



The Financial Impact of Homeownership: An Evaluation of a Nonprofit Development Model

Josh Silver

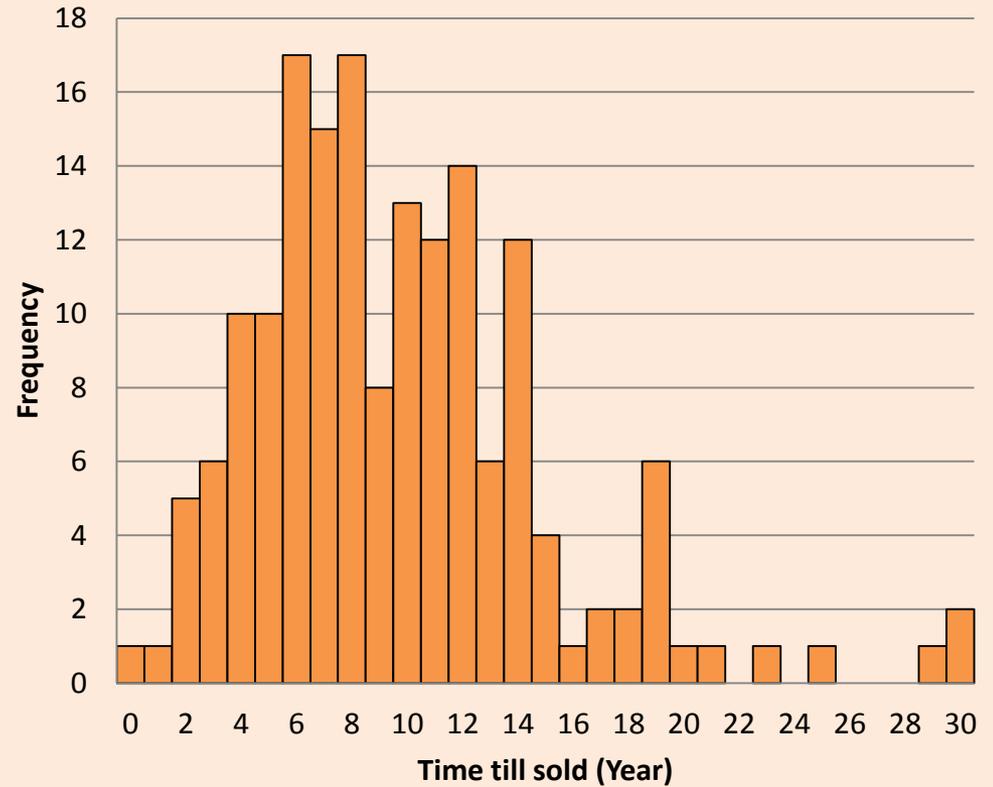
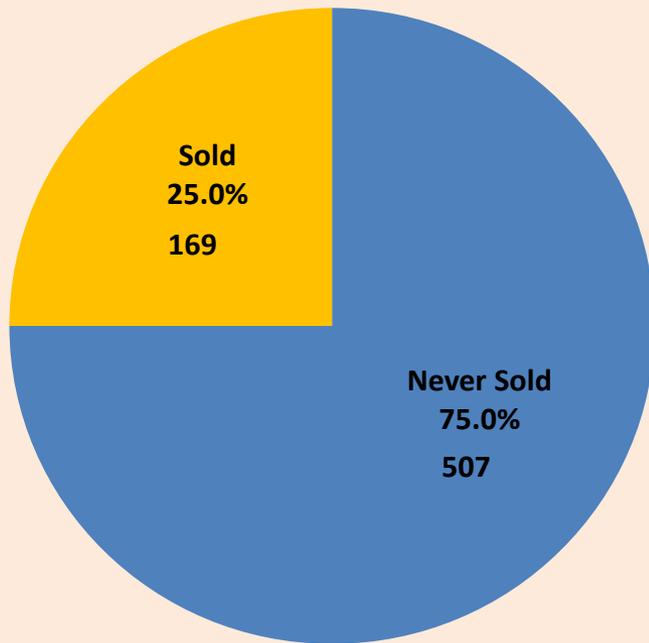
Annelise Osterberg

Seunghoon Oh

Goals

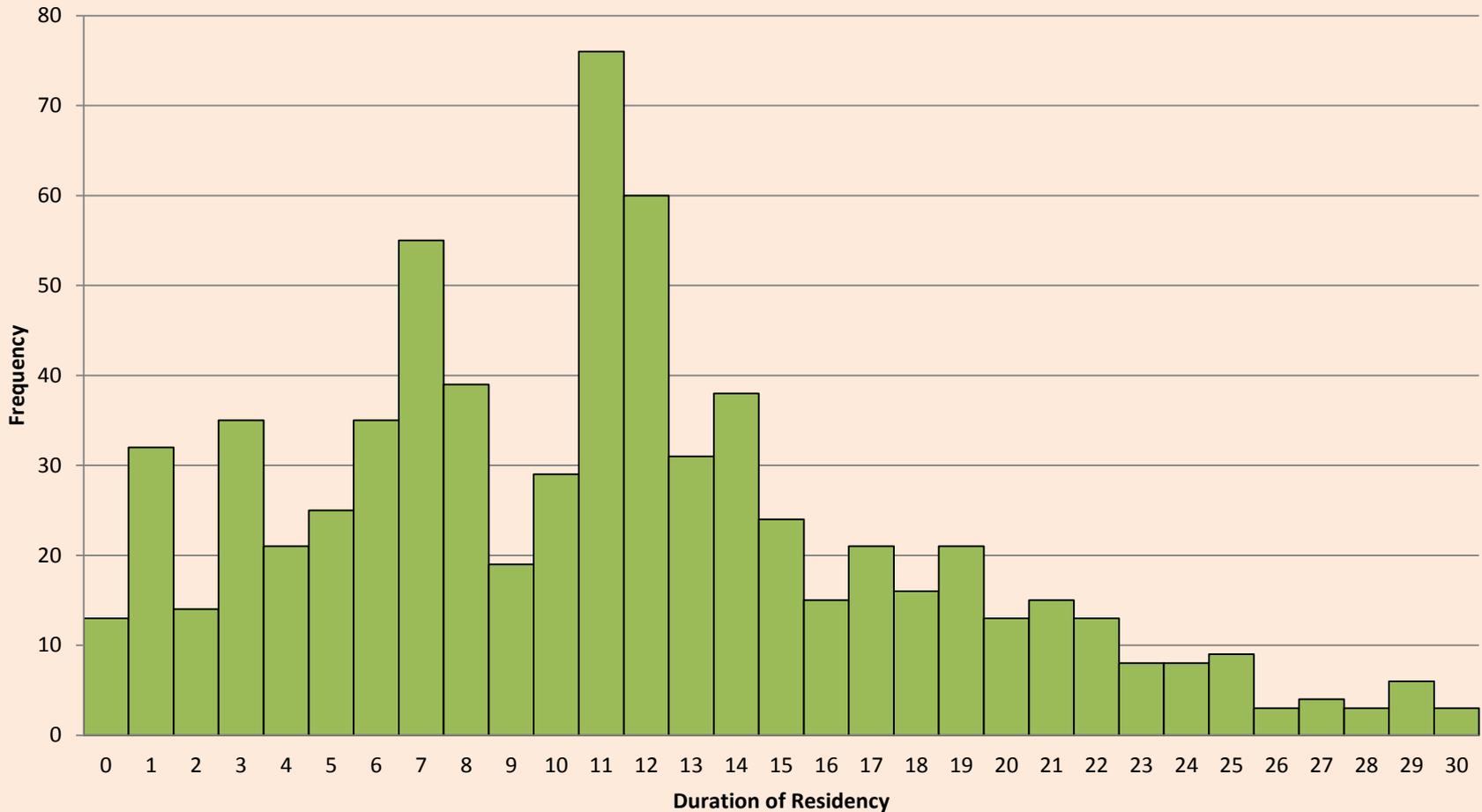
- To monitor current status of MANNA's home buyers
- To calculate equity and home value appreciation. Make comparisons between MANNA homeowners and homeowners citywide.
- To measure sustainability of MANNA's affordable housing by comparing MANNA and citywide foreclosure rates in Washington, DC

