for Better Housing
Community Care Services
Dorchester Bay Economic Development Corporation
Fairfield Real Estate Development Corporation
Fall River Community Housing Resource Board
HAP
House of Hope Housing
Housing Assistance Corporation
Lawrence CommunityWorks
Leominster Development Corporation
Lynn Housing Authority and Neighborhood Development (LHAND)
Lynn Investing in Neighborhood Corporation (LINC)
Main South Community Development Corporation
Mattapan Community Development Corporation
Methuen Housing Authority
Neighborhood Development Associates
Neighborhood Housing Services of the South Shore
Neighborhood of Affordable Housing (NOAH)
North End Housing Initiative
Nuestra Comunidad Development Corporation
Oak Hill Community Development Corporation
Pine Street Inn
Planning Office for Urban Affairs
Quincy Community Action Programs
Somerville Community Corporation
Springfield Neighborhood Housing Services
Second Generation Trust
Star Contracting Company
The 1810 Realty Group
Twin Cities Community Development Corporation



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Urban Edge
Urban LandWorks
Wabash Construction
Windale Developers
Worcester Common Ground
Worcester East Side Community Development Corporation
Worcester Housing Authority
Yarock Memorial Housing

Municipal Partners

Attleboro
Barnstable
Billerica
Boston
Brockton
Chelsea
Chicopee
Fall River
Falmouth
Fitchburg
Framingham
Haverhill
Holyoke
Lawrence
Leominster
Lowell
Lynn
Marlborough
Marshfield
Methuen
Milford
New Bedford
Quincy
Peabody
Revere
Salem
Somerville
Springfield
Taunton
Weymouth
Worcester