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Executive Director

**Funding Provided by:**

*Town of Chapel Hill*  
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**Date: October 20, 2009**

**To: Mayor Foy and the Chapel Hill Town Council**

**From: Robert Dowling, Executive Director**

**Re: Quarterly status report for quarter ended September 30, 2009**

The first quarter of fiscal year 2009-10 featured the following highlights:

1. We resold four Home Trust homes
2. We closed on eight homes in East 54
3. We completed renovations in Culbreth Park
4. We almost completed construction of two homes on Crest Street in Carrboro

**Four homes resold** – Many Home Trust owners have been impacted by job losses and loss of income. Two of the homes that resold in the quarter were owned by homeowners who lost jobs and were no longer able to pay their mortgages. We intervened to prevent foreclosures in both cases. In one instance we purchased the home from the owner and paid off the mortgage. In the other instance we serviced the loan until we could sell the home. In addition to the four homes that resold to low-income buyers, we sold one home out of the Home Trust. That owner had moved out of her home and we were unable to re-sell it as a Home Trust property without injecting a substantial amount of additional subsidy. With approval from our board, we chose to sell the home on the open market and repay subsidy to the County.

**East 54** – Although sales of these condominiums started slowly, our sales team had signed contracts on 17 of the 23 units by the end of September. In the last two weeks of September we closed on eight units – despite our sales team being at less than full strength. As of this writing, we have closed on 12 units and have contracts on eight others. Our buyers are mostly younger, single people; however we also have some older adults, single moms and even one couple with a young child. We expect to close on all the Phase I units before year-end.

**Culbreth Park** – We completed substantial renovations on seven homes in Culbreth Park. These homes were part of an affordable home ownership program in the early 1990's and since then several had fallen into severe disrepair. We hired a general contractor to make major repairs such as replacing roofs, HVAC systems, hot water heaters and new siding. We were able to complete the project for \$40,000 less than budgeted. All the homeowners seem to be pleased with the work.

**Crest St. homes in Carrboro** – Synergy Building Company has nearly completed construction of two more energy-efficient homes on Crest St in Carrboro. They are 3BR, 2 and ½ BA homes that are easily walkable to downtown Carrboro. Both homes will sell for effective prices of about \$125,000 and will each include about \$50,000 of local subsidy, in addition to state subsidy for the buyers. As of this writing, one of the homes is under contract. We expect to close in mid-November.

Other significant activities from the past quarter:

- We were forced to take over mortgage payments for another homeowner who was unable to afford their home. We are in the midst of making repairs to this home and will begin offering it to first-time homebuyers this week.
- One of our part-time Sales Associates had heart surgery in early September. But with help from the rest of the staff, our remaining sales team of Crystal Fisher and Amy Singleton were able to close on eight East 54 units in two weeks. I'm happy to report that Tony has recovered quickly and rejoined us on October 19<sup>th</sup>.
- We are engaged in significant property management issues at both Rosemary Place and Greenway condominiums. We are assisting the boards of both associations with long-term maintenance while trying to work within tight budgets.
- Our recently-hired operations manager, Anita Badrock is assuming more control over our day-to-day work, resulting in greater coordination of efforts.
- In August we hired Tamara Watson as our Development and Communications Manager. Tamara has embraced her new responsibilities and successfully managed our recent annual picnic meeting.
- I was invited to Brevard, NC in late September to assist the newly formed Transylvania County Community Land Trust. They have strong support from the local school district and plan to provide permanently affordable homes to teachers and other school district employees.

*Rakel Dowdy*