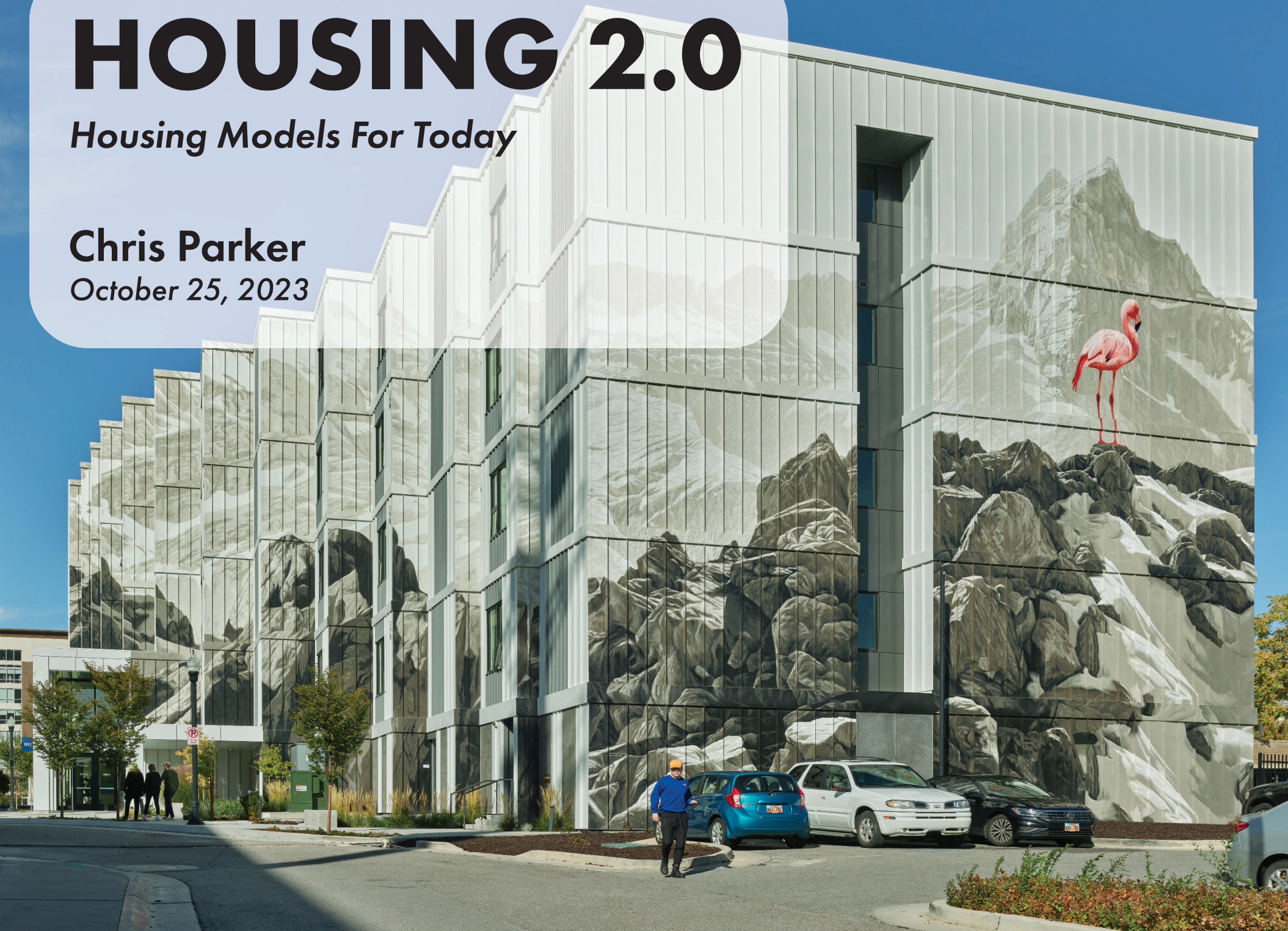


HOUSING 2.0

Housing Models For Today

Chris Parker

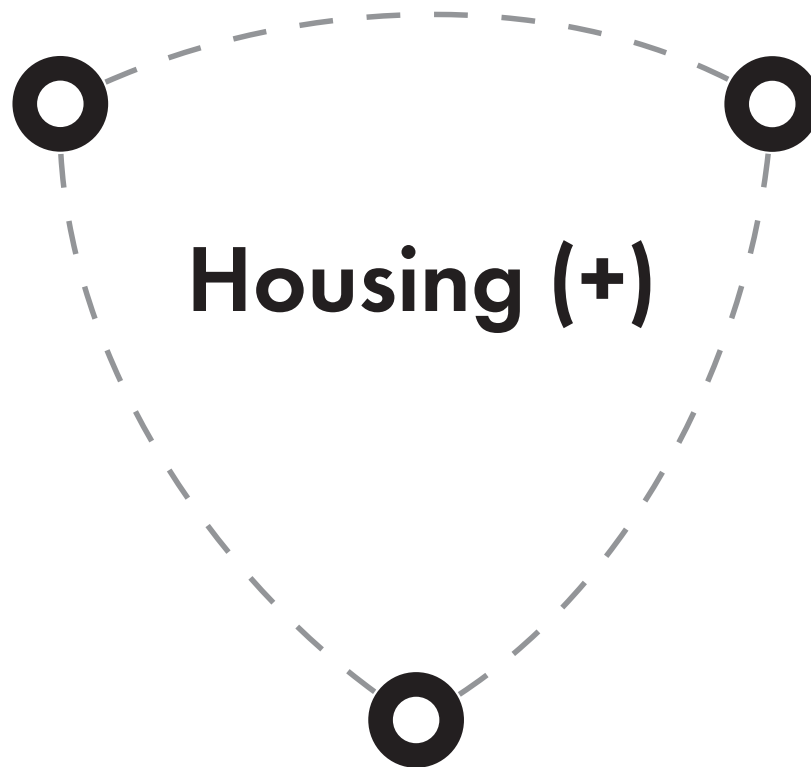
October 25, 2023



Public-Private-Partnership (V.2)



*Municipal
Capacity-Building*



Housing (+)



*Supportive Services
& Community Assets*



*Resident Wealth
Creation*

g i v
● COMMUNITIES

Harris Community Village

Tooele City



Tooele

SLC



Harris Community Village

Tooele City



Harris Community Village

Tooele City

Day Services

Shelter

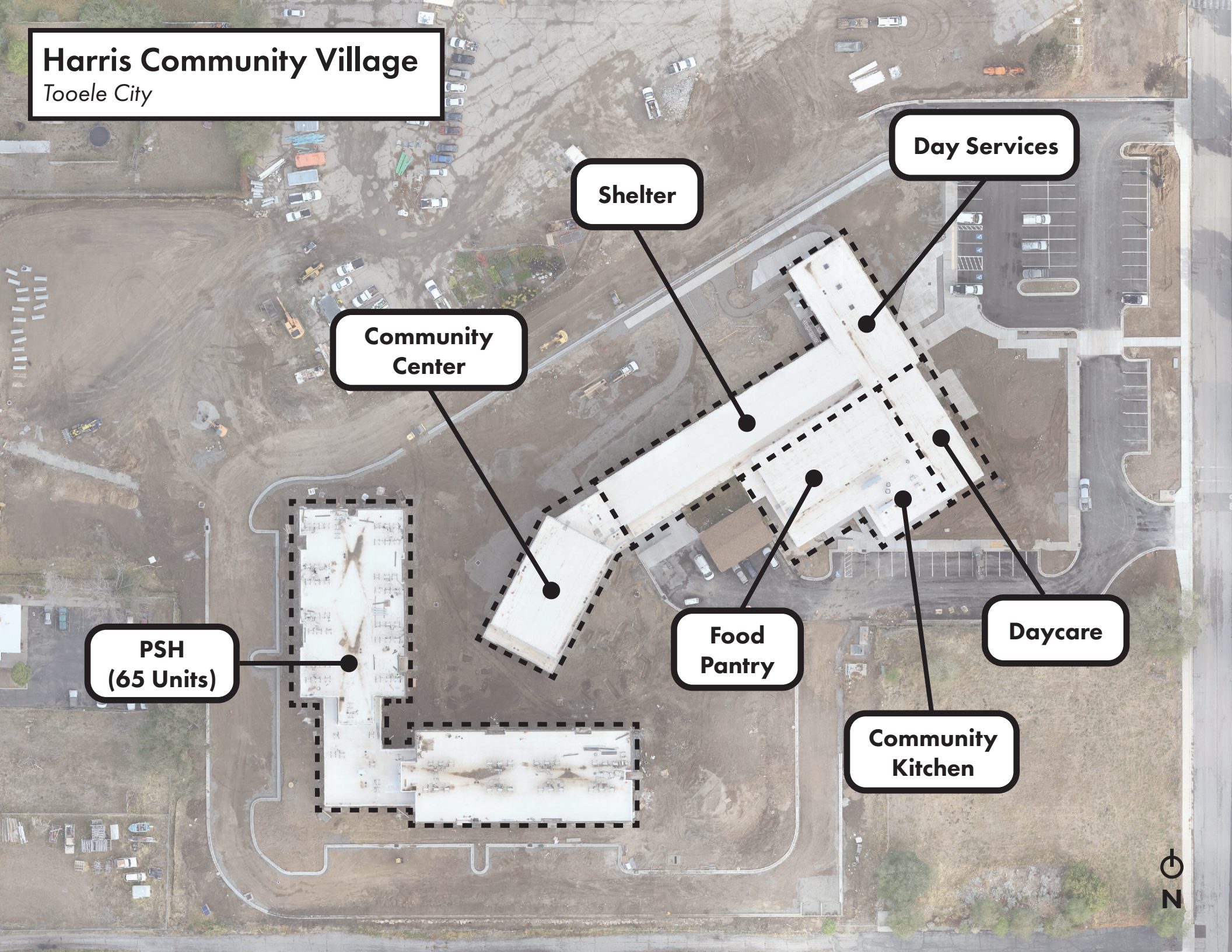
Community Center

PSH
(65 Units)