Housing Units Sold by MANNA Buyers



Median years till sold: 8

Duration of Residency of All MANNA Home Buyers

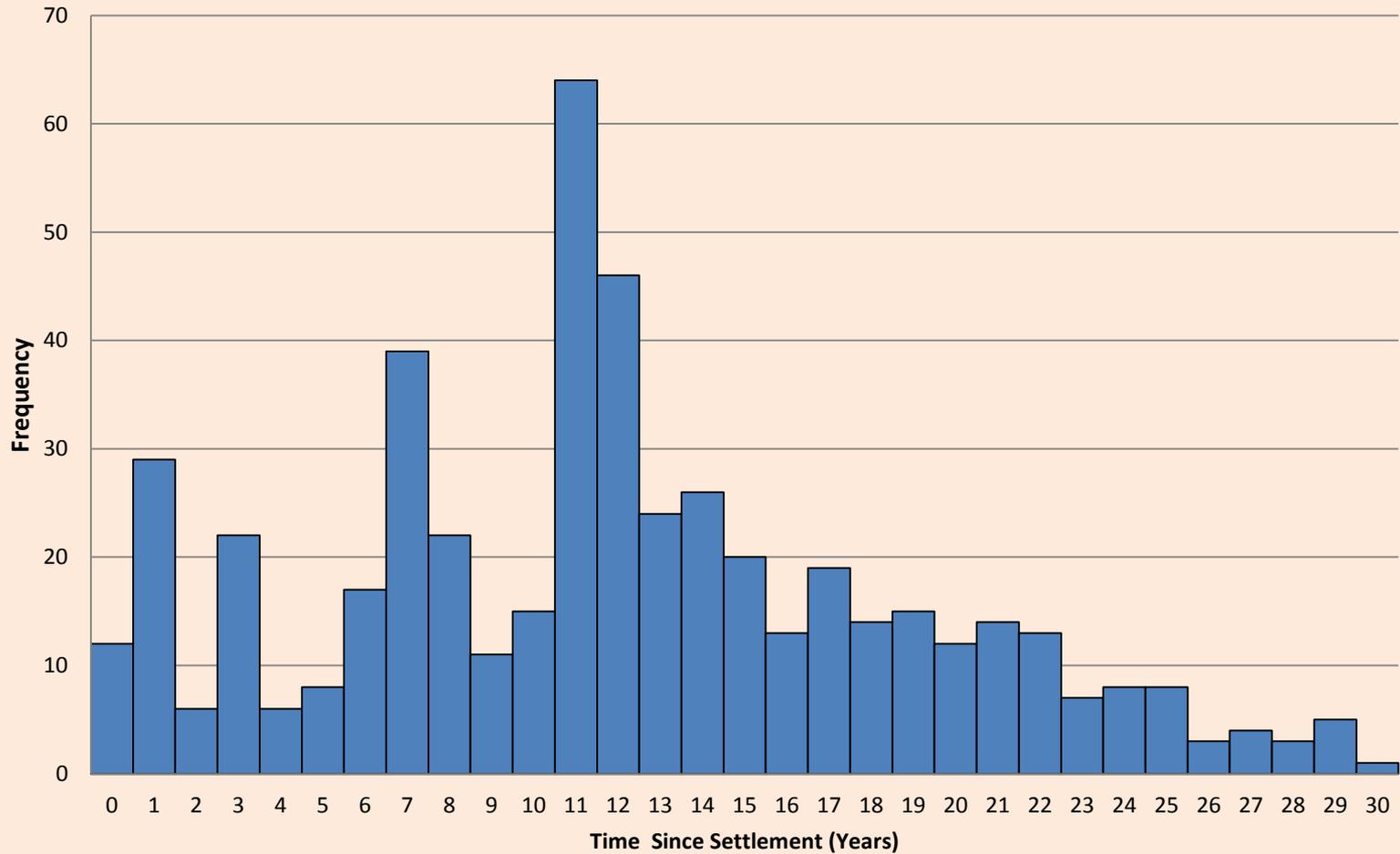


Median years of residency: 11

Duration of Residency of All MANNA Home Buyers

	Median Duration of All MANNA Home Buyers (Year)
Best ↑	1st Quintile 21
	2nd Quintile 14
	3rd Quintile 11
	4th Quintile 8
Worst ↓	5th Quintile 3

