

HomeSaver ... An Ounce of Prevention



HomeSaver, a program that was developed jointly with The Montgomery County Recorder's Office and CountyCorp, has assisted 221 persons since July 2007. The Recorder's Office notifies homeowners that they may have a risky adjustable mortgage rate that could compromise their housing in the future. CountyCorp works with the household to determine alternatives and develop an intervention plan. Although a great many loans were provided to homebuyers who had credit issues resulting in high risk or sub-prime mortgage, there is a new wave of homebuyers likely to face foreclosure. It's not just an issue for homeowners with damaged credit. Adjustable rate mortgage loans went to people with good credit too, and they are likely to experience defaults that are nearly as high as those for sub-prime. Projections are that 45% of the ARM's originated in 2006 and 2007 will wind up in default. Monthly loan payments can increase by 60% or more when the borrower

first begins to make payments that cover the interest rate and principal. This typically happens after five years. Initially, the monthly payment did not even cover the interest rate.

As of August 2008, CountyCorp assisted 221 homeowners. The average value of the homes involved is \$77,469. When the homeowner contacted CountyCorp, their average interest rate was 9% and their annual income averaged \$33,725. Seventy-five percent of the households earn below 80% of the median income. For a household of four, that equates to \$48,150 or less per year. Nineteen case files were processed and submitted for the Ohio Housing Finance Agency's Rescue Fund, which keeps homeowners in their homes. For more information on the HomeSaver Program, contact Stephanie Evans at 531-7032.

One Family at a Time

Building on the HomeSaver Program that CountyCorp began in July 2007, there are a number of households who cannot be helped with current resources to save their homes. As a result, CountyCorp launched a new pilot program to provide affordable housing to households, who have been victims of high-risk adjustable loans, loss of income, or foreclosure. This program resulted in the acquisition of 2- and 3-bedroom condominiums, which will be provided as an alternative for these households where their current housing is in jeopardy and no longer affordable.

The program we are now offering provides two ways to accommodate housing needs. First, families may "Lease-Purchase" the home. Lease-Purchase involves a lease with the option to purchase. Over the course of the lease, the occupant works with the assistance of CountyCorp and our other partners to position themselves to purchase the home. In this case, the household income must be below 80% of the area median income ("AMI"). The income for a household of four cannot exceed \$48,150. Second, families can rent the home without committing to the eventual purchase, but the household income must be below 60% of the AMI. For a household of four, income cannot exceed \$36,120 to meet the 60% AMI standard.



Applicants for the program will come from CountyCorp's HomeSaver Program and other housing providers. If you are interested in the program or have questions, please call Jim Martone at 937-531-7030.

Federal Home Loan Bank Awards \$100,000 Grant to CountyCorp

In July, CountyCorp received word that it was awarded a grant of \$100,000 from the Federal Home Loan Bank of Cincinnati. This grant, to be used in conjunction with a \$50,000 loan from the sponsoring lender National City Bank, will enable CountyCorp to renovate five homes in its current inventory and to make these available for residents of Montgomery County who are in need of permanent supportive housing. CountyCorp has partnered with Miami Valley Housing Opportunities and The Other Place to make this program possible. Both agencies have significant experience in working with households who have special needs and require case management services.



Letter from the President:



Steve Naas

Seems like every time you turnaround, there is more and more troubling news...of natural disasters exacting their damage on communities (hurricane force winds in Ohio, who'd imagine that), of economic concerns taking their toll on Wall Street, and of businesses, especially large employers here in the Miami Valley making job cut announcements. All this on top of perhaps the largest single crisis which is right now continuing to erode the homeowner equity and community value that we all have worked so hard to build. I don't know about you, but I would be misstating the truth if I said I wasn't concerned about just where we are headed. Finally, you may even find yourself buying into the campaign-speak of both candidates, promising big change coming for the nation. Change that if it is in fact found to be a reality will undoubtedly be felt even here in our neck of the woods. In all honesty, I'm excited about this potential change. It seems we are ripe for it. Homeowners and businesses alike are in need of some assistance to help them make it through these tough times and to grow and thrive into the future.