Food Pantry

Daycare

Community Kitchen



Harris Community Village

Tooele City



Harris Community Village

Tooele City



g i v
DEVELOPMENT

Exchange - Avia
Salt Lake City



Exchange - Avia
Salt Lake City



Exchange - Avia
Salt Lake City



Exchange - Avia
Salt Lake City



Exchange - Local

Salt Lake City



Exchange - Mya

Salt Lake City



Exchange - Mya

Salt Lake City

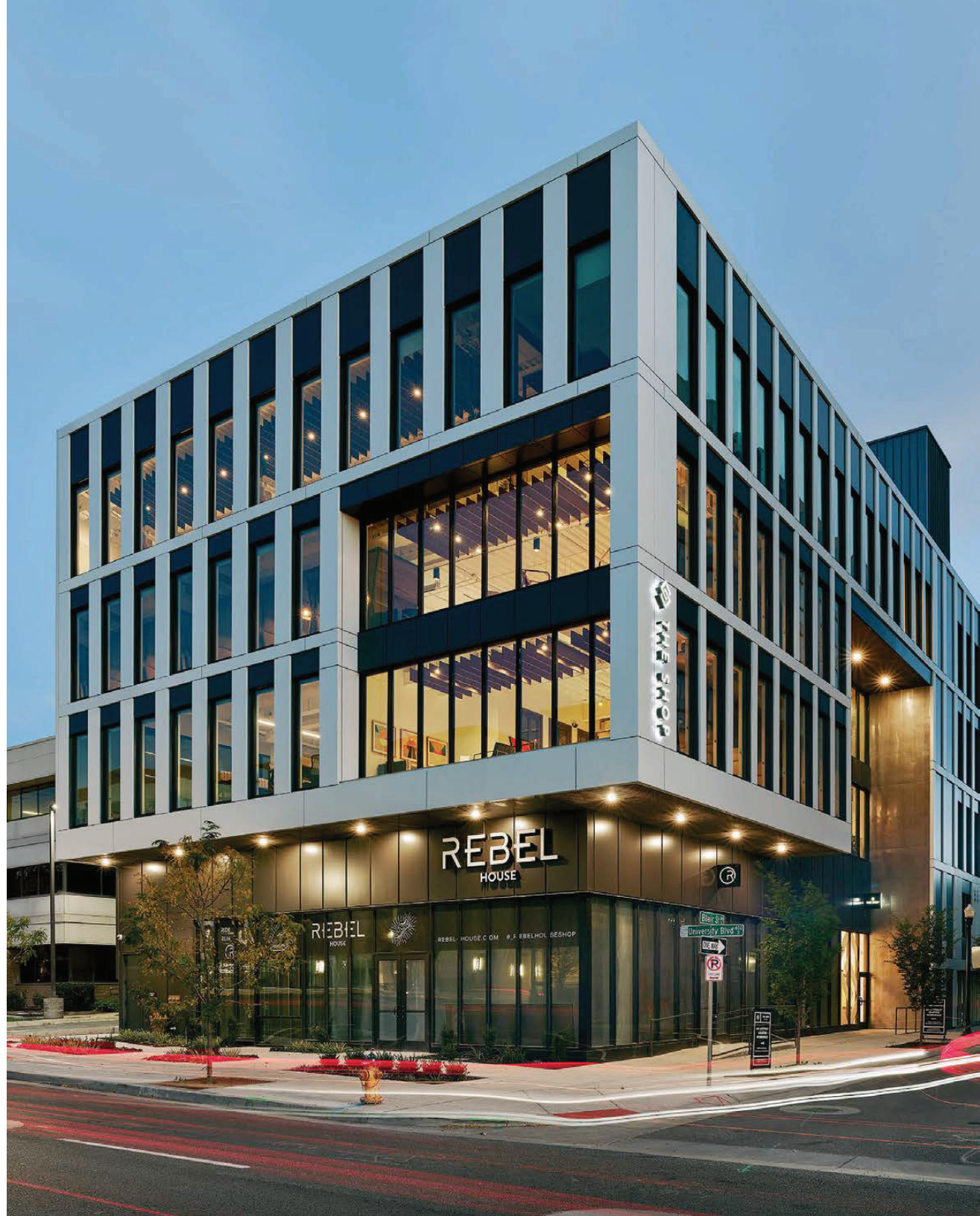


Exchange - Mya
Salt Lake City



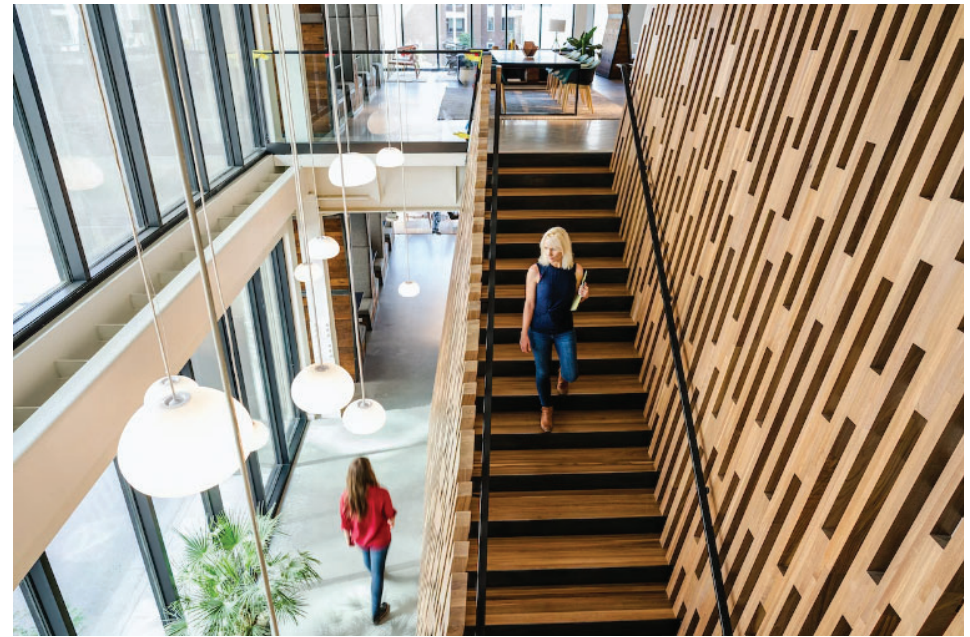
Exchange - Mya