Duration of Residency of Current Owners



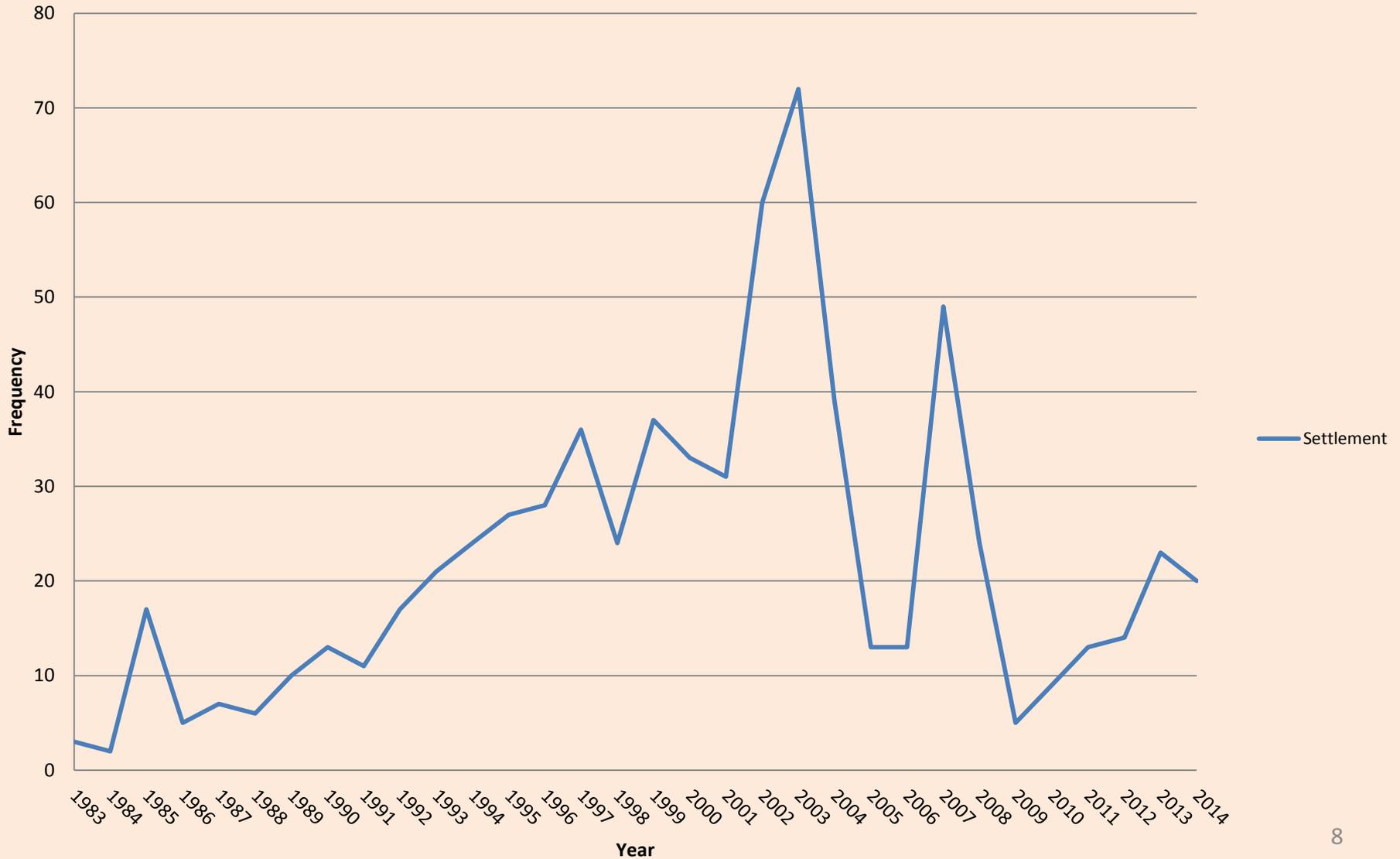
Median years since settlement: 12

Duration of Residency of Current Owners

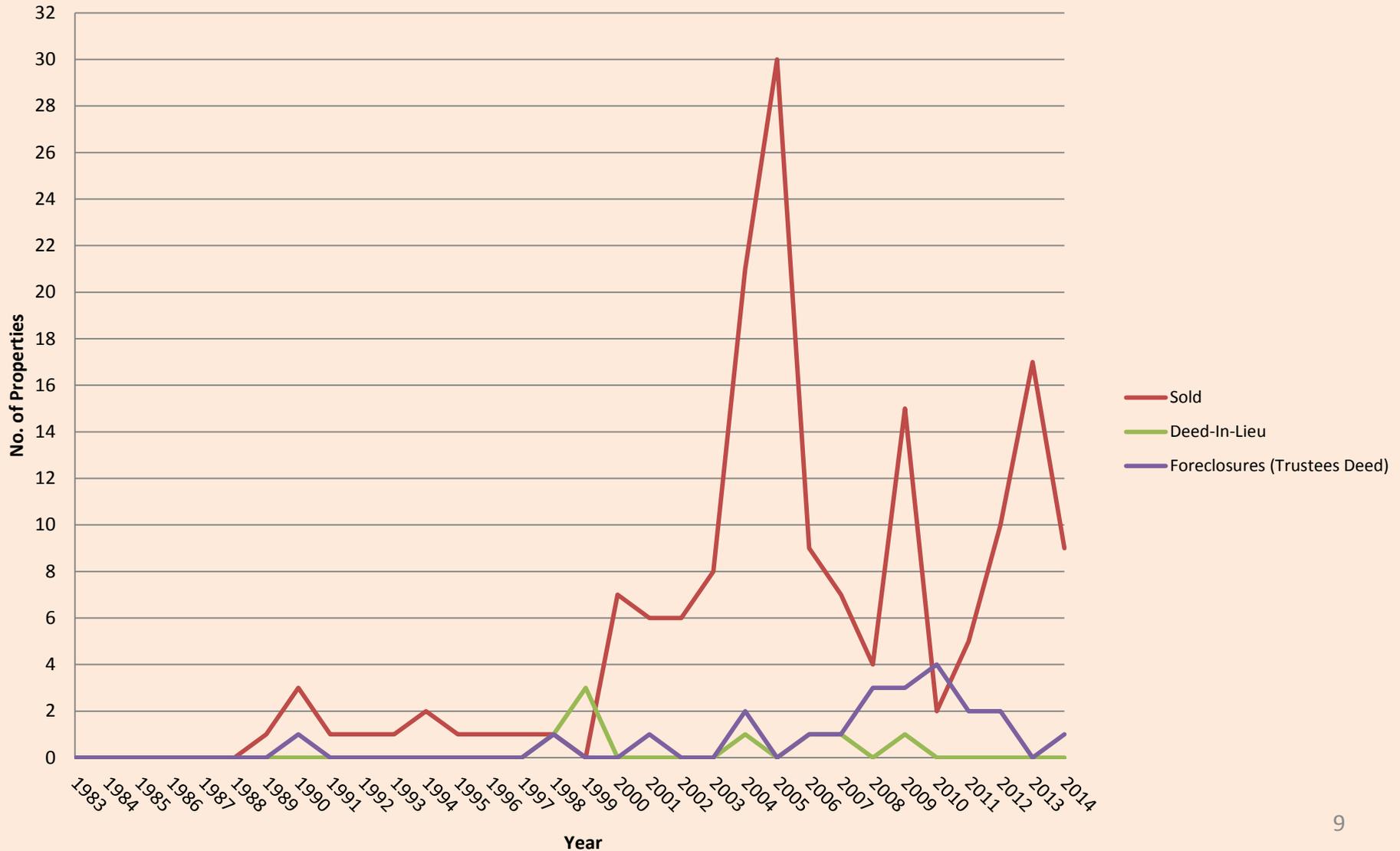


	Median Duration of Current Homeowners (Year)
1st Quintile	22
2nd Quintile	16
3rd Quintile	12
4th Quintile	11
5th Quintile	4

Annual Number of Settlements



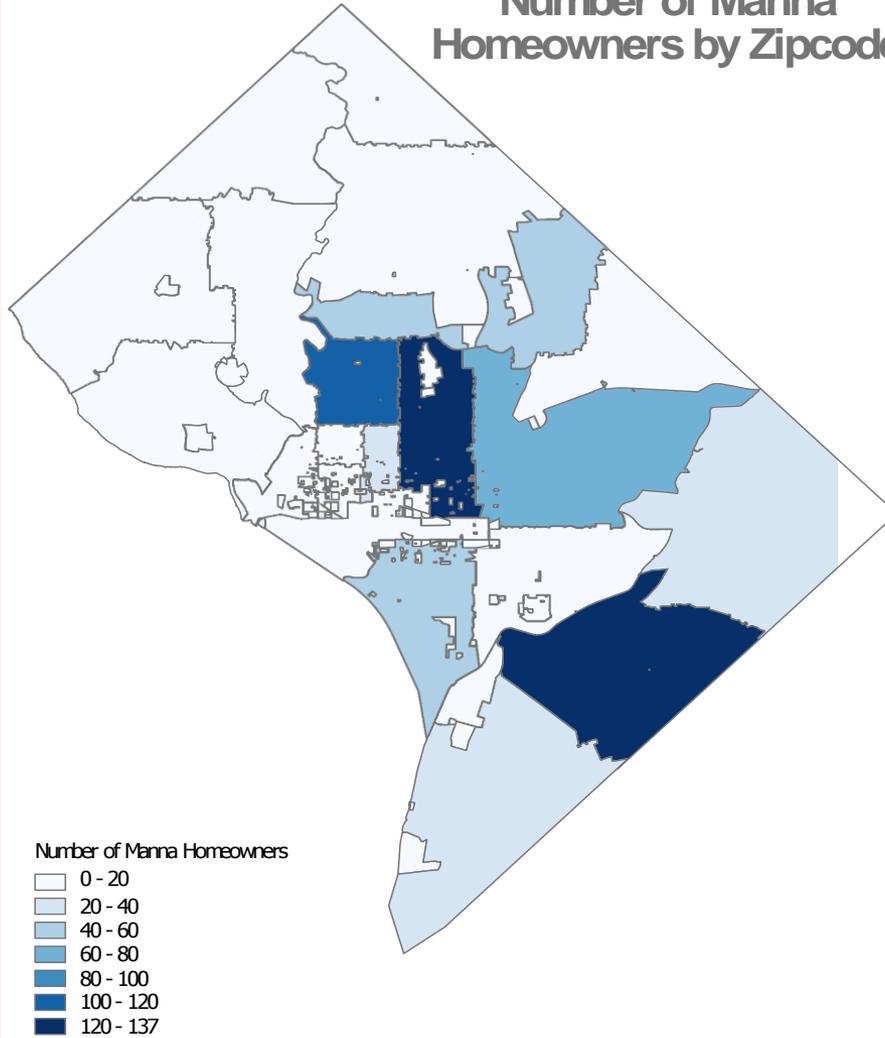
Annual Number of Sales, Trustees Deed & Deed-In-Lieu



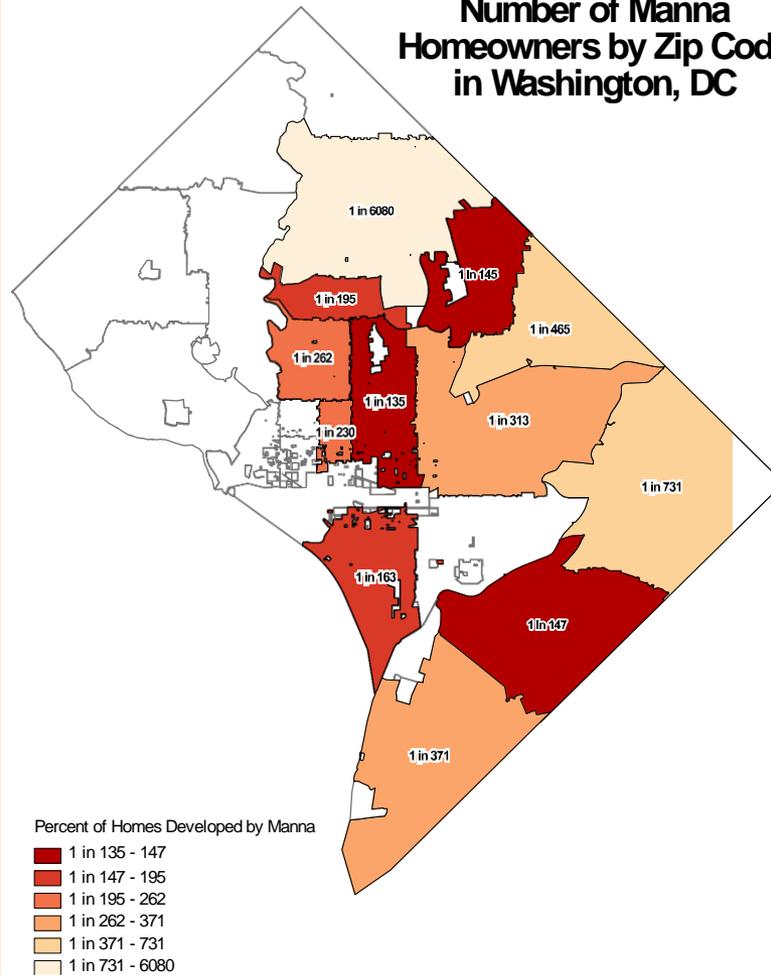
Annual Number of Settlements, Sales, Trustees Deed & Deed-In-Lieu