CountyCorp has for some time now played a small, but important part in making this change happen here in the greater Dayton area. With funding from the U.S. Dept. of HUD and made possible in partnership with Montgomery County, our programs provide the necessary funding to help qualifying homeowners reinvest in their home, an activity which works as a stabilizing force in their neighborhood. By providing access to federal and state low-interest loan programs which encourage businesses throughout the greater Dayton region to continue to make investments, CountyCorp is able to help reduce the borrowing costs for these businesses, in turn providing them with the ability to make larger, more frequent investments. On both sides of our mission, for residents and businesses alike, CountyCorp is putting its capital to use to help leverage additional investments in our community.

And we realize we need to invest in who we are in order to continually provide the highest levels of service to our customers. To that end, CountyCorp is pleased to announce that two on our staff, Stephanie Evans, Housing Rehabilitation Manager, and Heather Johnson, Housing Analyst, recently completed a rigorous training program offered by HUD. I am proud to announce that both have become Certified HOME Program Specialists. This certification provides CountyCorp with additional expertise in the administration of this important HUD fund source and will help to ensure that dollars are invested in the most appropriate, efficient manner for our community.

Congratulations Stephanie and Heather!

CountyCorp Selected as the Preferred Developer

Through a competitive process, Dayton Metropolitan Housing Authority chose the team headed by CountyCorp as the preferred developer for their River Commons II project. This project will involve the construction of up to 100 new units of housing to replace the existing River Commons development, which has been determined to not be economically feasible to continue to operate due to the age of the building. This housing is intended for single people who are or were previously homeless. Based upon the success of the existing River Commons project in early 2009, the team, made up of CountyCorp, the Oberer Companies, The Other Place, and Miami Valley Housing Opportunities will submit an application for Affordable Housing Tax Credits to the Ohio Housing Finance Agency to help fund this project. CountyCorp will own the development. We'll keep you posted on the development as it progresses.

HomeStart Limited Partnership, Number 5!!!

You may recall HomeStart began as a concept using Federal Affordable Low-Income Housing Tax Credits to generate equity for HomeStart to acquire, renovate, and lease homes to families who would not normally be able to purchase homes through conventional means due to low income, savings, employment issues or a combination of those factors. In exchange for 15-year commitments to annual income recertifications, home inspections, and self-improvement classes (money management and homeownership training sessions), tenants living in the home for the full 15 years would become homeowners with no mortgages. Fifteen years may seem like a lifetime to wait, but yet, once again it happened for 17 tenants in July 2008. Eleven of the homes were transferred to the original tenants, and they now own their homes free and clear! The remaining six homeowners who leased for less than 15 years acquired their homes with a significant credit towards their purchase based upon the number of years they lived in the house. Sixteen of the 17 properties are owned by female head of households with an average household income of \$24,470. This was the 5th partnership out of six to convert the ownership of the homes to the tenants. The final one will occur in mid-2009. Congratulations new homeowners!!!