Salt Lake City



Exchange - Shop

Salt Lake City



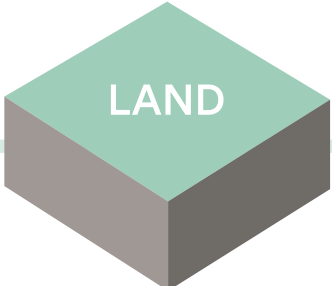
Exchange - Avia

Salt Lake City





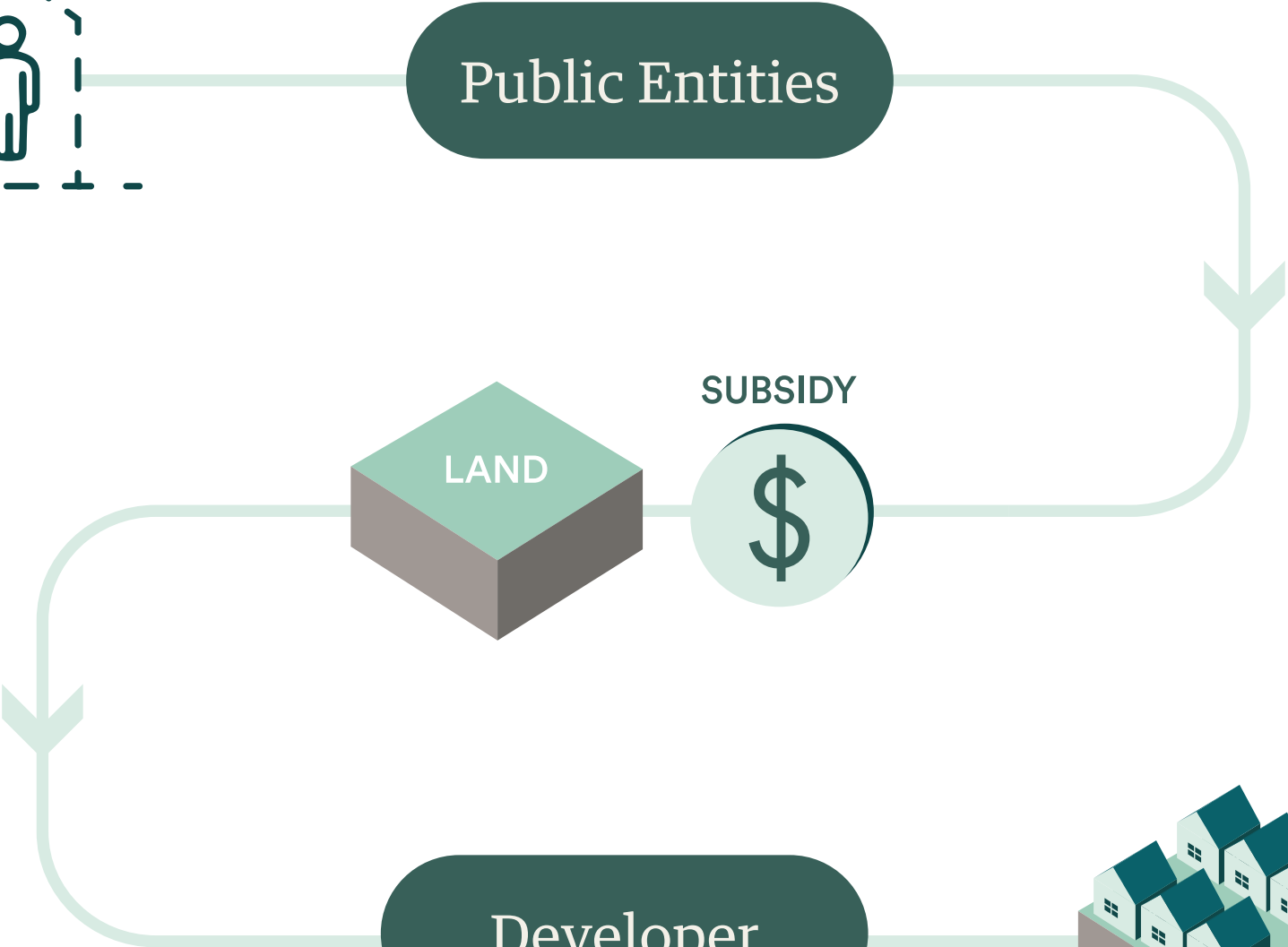
Public Entities

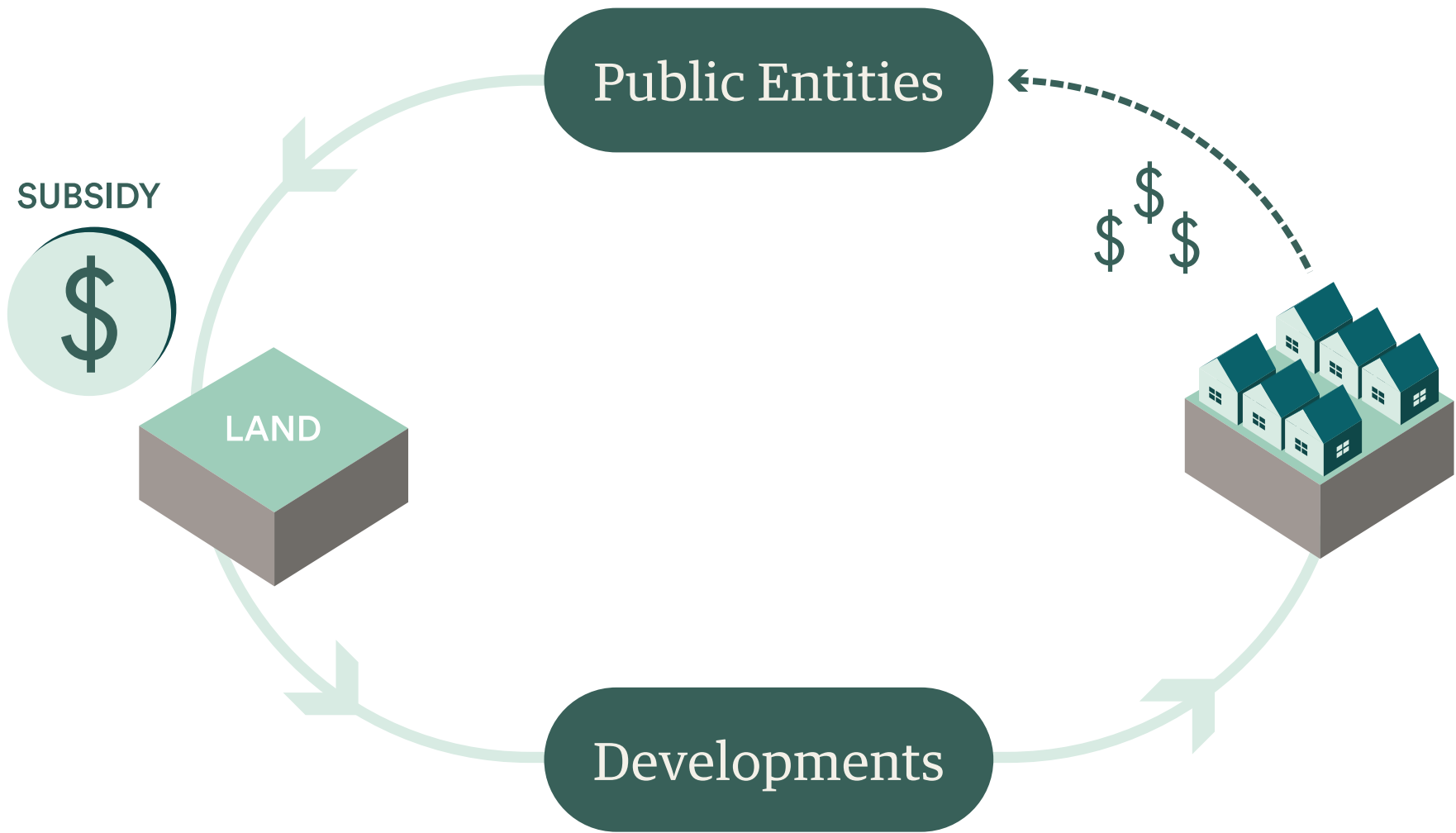


SUBSIDY



Developer



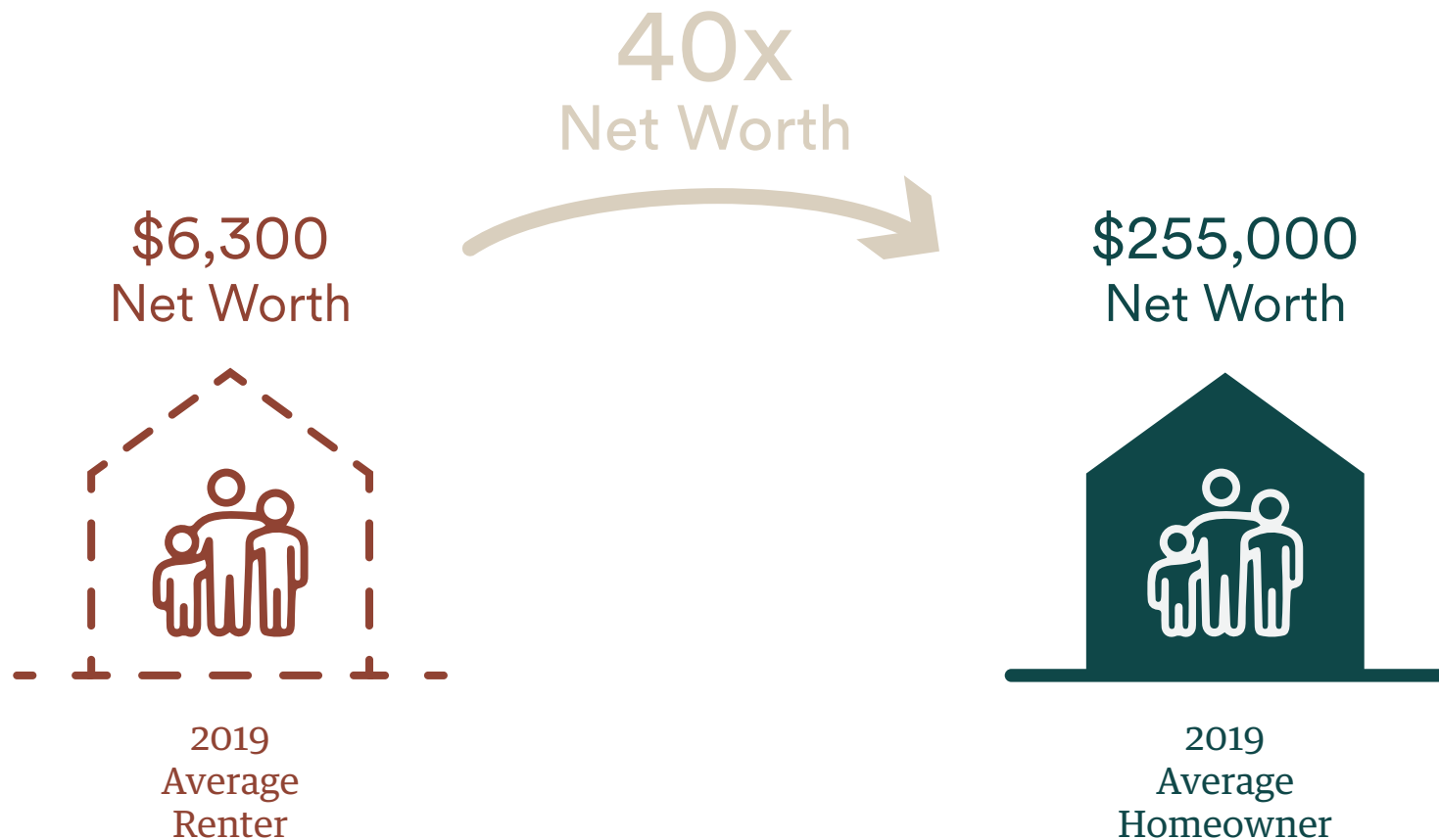




**PERPETUAL
HOUSING
FUND**

The Problem

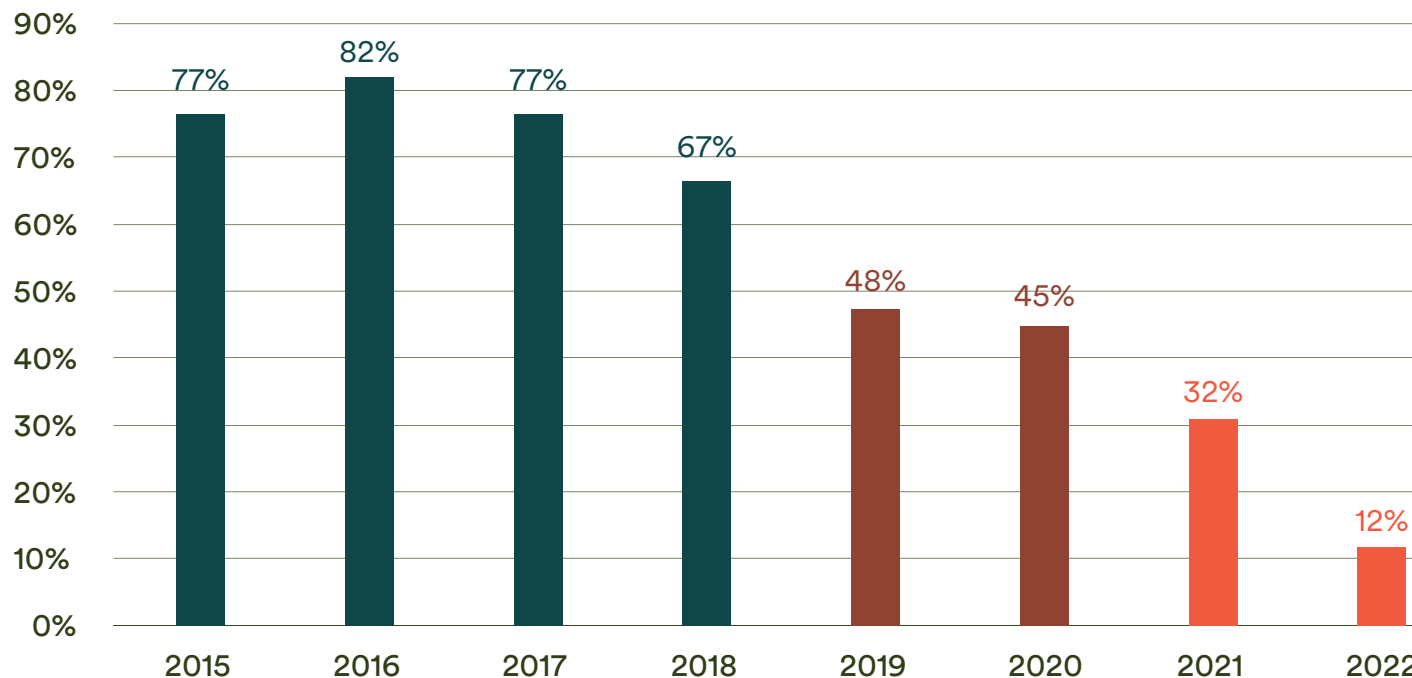
Homeownership is vital to the American Dream.



The Problem

The opportunity for homeownership is disappearing for the average Utahn.