	Settlement	Sold	Deed-In-Lieu	Foreclosures (Trustees Deed)
1983	3	0	0	0
1984	2	0	0	0
1985	17	0	0	0
1986	5	0	0	0
1987	7	0	0	0
1988	6	0	0	0
1989	10	1	0	0
1990	13	3	0	1
1991	11	1	0	0
1992	17	1	0	0
1993	21	1	0	0
1994	24	2	0	0
1995	27	1	0	0
1996	28	1	0	0
1997	36	1	0	0
1998	24	1	1	1
1999	37	0	3	0
2000	33	7	0	0
2001	31	6	0	1
2002	60	6	0	0
2003	72	8	0	0
2004	39	21	1	2
2005	13	30	0	0
2006	13	9	1	1
2007	49	7	1	1
2008	24	4	0	3
2009	5	15	1	3
2010	9	2	0	4
2011	13	5	0	2
2012	14	10	0	2
2013	23	17	0	0
2014	20	9	0	1

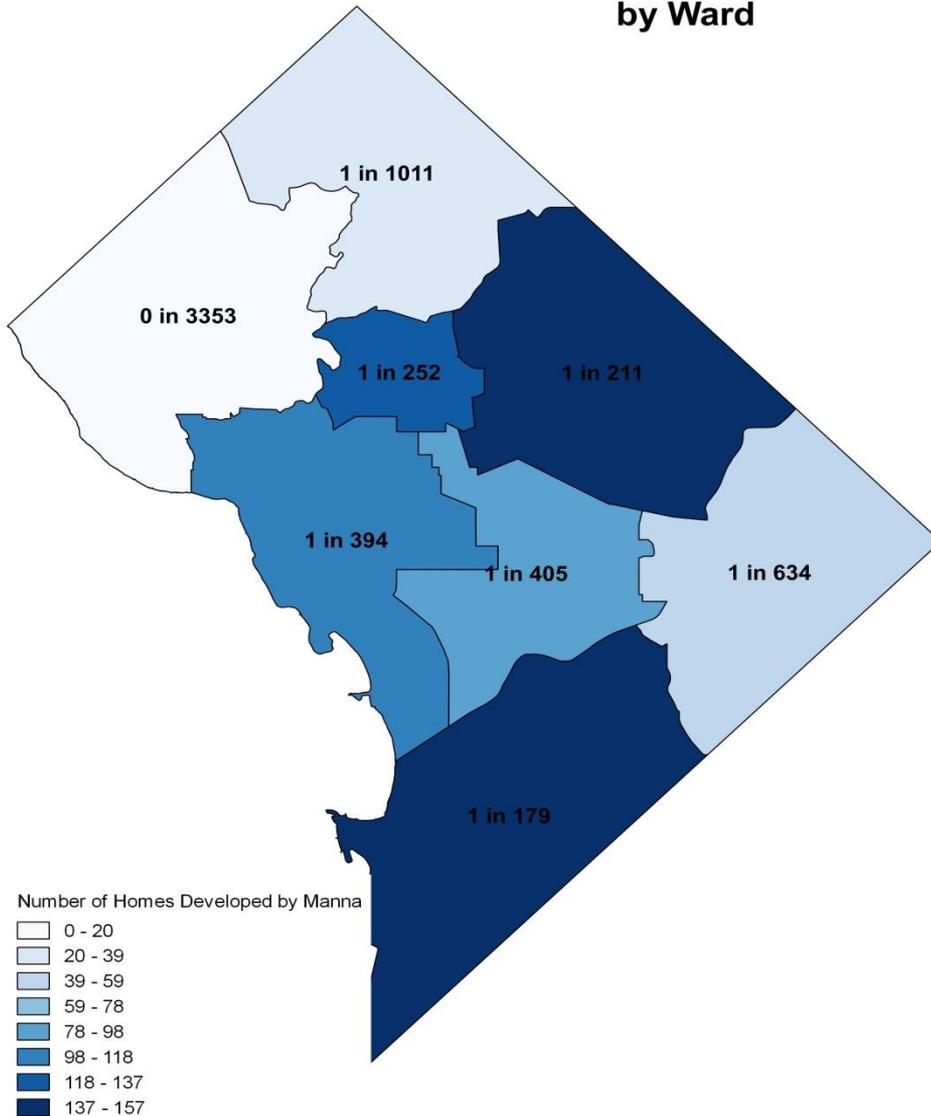
Number of Manna Homeowners by Zipcode



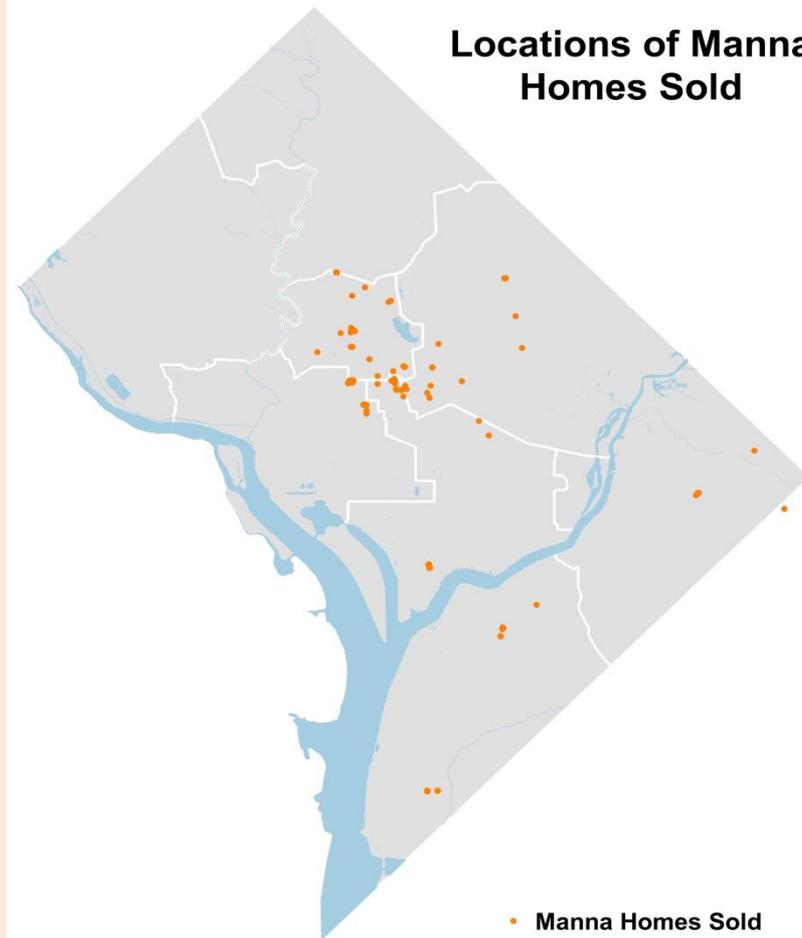
Number of Manna Homeowners by Zip Code in Washington, DC



