



Initiatives and Enterprises

The Housing Partnership Network is a member-driven collaborative of the nation's leading housing and community development nonprofits. Through our partnership high performing organizations work together to create affordable homes and sustainable communities that provide economic opportunity and an enhanced quality of life for more than two million low income and working families.

The Network's 98 members are widely regarded by government, business and civic leaders as their "go-to" partners. Combining private sector entrepreneurship with an ambitious social mission, we address the most critical challenges facing our communities and nation. The Network advances the continued innovation, growth and impact of our member organizations by pooling resources and operating social enterprises that strengthen the performance and market position of our sector.

A cornerstone of our approach is peer exchange among the senior executives of the premier organizations in the community development industry. These communities of practice serve as a laboratory for innovation, collaborative enterprise, and policy development.

Neighborhood Stabilization and Foreclosure Prevention

Neighborhood Stabilization

The Housing Partnership Network has been a national leader in addressing the foreclosure crisis since 2007. More than 40 members are actively responding at the regional and community level with efforts to prevent foreclosure and recycle foreclosed homes. These members come together through the Network's Neighborhood Stabilization Exchange to share information, plan collaborative enterprises and drive public policy and industry practice toward proven solutions to this crisis. A \$2.75 million grant from the Citi Foundation in 2011 is enabling the Network to invest in ten member-driven, locally-based stabilization projects that have the potential to be replicated in communities across the country. Findings from the Innovations in Neighborhood Stabilization and Foreclosure Prevention Initiative will be shared to promote best practices in the field and help shape a national policy agenda around this issue.

Mortgage Resolution Fund

The Mortgage Resolution Fund (MRF) is a new, collaborative initiative that provides an innovative response to the continuing foreclosure crisis. MRF aims to keep families in their homes, and stabilize neighborhoods, by purchasing and modifying delinquent notes before foreclosure. Using federal "Hardest Hit Funds" and working in partnership with state Housing Finance Agencies, MRF will purchase delinquent mortgages at a market-defined discount and work with servicers and families to permanently modify loans to an affordable level so that families can avoid foreclosure. The state of Illinois has already agreed to allocate \$100 million of Hardest Hit Funds to this effort, and similar conversations are underway with several other state Housing Finance Agencies. MRF is a joint venture between the Network, Mercy Portfolio Services, the National Community Stabilization Trust and Enterprise Community Partners.

Housing Counseling and Financial Literacy

The Housing Partnership Network has been at the forefront of homeownership and foreclosure prevention counseling for the past 16 years. As the nation's leading HUD certified counseling intermediary, we have provided members \$22 million to support pre-purchase counseling for 660,000 potential homebuyers and assisted more than 100,000 people to purchase their homes. We have also awarded \$10 million in National Foreclosure Mitigation Counseling funds to keep 34,000 people from losing their homes. Today, we continue our in-person counseling work while pioneering new business models aimed at bringing financial sustainability and greater customer service to the housing counseling industry. One example of such an effort is a partnership with the Minnesota Home Ownership Center on the development of an interactive, online homebuyer education tool. *Framework* is designed to expand the reach of homebuyer education while providing a sustainable source of revenue for our counseling members.

Capital Markets

Housing Partnership Equity Trust

The Network, in partnership with 13 members, will soon launch a multi-family real estate investment trust (REIT) that will change the way that affordable housing is acquired, operated and financed. The Housing Partnership Equity Trust creates a new ownership and management model for affordable housing that leverages the combined scale of its members to access the capital markets and attract low cost and patient equity. This equity will provide a ready source of capital to purchase properties that can be opportunistically acquired in the competitive marketplace; it will also give the Trust an ownership and operational stake in the acquired real estate. Equity Trust members will be able to expand their portfolios while generating an ongoing source of revenue that is not dependent on public resources such as Low Income Housing Tax Credits. Citibank and the MacArthur Foundation are the lead investors in the Equity Trust, which will close the initial \$100 million fund in second quarter of 2012.

Housing Development Fund

As a certified Community Development Financial Institution (CDFI), the Housing Partnership Fund raises and deploys capital that strengthens the impact and production of our member organizations. Since its formation in 2001, the Fund has provided \$75 million in risk capital to finance 13,000 affordable homes. In 2012, the Fund will transition from a retail lender of subordinate capital to an aggregator of debt and equity for the Network's pooled financing enterprises. The Fund's new focus is impact investing in innovative initiatives with member organizations that will enhance their sustainability and impact. The first such venture will raise \$85 million for the Housing Partnership Equity Trust. The Fund has a AAA+2 CARS rating.