Percentage of Utah Home Sales
Affordable to Households Earning Area Median Income*

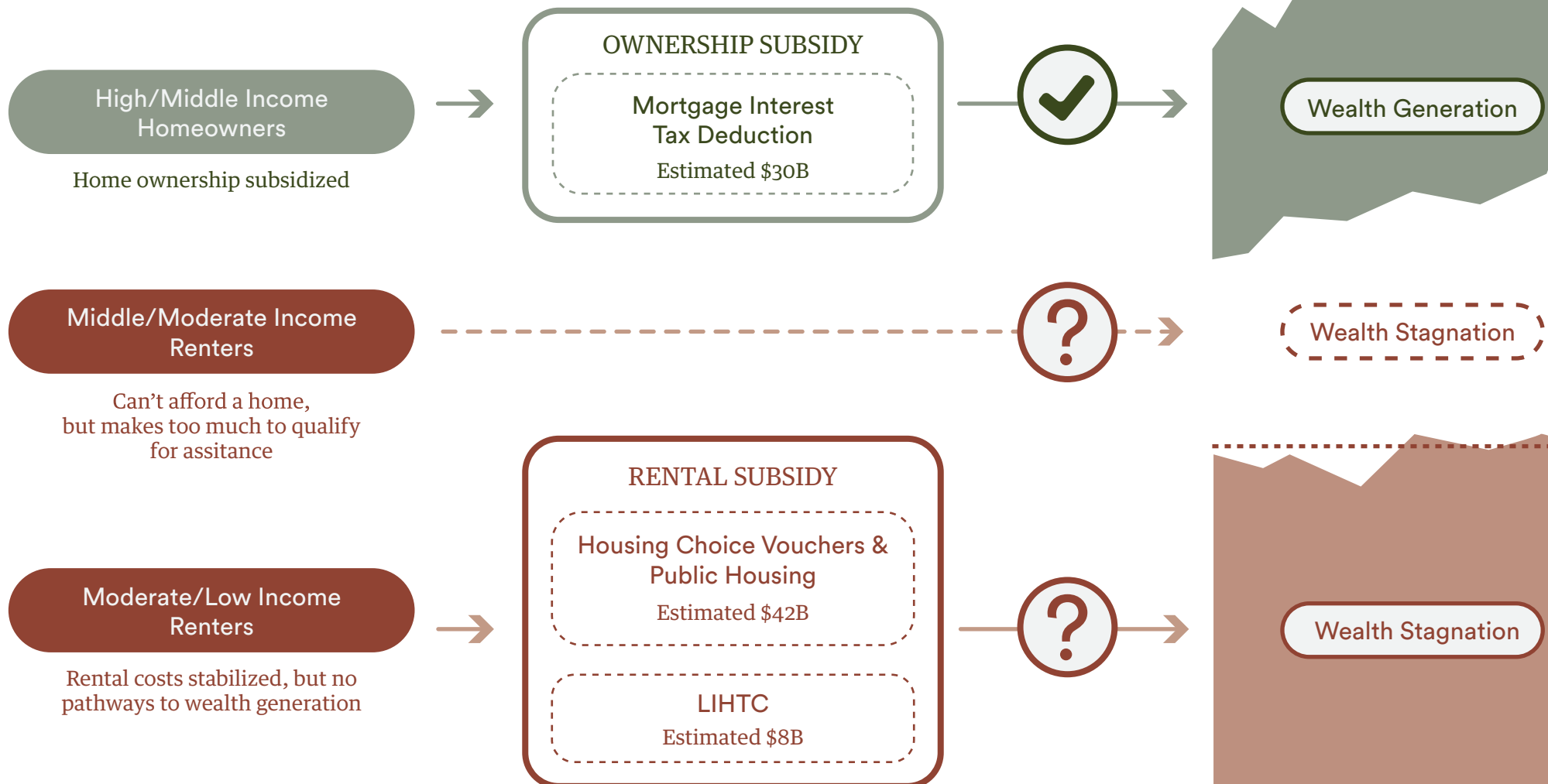


*Include single family and multifamily. Five percent down payment, prevailing interest rate. Mortgage is 80 percent of payment remaining 20 percent taxes, insurance, and PMI. Ratio of mortgage to income 28%.

Sources: Federal Reserve Economic Data; US Census Data; Utah Multiple Listing Service; Freddie Mac HFA Advantage

Current State of Utah Housing Market

Traditional ownership opportunities are leaving most Utahns behind.



Project Open 3



400 N

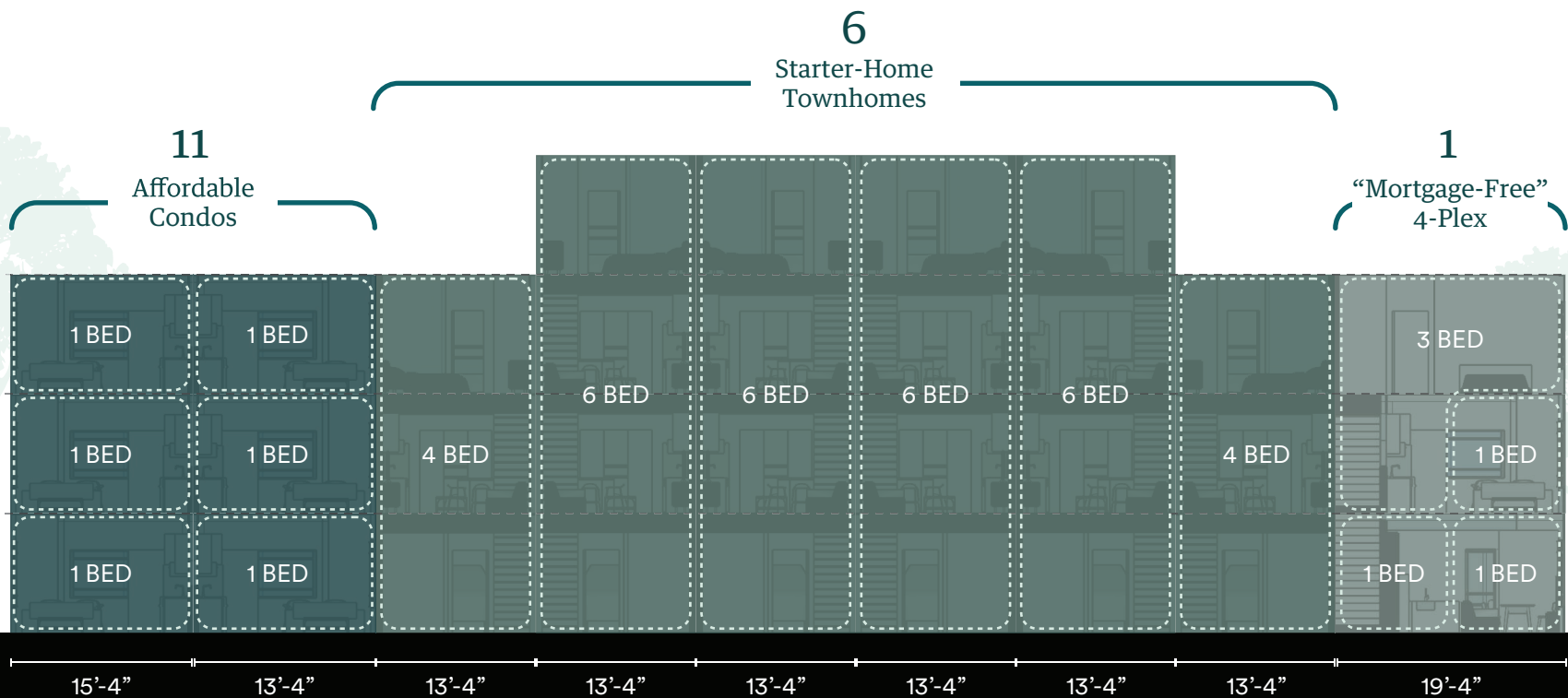
Project Site
0.3 Acres

500 W

N

Project Open 3

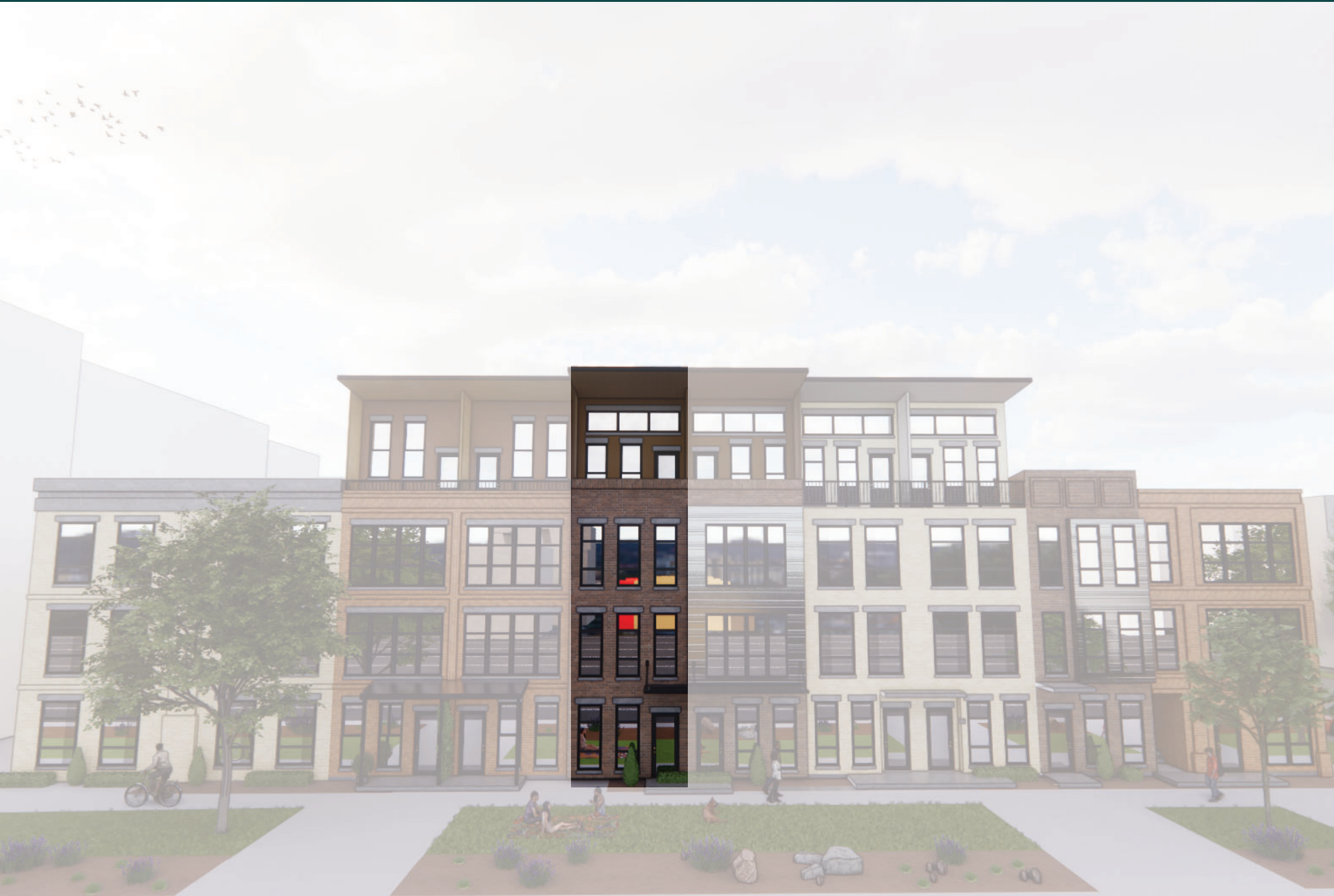
Replicable affordability options in Salt Lake City's Guadalupe neighborhood.