Number of Manna Homeowners by Ward

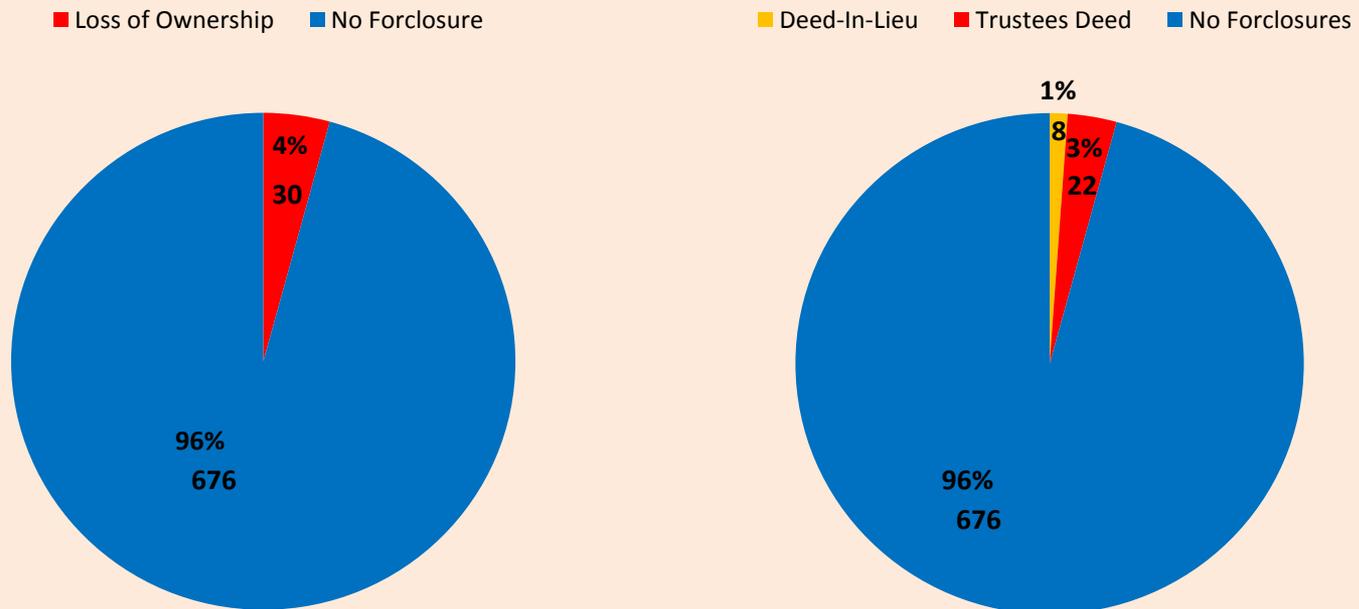


Locations of Manna Homes Sold

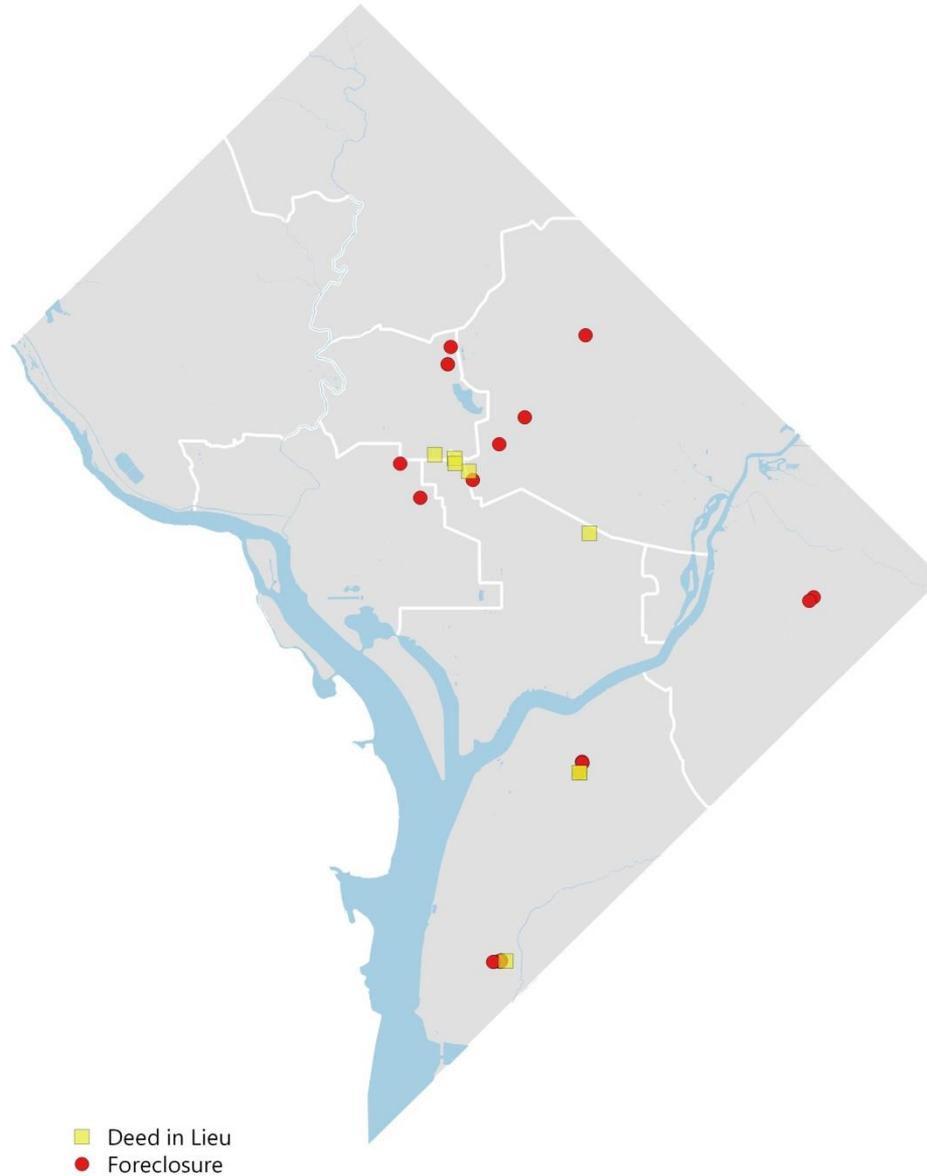


Ownership Loss Rate

- **Cases:** 706
- **Ownership Loss:** Loss of Homeownership by Trustees Deed (Foreclosures) or Deed-In-Lieu
- **Ownership Loss Rate:** The number of housing units with a trustees deed and deed-in-lieu per 100 units



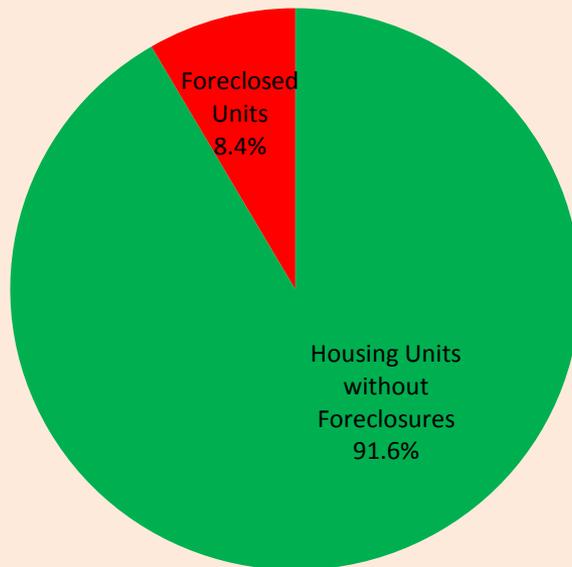
Foreclosure and Deed in Lieu



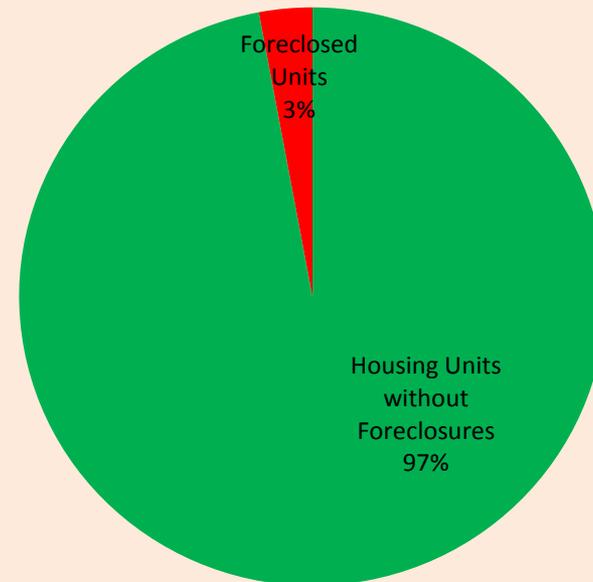
Cumulative Foreclosure Rate 1995-2012

MANNA vs. District of Columbia

Washington, DC



MANNA Homeowners



Note: To measure the foreclosure rate in Washington, the formula is shown below;

Foreclosure Rate = # of foreclosed units / # of the owner-occupied housing units in 2003 * 100

2003 is a midpoint of the 1995-2012 time period. Since number of housing unit changes over time, the midpoint year is used.