Charter School Financing Partnership

The Network and five of our largest member CDFIs created the Charter School Financing Partnership (CSFP) in 2008 to support the development and expansion of quality schools that are integral to building sustainable communities. CSFP is a groundbreaking collaboration among CDFIs to access secondary market financing for charter schools that serve disadvantaged students. The U.S. Department of Education awarded the Network \$15 million in credit enhancement for the partnership. To date, CSFP has committed \$10.2 million of the D.O.E enhancement to leverage \$65.9 million of financing for schools which provide educational opportunities for almost 4,000 students in New Jersey, Massachusetts, New York and California.

Operating Performance and Business Sustainability

Housing Partnership Insurance Exchange

The Housing Partnership Insurance Exchange provides \$6.3 billion of property and liability insurance coverage for 55,000 affordable apartments developed and owned by twenty Network member organizations. Licensed as a Vermont domiciled captive insurance company, the Insurance Exchange negotiates an alternative risk program with international insurance carriers for portfolio owned by a select group of top performing members. The company's goal is to deliver stable and highly competitive pricing while offering customized and superior loss control services. Jointly owned by the Network and the participating members, it has provided more than \$3.5 million in performance-based dividend distributions since 2008.

Housing Partnership DIRECT

Housing Partnership DIRECT leverages the aggregate purchasing power of the Network's members to offer significant discounts on products needed for affordable housing construction and operation. By negotiating discounts with a variety of national vendors, DIRECT helps members save money on products needed for ongoing property operations and development, including flooring, lighting and cabinetry. Participants also receive discounts on business services from a number of national companies. To date, DIRECT is serving 34 Network members with an aggregate portfolio in excess of 60,000 units. Sales across all DIRECT vendors are projected to exceed \$8 million in 2012, with an estimated savings to members of \$1.2 million.

STRENGTH MATTERS™

STRENGTH MATTERS™ is a collaboration among the Housing Partnership Network, NeighborWorks America and Stewards of Affordable Housing for the Future to support the strength, productivity and impact of high-performing nonprofit affordable housing organizations. A key component of STRENGTH MATTERS™ is the Performance Benchmarking Data Warehouse, a state-of-the-art tool that captures financial and operational data from members which is mapped to a common chart of accounts. Users can see trends within their own business and property operations and compare and improve their performance against others in the industry. To date, the data warehouse has collected and mapped financial information from 42 nonprofits representing nearly 100,000 units of affordable housing.

Communities of Practice

Peer Exchange

The Network was self organized in 1992 by nonprofit leaders seeking to improve their performance and impact through peer exchange and practitioner-based learning. Twice a year, we convene highly interactive membership meetings where senior leaders come together to gain strategic insights and pursue collaborative efforts that better position their companies for growth and change. Sessions are often cross-disciplinary exchanges that leverage the membership's diverse expertise on such topics as policy development, capitalization, organizational performance and program innovation. Throughout the year, there are ongoing leadership roundtables for CEOs and CFOs and on specialized issues such as counseling and neighborhood stabilization.

International Housing Partnership

Since 2003, the Housing Partnership Network has sponsored peer exchanges among the leaders of high-performing housing nonprofits from the United Kingdom, Canada, Australia, and the United States. The International Housing Partnership has created dynamic relationships among leading international practitioners who come together to share best practices and identify ways to drive innovation and achieve greater impact. The Partnership represents more than 150 high-capacity nonprofits that collectively operate nearly one million affordable homes and serve more than 2.5 million people. In October of 2011, the Housing Partnership Network hosted leaders from 70 Partnership organizations for a week of peer exchange and policy conversations in Washington D.C. The central theme was business transformation and the need to identify new sources of private capital in this era of diminished public resources. The next meeting of the Partnership will take place in Vancouver in October, 2012.

Policy

The Housing Partnership Network promotes policies that enhance the long-term sustainability, growth and impact of entrepreneurial, high-performing housing and community development nonprofits. Our policy office in Washington D.C. works with policymakers and other national organizations to advance legislative changes, regulatory reforms, and funding initiatives that support the innovation and scalable impact of the sector. We focus our work in areas where our members have strong expertise and a compelling business and mission interest. By actively engaging the nation's most successful nonprofits directly in policy development, our practitioner-based approach creates a laboratory of innovation that can inform federal policy-making and implementation. We have achieved major victories in key areas such as housing preservation, neighborhood stabilization, and new approaches to housing and community development finance that significantly impact the communities and the people we serve.

Going forward, we will focus on opportunities to shape the changing housing policy landscape in the face of shrinking federal subsidy resources. Our goal is to position the high-performing nonprofit sector for a greater, more central role in the future delivery system.

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