Project Open 3



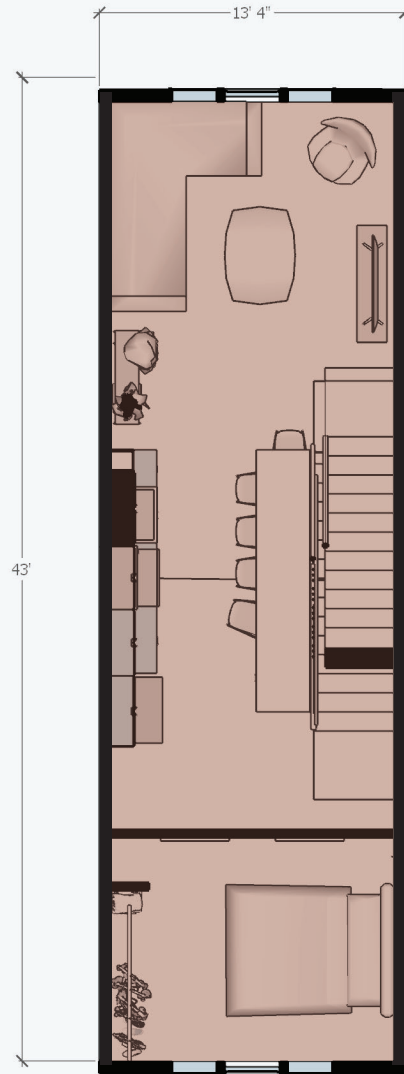
Project Open 3



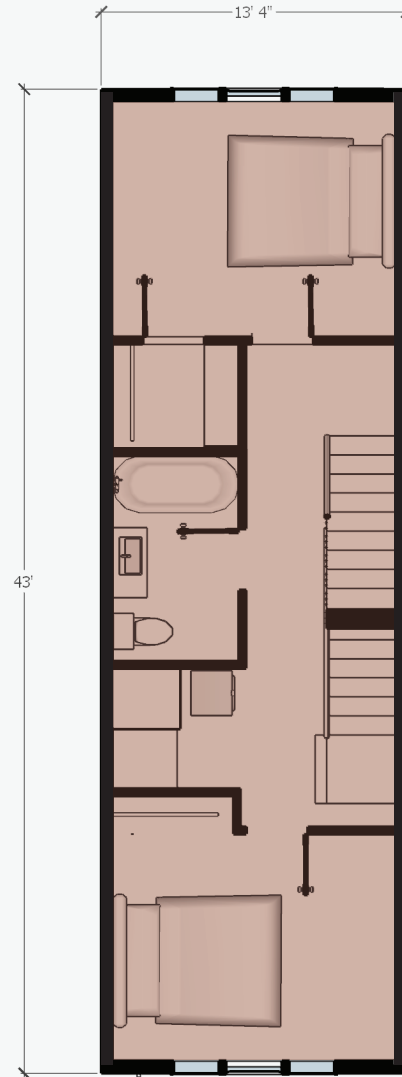
Project Open 3



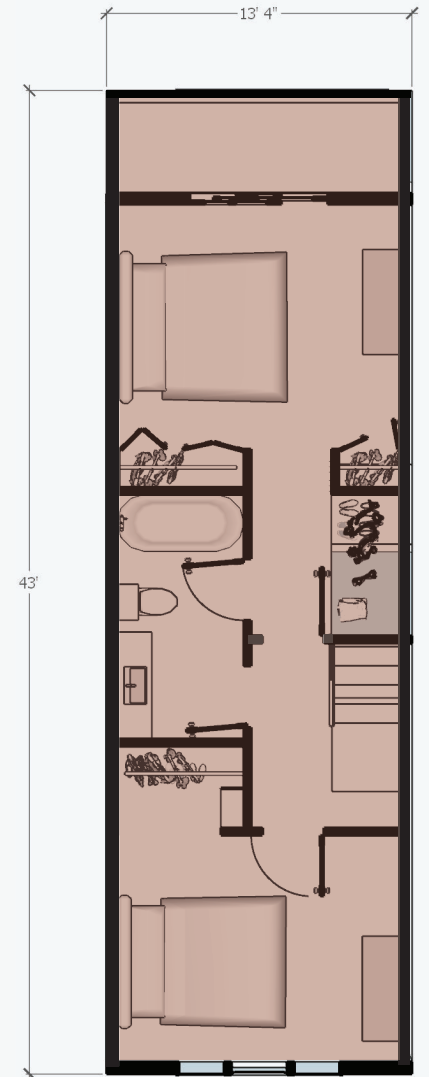
Townhomes - 1st Floor
Garage, 1/2 Bath, Bed/Office