Source: NeighborhoodInfoDC

http://www.neighborhoodinfodc.org/city/Nbr_prof_cityd.html

Cumulative Foreclosure Rate 1995-2012

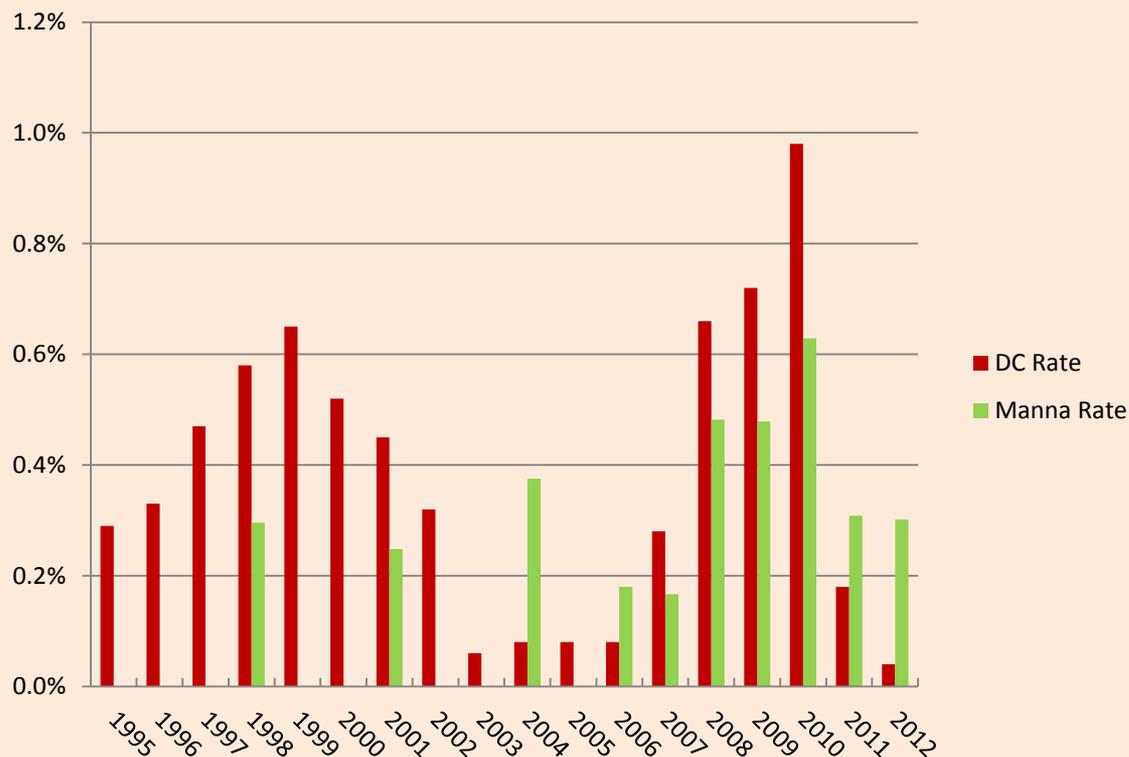
Sensitivity Analysis: The number of housing units changes depending on the year of estimation. We use the 2000 and 2010 Census, 2009-13 ACS (American Community Survey) to see how the foreclosure rate changes citywide in Washington, DC. Each estimate still higher than MANNA's rate.

Data Source	Foreclosure Rate
2000 Census	8.7%
2010 Census	7.8%
2009~13 ACS	7.9%

Foreclosure Rate

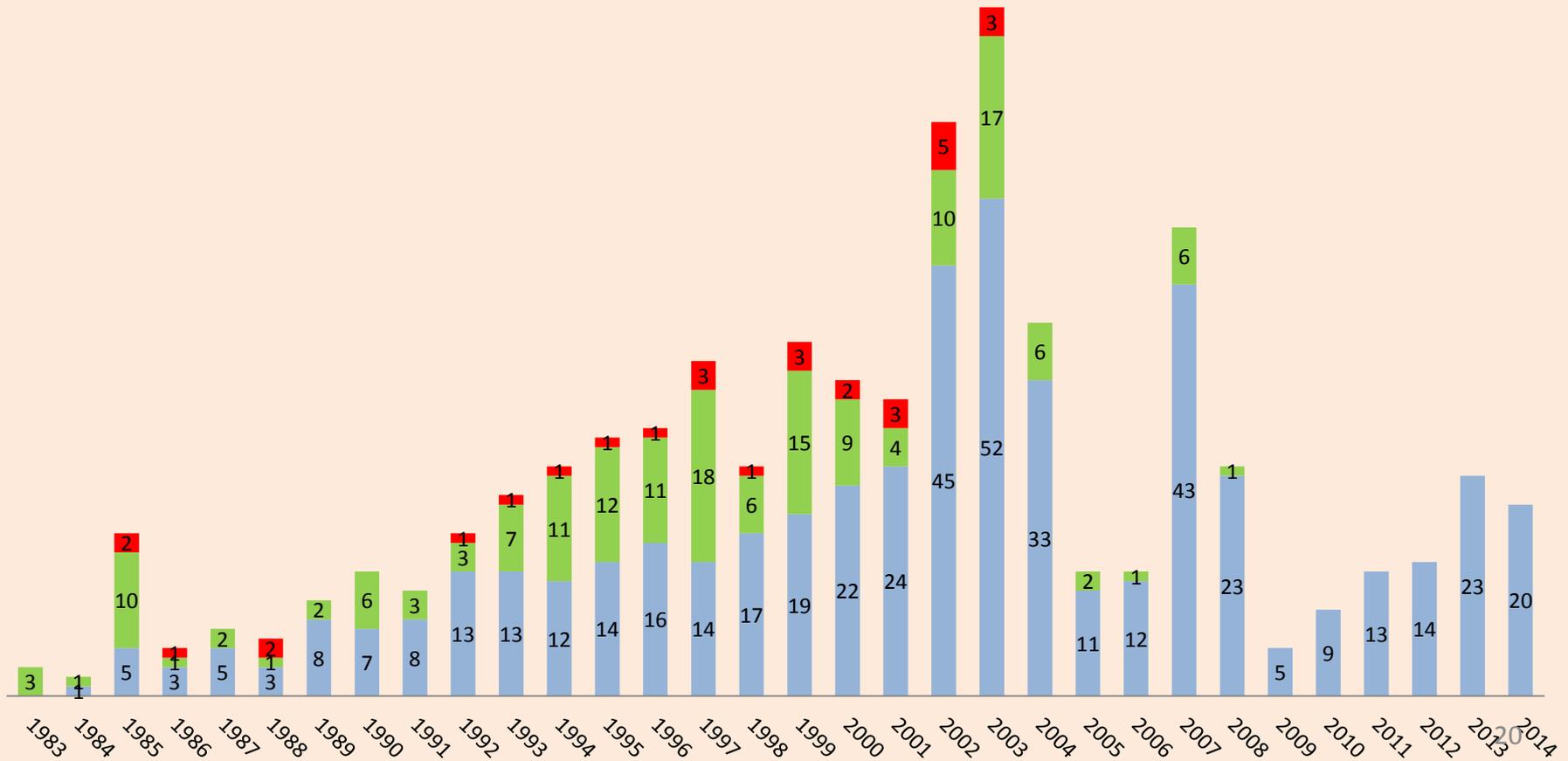
MANNA vs. District of Columbia

Year	DC Rate	MANNA Rate
1995	0.3%	0.0%
1996	0.3%	0.0%
1997	0.5%	0.0%
1998	0.6%	0.3%
1999	0.7%	0.0%
2000	0.5%	0.0%
2001	0.5%	0.2%
2002	0.3%	0.0%
2003	0.1%	0.0%
2004	0.1%	0.4%
2005	0.1%	0.0%
2006	0.1%	0.2%
2007	0.3%	0.2%
2008	0.7%	0.5%
2009	0.7%	0.5%
2010	1.0%	0.6%
2011	0.2%	0.3%
2012	0.0%	0.3%



Number of Units Sold and Underwent Trustees Deed and Deed-In-Lieu, Based on Settlement Year

■ Never Sold/Foreclosed
 ■ Sold
 ■ Loss of Ownership (Trustees Deed + Deed-In_Lieu)



Home Value Appreciation

- Total: \$144,256,025
- Median: \$149,350

	Median Appreciation
Best ↑	1st Quintile \$540,750
	2nd Quintile \$290,833
	3rd Quintile \$149,350
	4th Quintile \$89,488
Worst ↓	5th Quintile \$13,000