ECONOMIC DEVELOPMENT LOANS CLOSED

January 2008 - August 2008

A & B Printing National City Bank Fort Loramie <i>Regional 166 - Equipment</i>	White Investments, LLC Main Source Bank Troy <i>SBA 504 - Real Estate</i>	Creative Carpets & Supply, Inc. Second National Bank Greenville <i>SBA 504 - Real Estate</i>
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Topaz Tool First Financial Bank Dayton <i>SBA 504 - Equipment</i>	Screenworks, Inc. National City Bank Vandalia <i>CDBG - Equipment</i>	A-1 Sprinkler Co., Inc. First Financial Bank Miamisburg <i>SBA 504 - Real Estate</i>	Prime Time Party Rental, Inc. Kettering <i>CDBG - Inventory</i>
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Lawson Depot, Inc. Second National Bank Eaton <i>SBA 504 - Real Estate</i>	Cadillac Jacks of Centerville, Inc. Fifth Third Bank Miami Twp. <i>SBA 504 - Real Estate</i>	Sugarcreek Auto Bath Wright-Patt Credit Union Sugarcreek Twp. <i>SBA 504 - Real Estate</i>	Ocean Wide Seafood Company, Inc. National City Bank Springboro <i>SBA 504 - Real Estate</i>
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The Skilled Trades Company First Financial Bank Harrison Twp. <i>CDBG - Real Estate</i>	Eaton Chiropractic Center Second National Bank Eaton <i>SBA 504 - Real Estate</i>	Factory Drive Thru, Inc. National City Bank Beavercreek <i>SBA 504 - Real Estate</i>	Culver's Frozen Custard Main Source Bank Sidney <i>SBA 504 - Real Estate</i>
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Elé Cake Co. (Taste of Elegance, Inc.) Monroe Federal Savings & Loan West Carrollton <i>SBA 504 - Real Estate</i>	Staub Laser Cutting, Inc. Fifth Third Bank Vandalia <i>Regional 166 - Equipment</i>	DR Technologies, Inc. First Financial Bank Dayton <i>Regional 166 - Equipment</i>	Mound Laser & Photonics Center, Inc. National City Bank Dayton <i>Regional 166 - Equipment</i>
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Economic Development Rates as of October, 2008

SBA 504 10-YEAR NOTES	SBA 504 20-YEAR NOTES	REGIONAL 166 UP TO 15 YEARS	CDBG UP TO 15 YEARS
6.36%	6.60%	3.00%	3.00%

COUNTYCORP PROVIDES CDBG BUSINESS LOAN TO GIRLFRIEND'S BEAUTY SALON



Faced with the prospect of losing control of space she leased from another beauty salon owner, Anikka Ford-Masey decided to strike out on her own. She approached CountyCorp for assistance in helping her open her own beauty salon. In part with the financing provided by the CDBG loan from CountyCorp, Ford-Masey opened the doors to Girlfriend's Beauty Salon located at 8140 N. Main Street in Clayton, Ohio.

Founded in September 2004, Ford-Masey had been renting a booth along with another technician inside the former location of Pure Destiny Salon. When the owner of Pure Destiny decided to relocate to another city and close the location, Ford-Masey knew it would be in her best interest to take over operations. She placed an ad for stylists in the newspaper and soon she had two new stylists signed on. The salon reopened with a new name, Girlfriend's Beauty Salon, had four booths filled, and was more successful than originally anticipated.

In time, Ford-Masey realized her product offering was limited and as a result of a customer survey she conducted found that 50% of her clientele frequented other establishments to receive services not offered by Girlfriend's and that of those, 80% would have preferred to receive all the services at one location. With this information in hand, she decided to expand to offer as many of the services desired by her clients: nail, massage, and hair and skin care services. She also added a "Take Home Center" that consists of products to maintain a healthy grooming regimen at home.

She approached CountyCorp for a \$30,000 CDBG business loan to help with the leasehold improvements and equipment for a new location. The new location allowed her to double her space and offer more services. Ford-Masey commented, "Using CountyCorp's CDGB program was a good choice for Girlfriend's Beauty Salon LLC. We were able to get our request for funding answered in a timely manner, the application process was straight forward, and the staff has been accessible and prompt in responding to our concerns. I have recommended the program to other entrepreneurs."

The CDBG business loan program was designed to help fill financing gaps. This revolving loan fund was funded originally by Community Development Block Grant dollars provided to CountyCorp from Montgomery County. If you are interested in obtaining a loan or have a client who could utilize the program, please call Greg Shackelford at 531-7038 or Dave Sassenger at 531-7034.



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