Townhomes - 2nd Floor
Bed 2, Kitchen, Living



Townhomes - 3rd Floor
Bed 3/4, Shared Bath

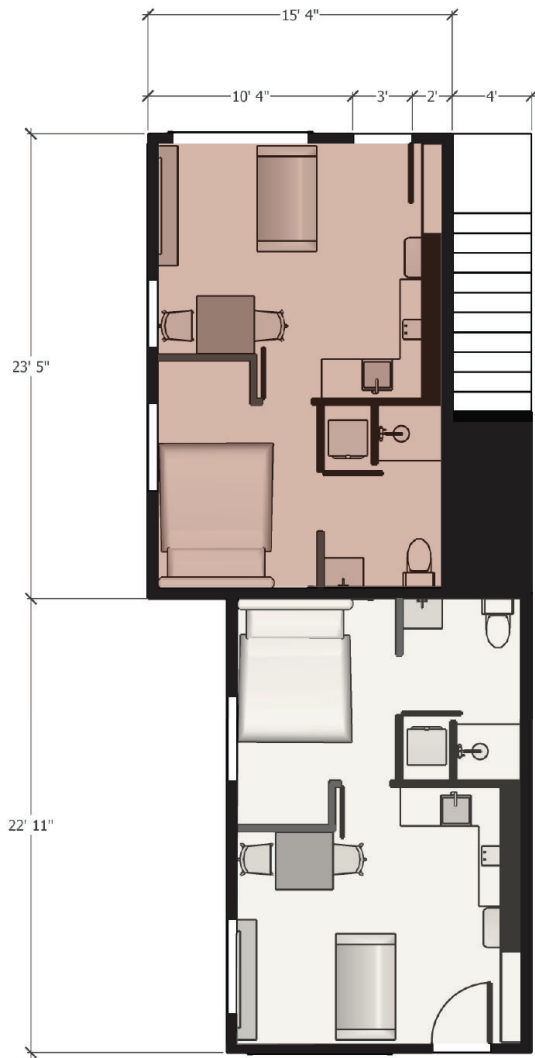


Townhomes - 4th Floor
Bed 5, Primary Bed, Shared Bath

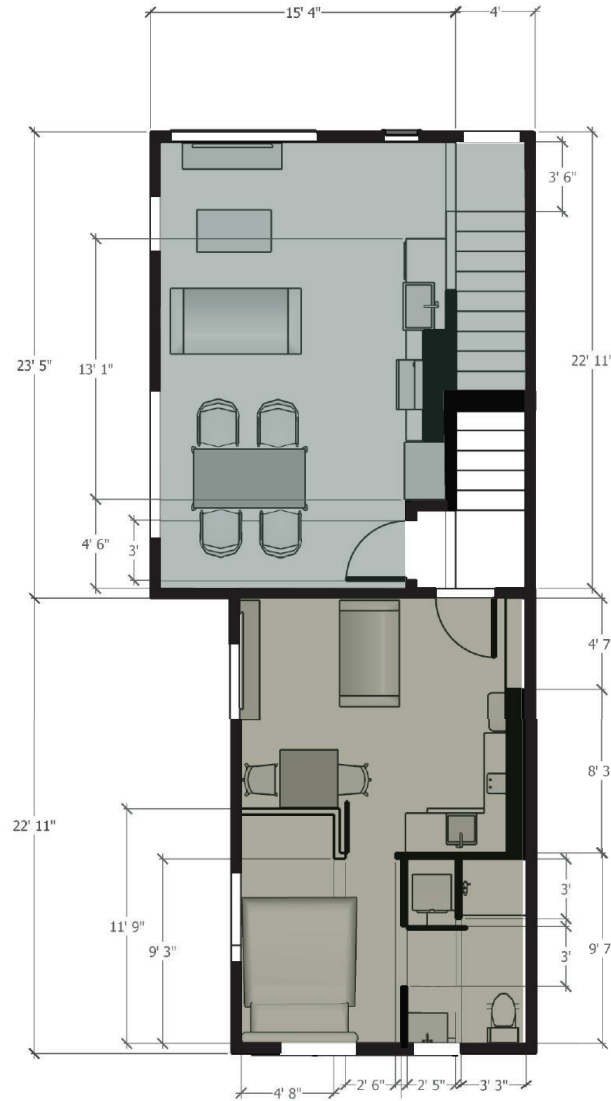
Project Open 3



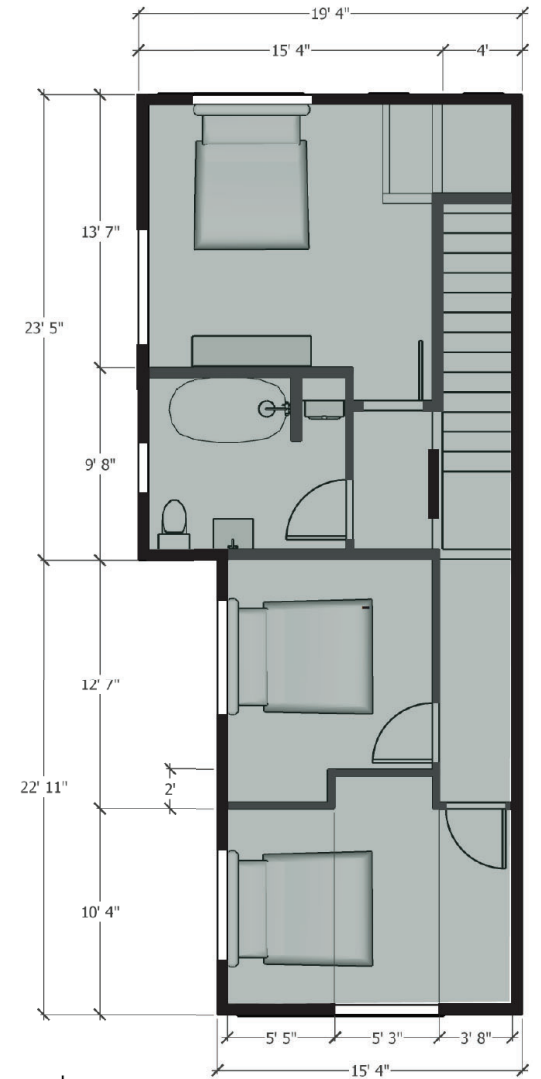
Project Open 3



4 Plex - 1st Floor: Units 1 & 2



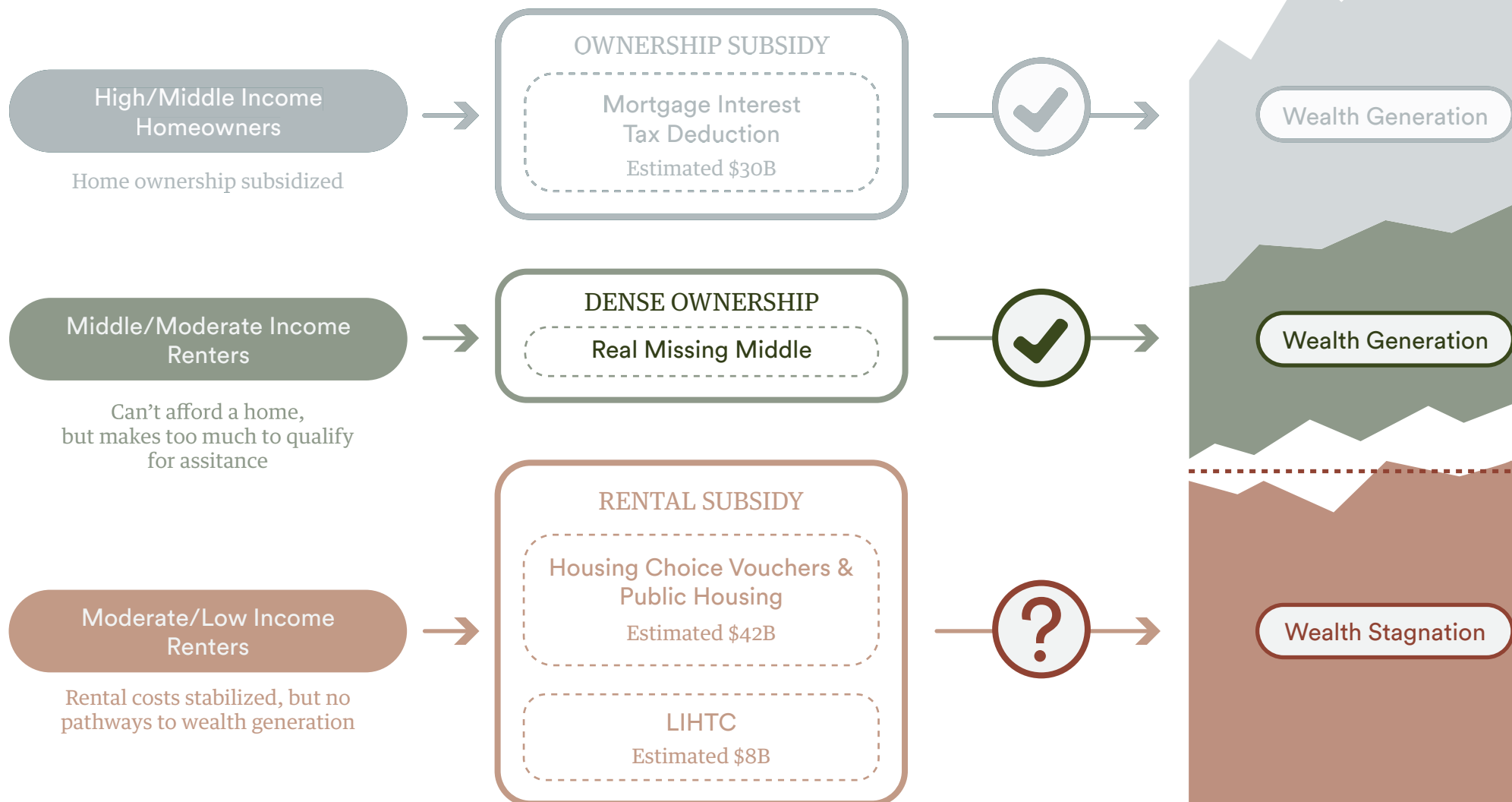
4 Plex - 2nd Floor: Units 3 & 4



4 Plex - 3rd Floor: Unit 4

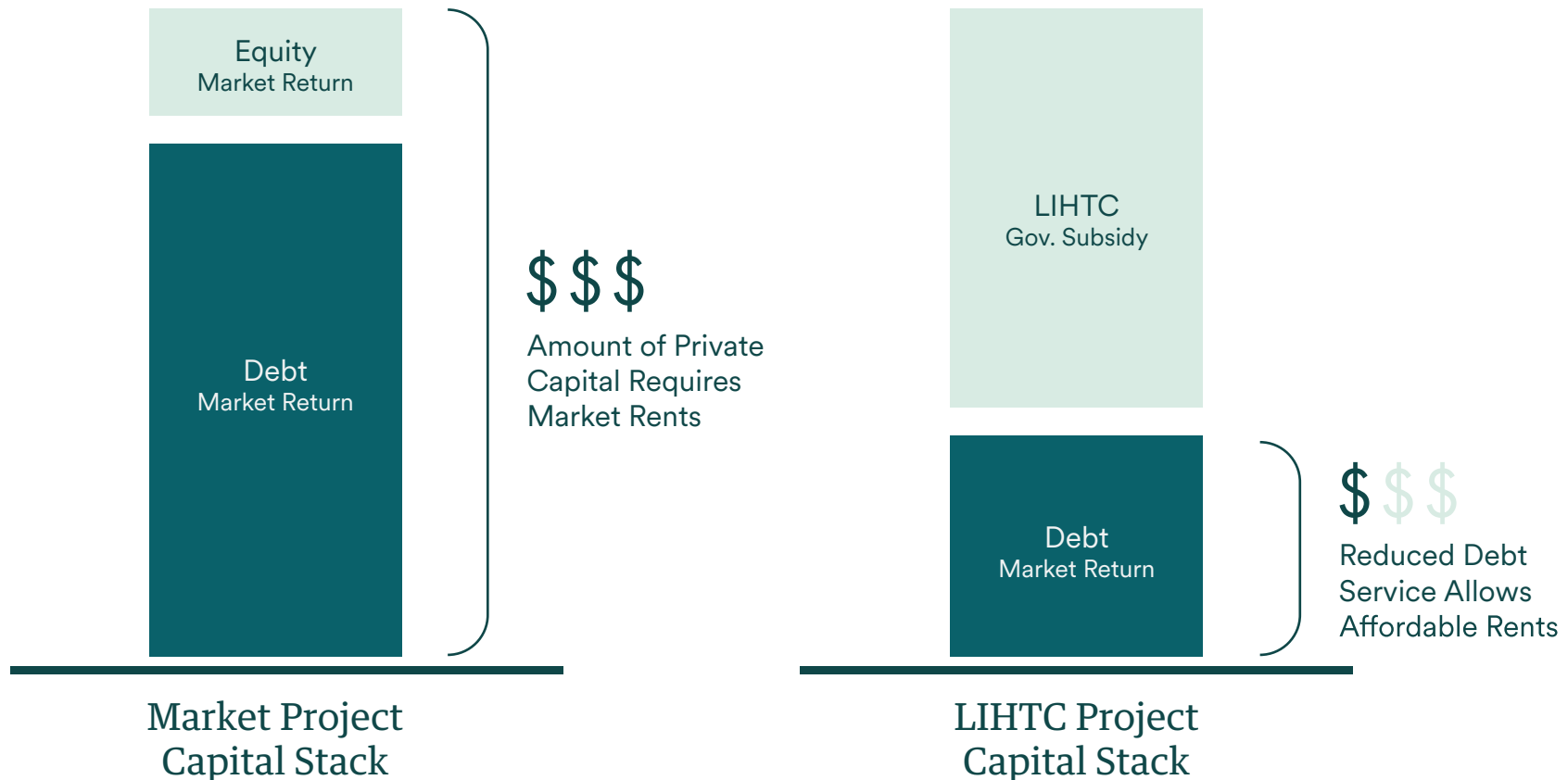
Potential Utah Housing Market

Shared ownership creates opportunities for more families, but still leaves some behind.



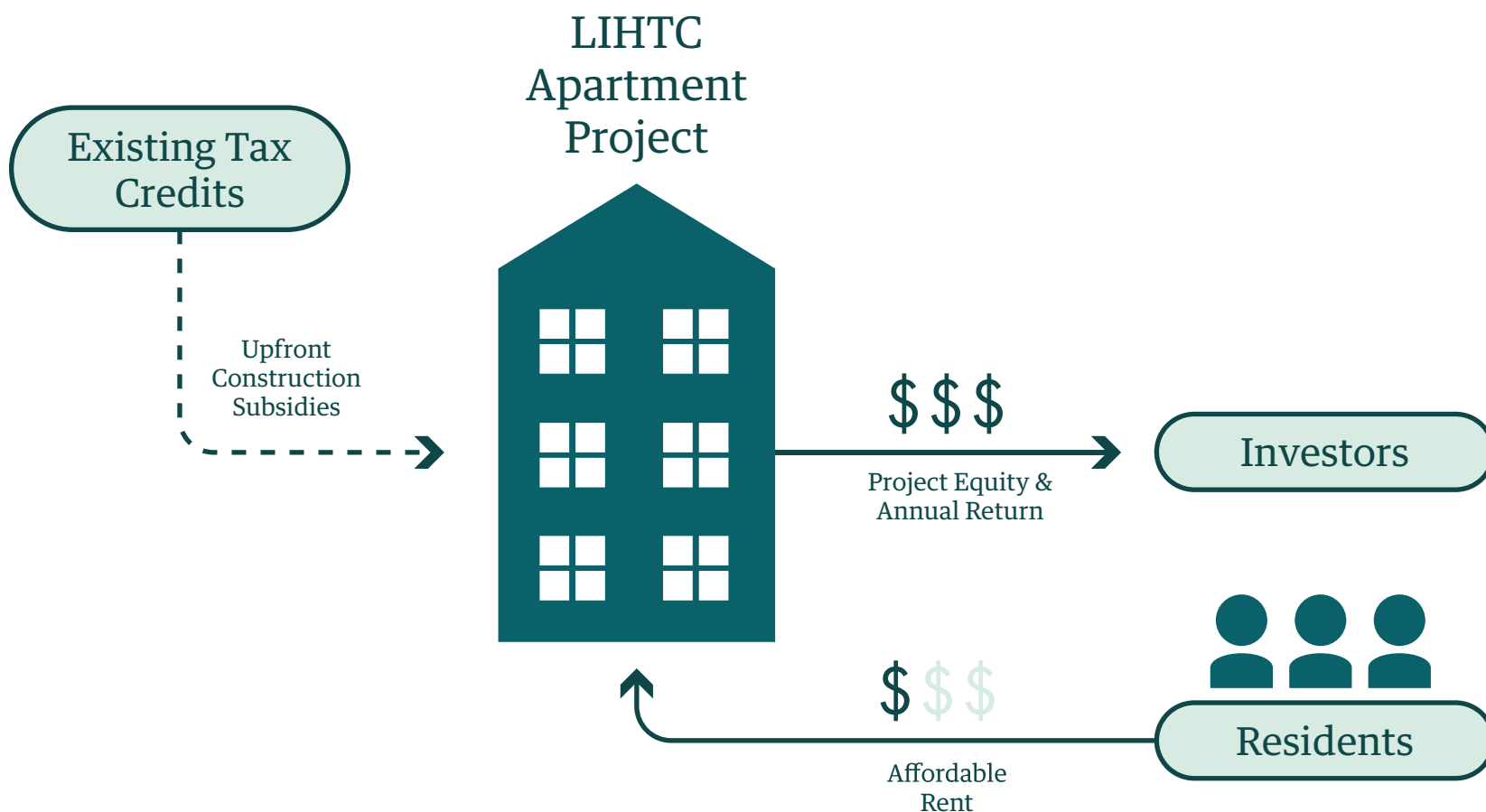
Affordable Housing - Potential Solution

Low Income Housing Tax Credits (LIHTC), a federal subsidy, can significantly decrease rents for residents.