Homeowners from 1983-2014;

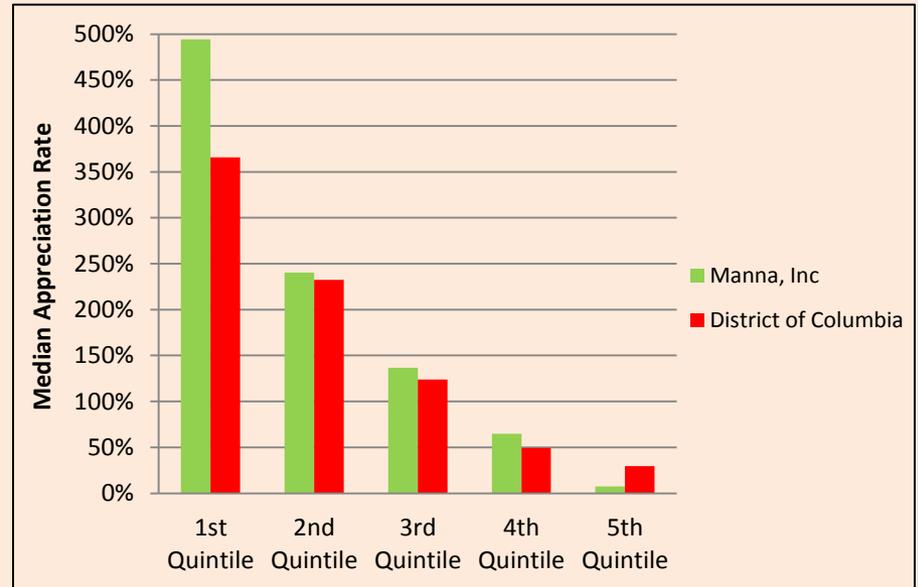
Home Value Appreciation = Current Home Value (or Sales Price) – Purchase Price

Zillow.com used for current home value

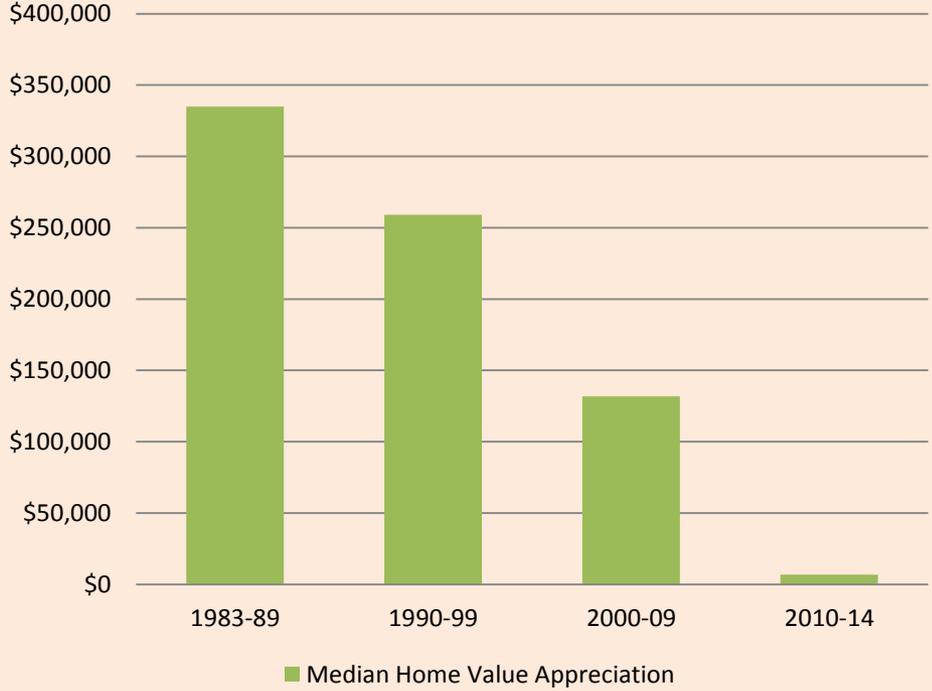
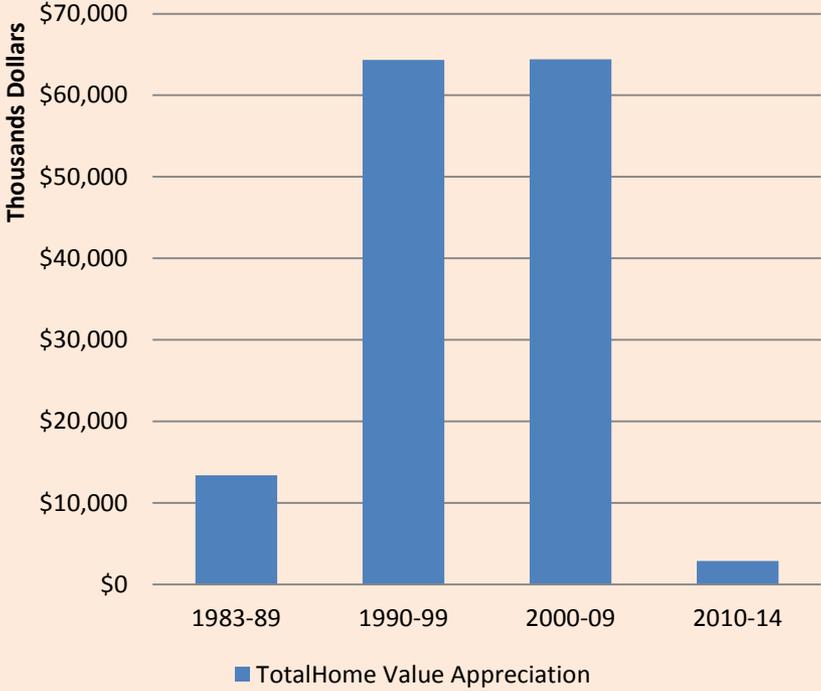
Home Value Appreciation

	Median Appreciation Rate (1991-2014)	
	MANNA, Inc.	District of Columbia
1st Quintile	494%	366%
2nd Quintile	240%	232%
3rd Quintile	137%	124%
4th Quintile	65%	49%
5th Quintile	8%	29%

Bottom Table: Each MANNA borrower's percentage change in home value compared to the citywide change in value (HPI from FHFA for citywide value). For example, if a borrower purchased in 1991 and is in the same home, his/her change in value is compared to the citywide change for the same years.



MANNA Home Value Appreciation By Decade



MANNA Home Value Appreciation By Decade

	Total Home Value Appreciation	Median Home Value Appreciation
1983-89	\$13,370,105	\$335,018
1990-99	\$64,321,069	\$259,000
2000-09	\$64,399,663	\$131,850
2010-14	\$2,863,688	\$6,750

Home Value Appreciation: MANNA Compared to the City

MANNA Compared to the City	# of Properties (Since 1991)
MANNA Appreciation Rate Greater than HPI* (Housing Price Index) of District of Columbia	360
MANNA Appreciation Rate Lower than HPI* (Housing Price Index) of District of Columbia	216
Tied	36

* The HPI is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancing on the same properties- Source: Federal Housing Finance Agency. The MANNA borrower's percentage change in home value is divided by the citywide change in value. When the ratio is greater 1, the MANNA borrower has a percentage increase in home value greater than citywide change. A tie occurs when the difference in the borrower's and citywide value is 5% or less.