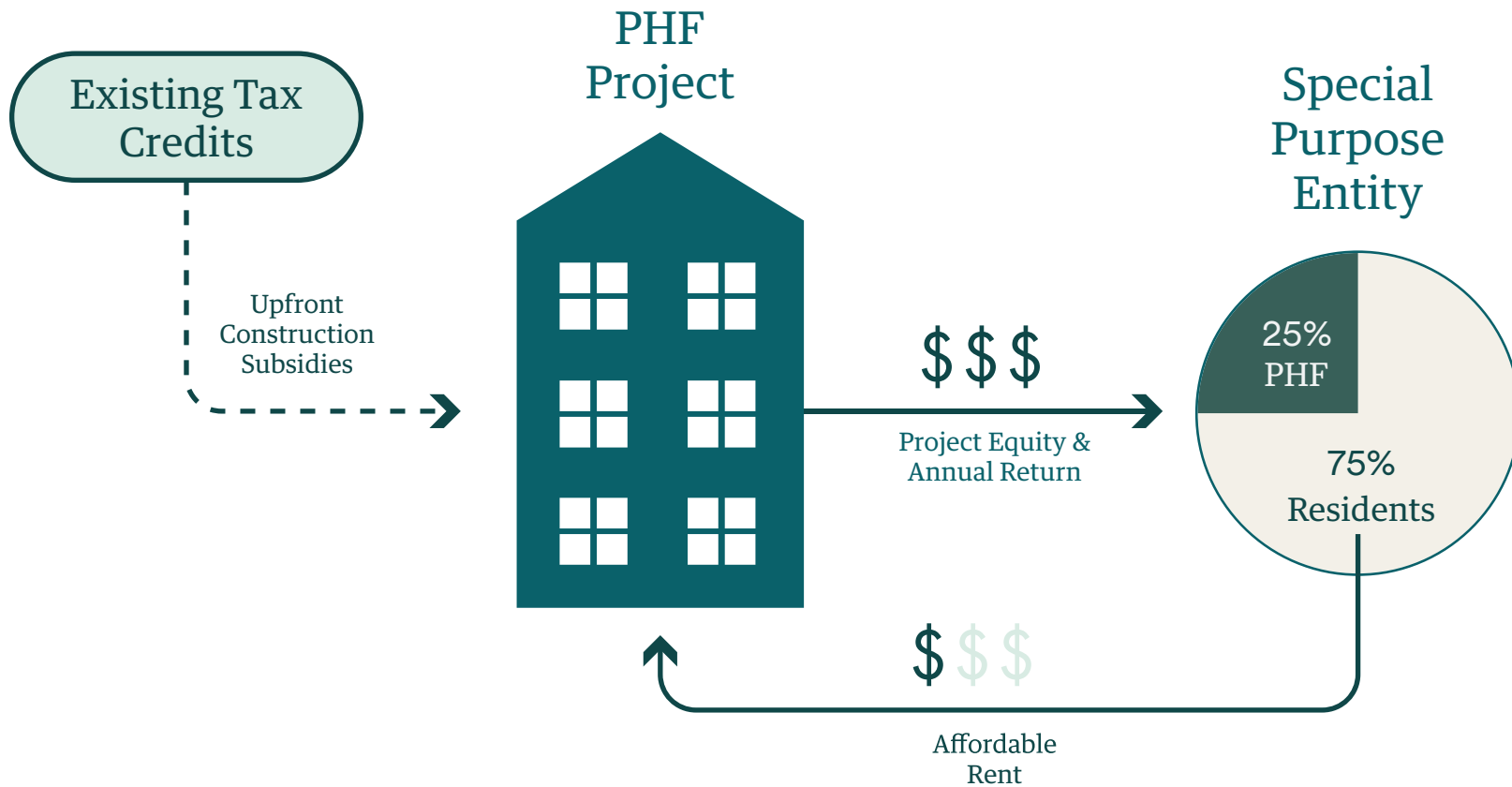
Affordable Housing - A Missed Opportunity

With LIHTC, residents benefit from affordable rents, but annual returns and wealth generation goes to investors.



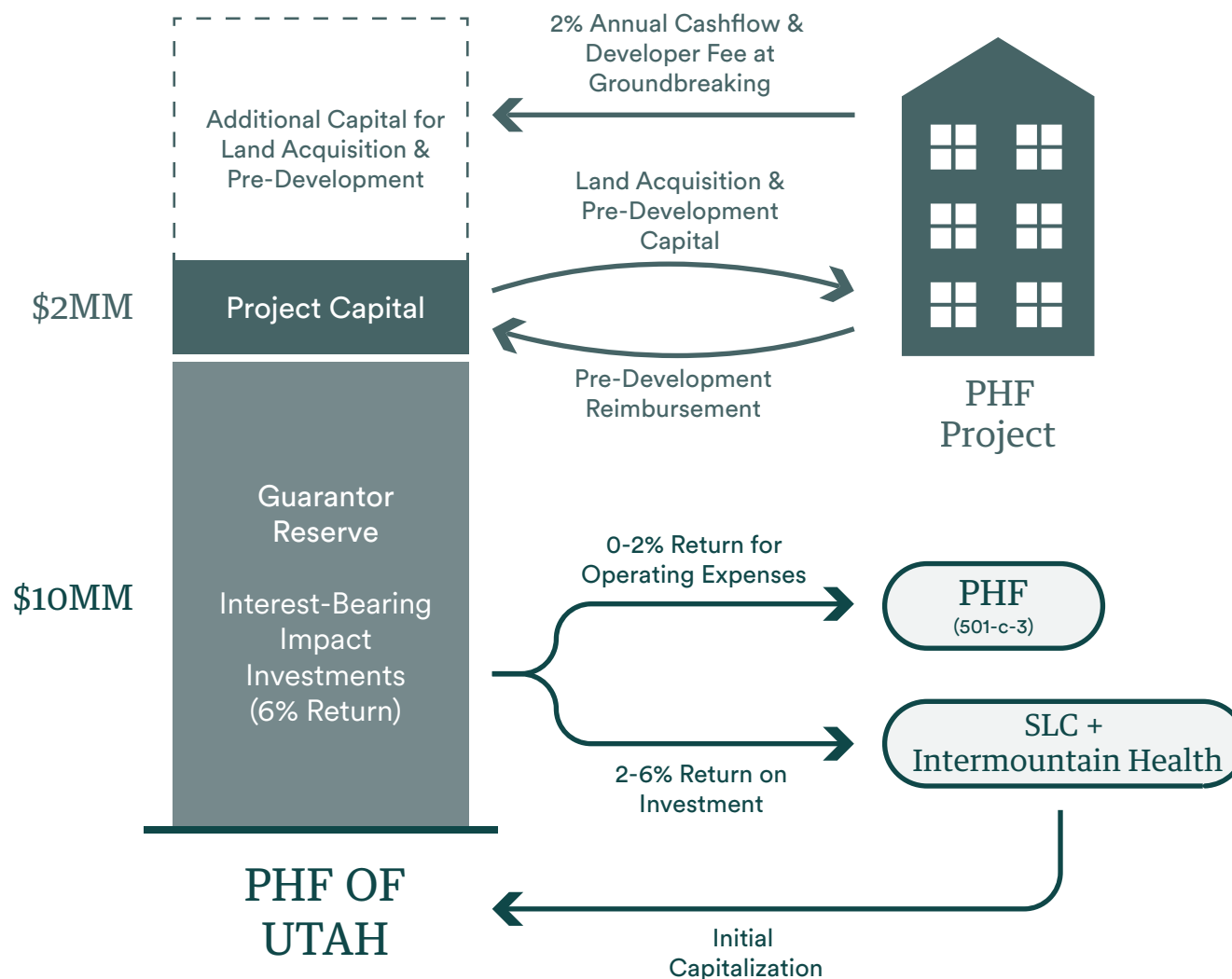
Our Solution - The Perpetual Housing Fund

PHF pairs existing LIHTC subsidies with shared ownership to benefit building residents.



Initial Capitalization Utilization

Tax credit equity & construction lenders require \$12MM (2MM liquid) to fund a meaningfully-sized LIHTC vehicle.



515 Tower - Phase I



515 Tower - Phase I



515 Phase I - Resident Perspective

SPE Pro Forma Year 1

Rents + Additional Income	\$700,999	←	\$11,683	←
Less Op Expenses + Capital Reserve	(\$300,179)		Annual Rent Per Resident	
Net Operating Income	\$400,820			
Less Debt Service	(\$349,809)			
Net Cash Flow	\$51,011	→	\$38,259	→

75% to Residents

SPE Value + Equity Upon Stabilization

Asset Value	\$8,907,121			
Owner's Equity	\$3,211,888	→	\$2,408,916	→

75% to Residents

Developer Fee Contribution

Dev. Fee Deferred to Project	\$250,000	→	\$750,000	
Funding Resident HELOC Vehicle	\$500,000		To Project/ Resident Benefit	



Resident

YEAR 1
CASHFLOW
SHARE**

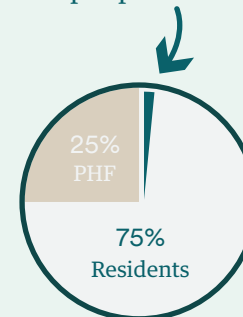
\$638

1/60 Share
per person

EQUITY SHARE AT
STABILIZATION

\$40,149*

1/60 Share
per person



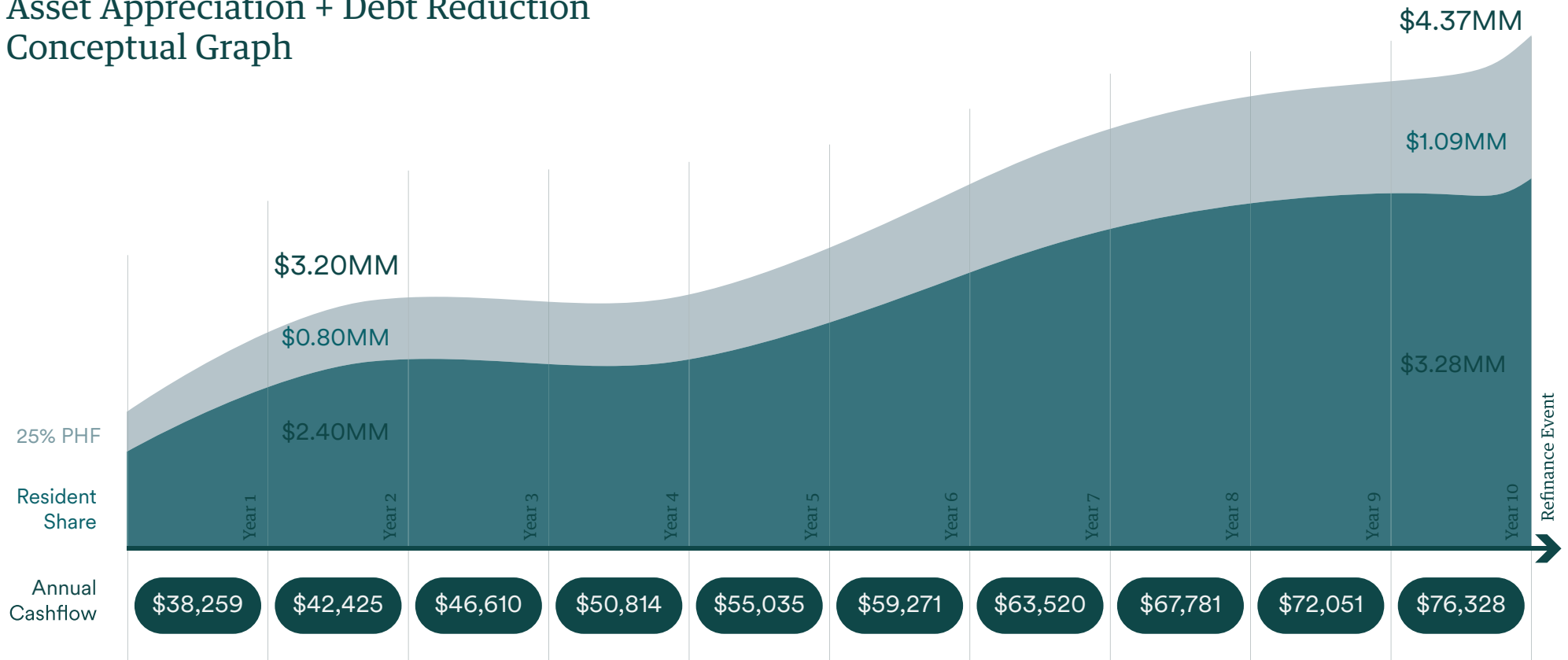
Special Purpose
Entity

*Asset appreciation will be distributed upon events such as a refinance event or sale of building. Tenants will also have the ability to "draw" on their equity for "allowed events" in a vehicle similar to a HELOC (funded and run by the PHF).

**Cashflow Share will be distributed as rent rebates to the extent that LIHTC rules allow.

515 Phase I - How Shared Ownership Works

Asset Appreciation + Debt Reduction Conceptual Graph

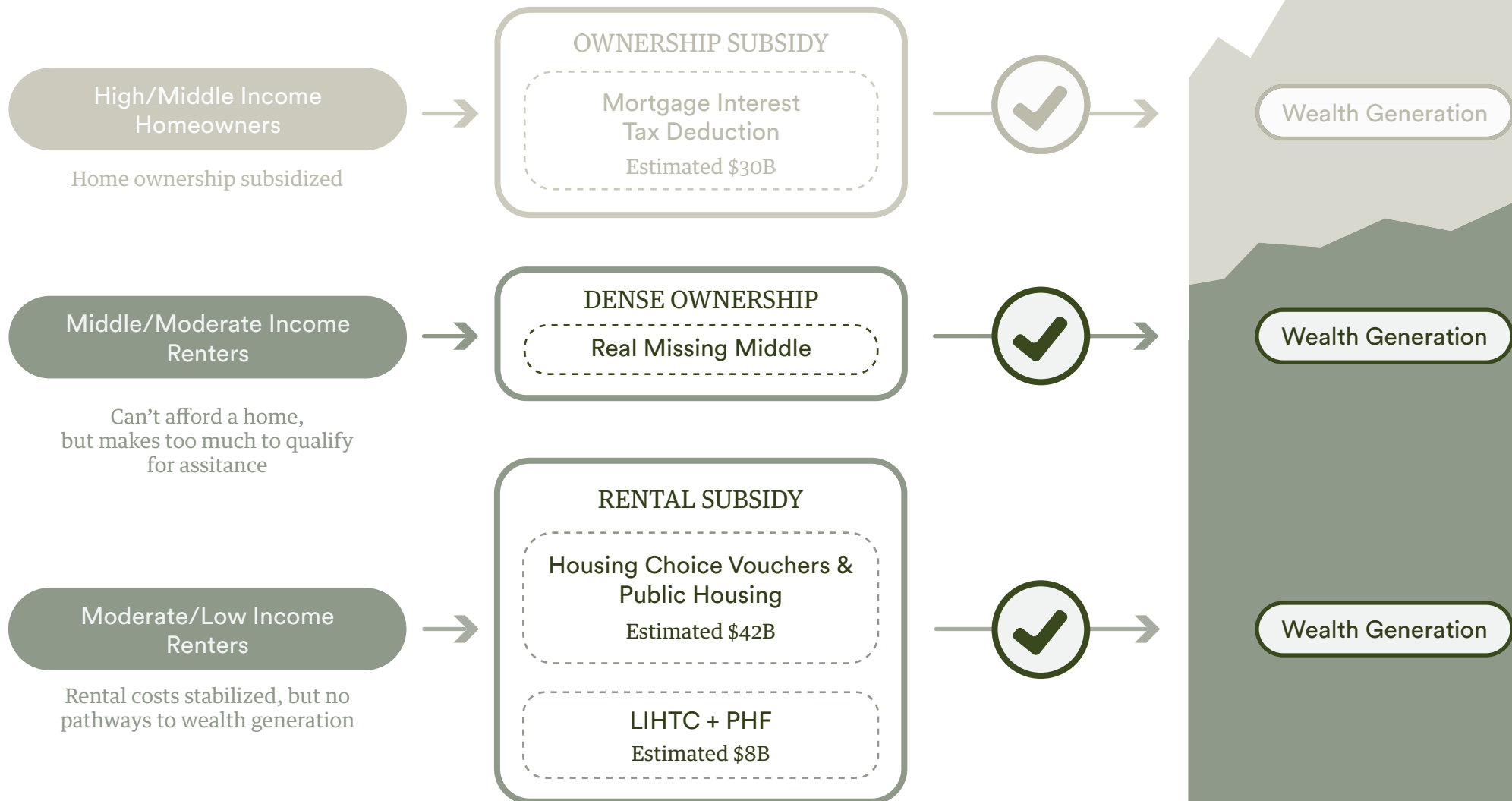


Example Resident Dividend

UNIT 1	Resident A - 10 Years Equity Share - \$54,634 Cashflow Share - \$9,535	
UNIT 2	Resident B - 3 Years Equity Share - \$16,390 Cashflow Share - \$2,122	Resident C - 7 Years Equity Share - \$38,244 Cashflow Share - \$7,413

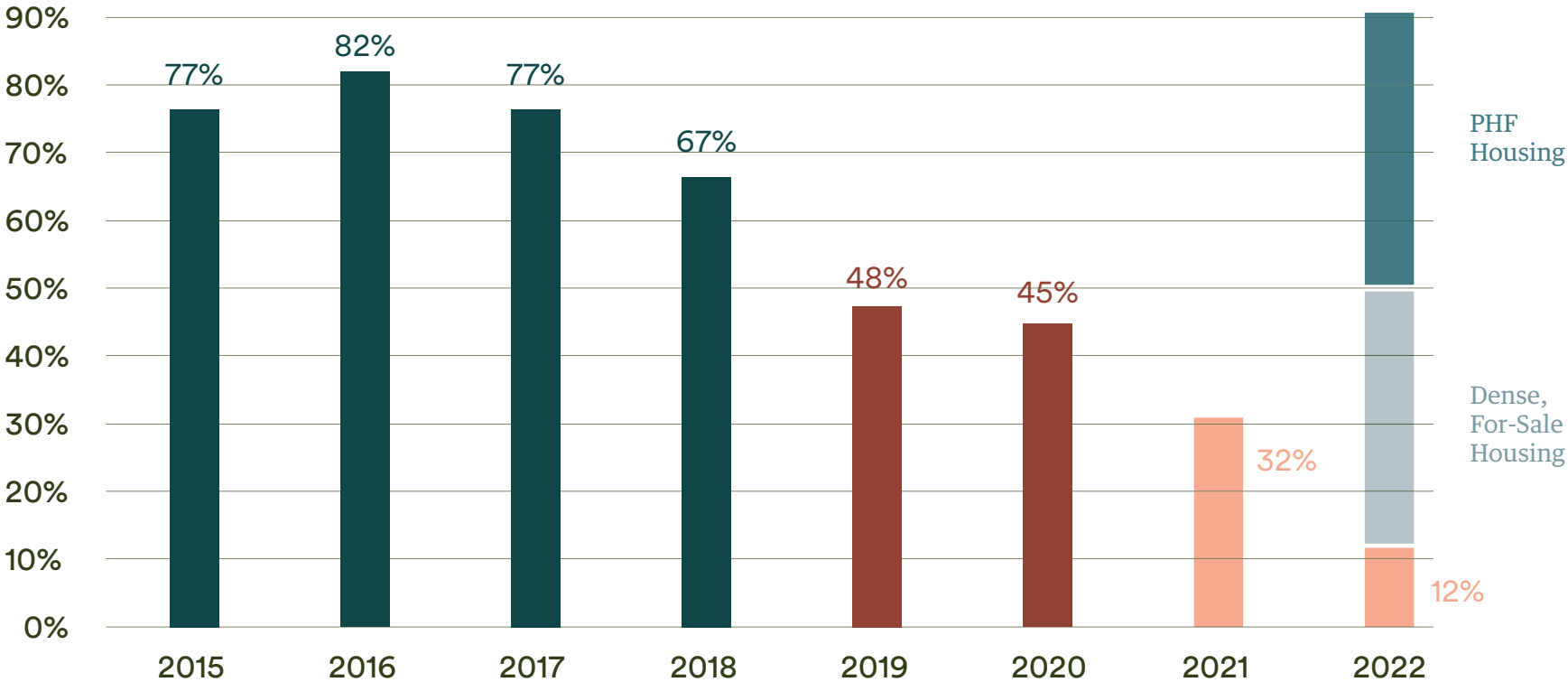
Potential Utah Housing Market

The PHF will use this model to provide ownership opportunities to low income households.



Together We Can Change The Narrative

Percentage of Utah Home Sales
Affordable to Households Earning Area Median Income



Public-Private-Partnership (V.2)



*Municipal
Capacity-Building*



Housing (+)



*Supportive Services
& Community Assets*



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*Resident Wealth
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