Home Value Appreciation: MANNA Compared to the City

	Median MANNA/City Appreciation Ratio* (MANNA's Appreciation Rate / HPI Rate)
1st Quintile	2.83
2nd Quintile	1.75
3rd Quintile	1.30
4th Quintile	0.81
5th Quintile	0.29

Best ↑
↓ Worst

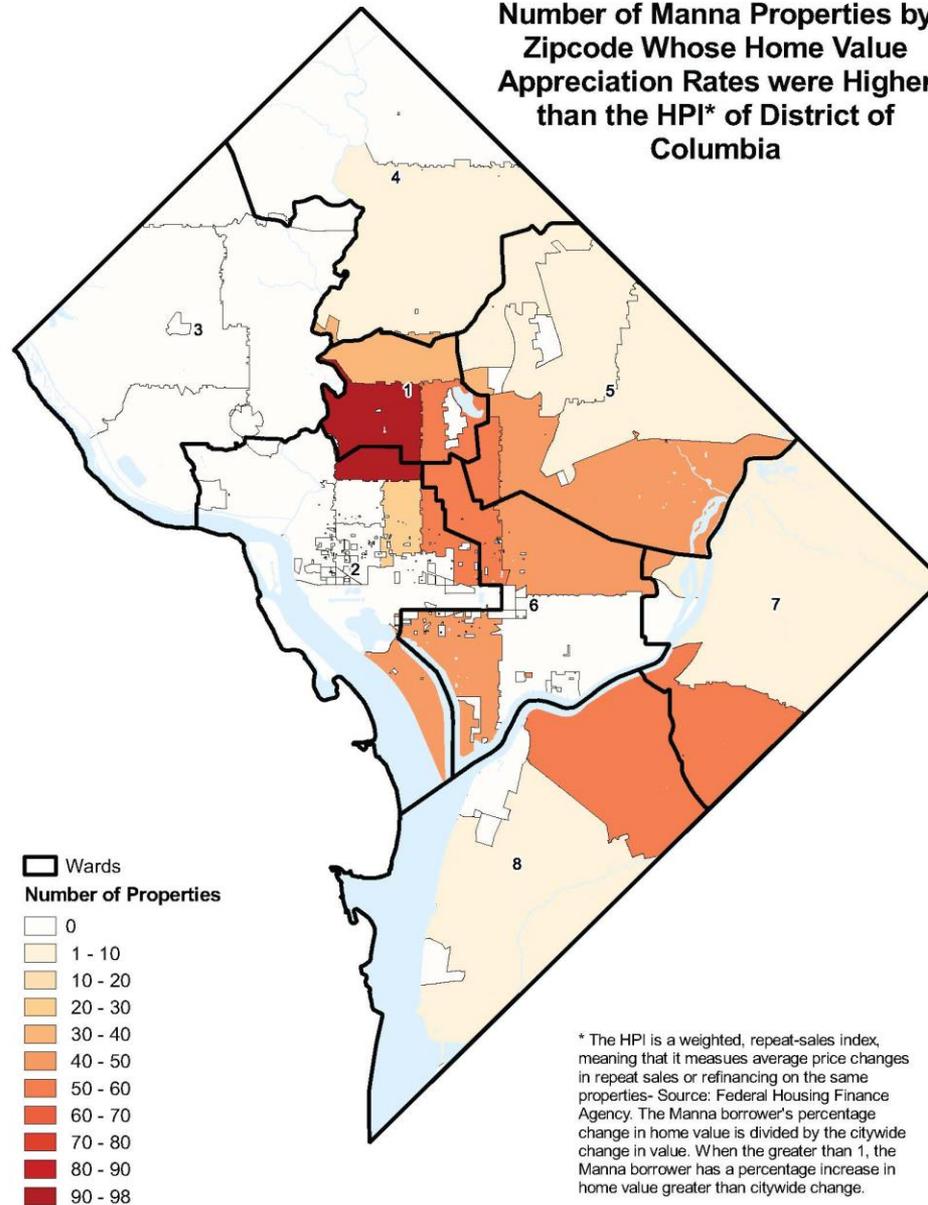
*The MANNA borrower's percentage change in home value is divided by the citywide change in value. When the ratio is greater 1, the MANNA borrower has a percentage increase in home value greater than citywide change. A tie occurs when the difference in the borrower's and citywide value is 5% points or less.

Home Value Appreciation

Best performing zip code areas based on number of MANNA properties that have greater home value appreciation rates than HPI of District of Columbia

Ranking	Zip Code	Neighborhoods	# of Properties
1	20009	Adams Morgan, Columbia Heights, Lanier Heights, 15 & U Neighborhood	98
2 (Tied)	20001	Shaw, Bloomingdale, Mt. Vernon Triangle	55
2 (Tied)	20020	Southeast Washington, Skyland, Barry Farm, Douglas, Buena Vista, Fairlawn, Hillcrest , Dupont Park	55
4	20002	NOMA, Trinidad, Eckington, Arboretum, Carver/Langston	42
5	20024	Southwest Washington	41

Number of Manna Properties by Zipcode Whose Home Value Appreciation Rates were Higher than the HPI* of District of Columbia



* The HPI is a weighted, repeat-sales index, meaning that it measures average price changes in repeat sales or refinancing on the same properties- Source: Federal Housing Finance Agency. The Manna borrower's percentage change in home value is divided by the citywide change in value. When the greater than 1, the Manna borrower has a percentage increase in home value greater than citywide change.

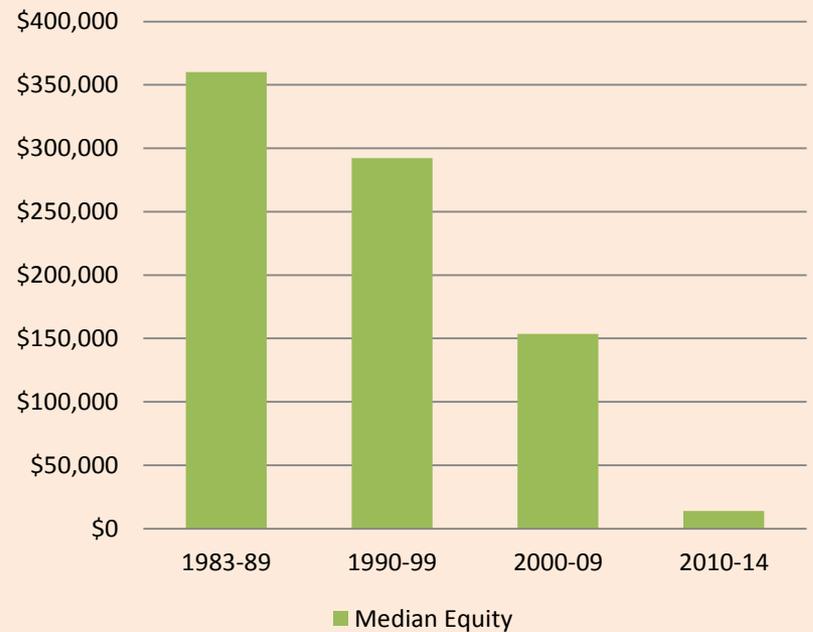
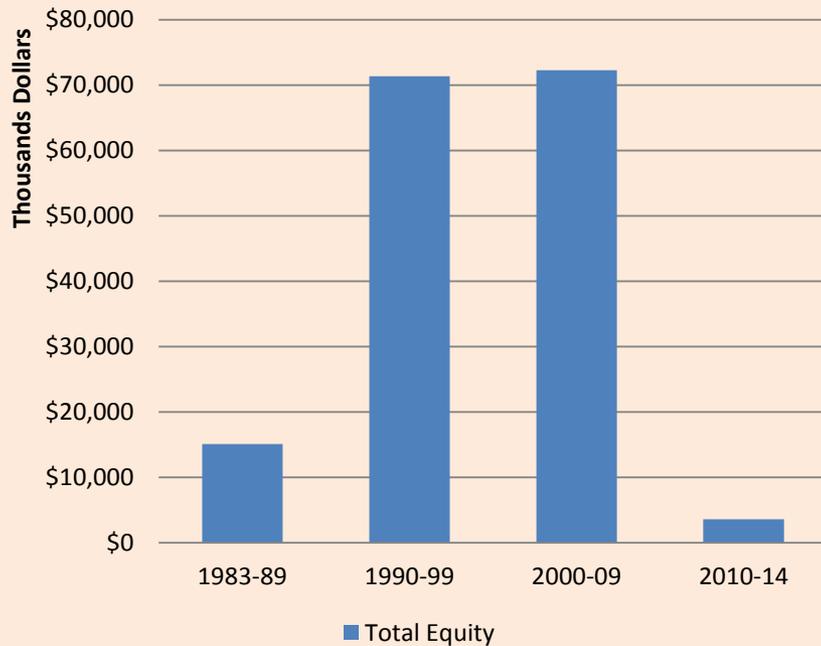
MANNA Equity

- Total Equity: \$162,244,512
- Median Equity: \$171,343

	Median Equity	Median Duration of Residency (Year)
1st Quintile	\$576,372	15.5
2nd Quintile	\$316,616	11.4
3rd Quintile	\$172,489	10.8
4th Quintile	\$107,884	8.5
5th Quintile	\$33,157	4.4

Equity = Current Market Value (or Sales Price) – Remaining Mortgage Debt Payment

MANNA Equity By Decade



MANNA Equity

By Decade

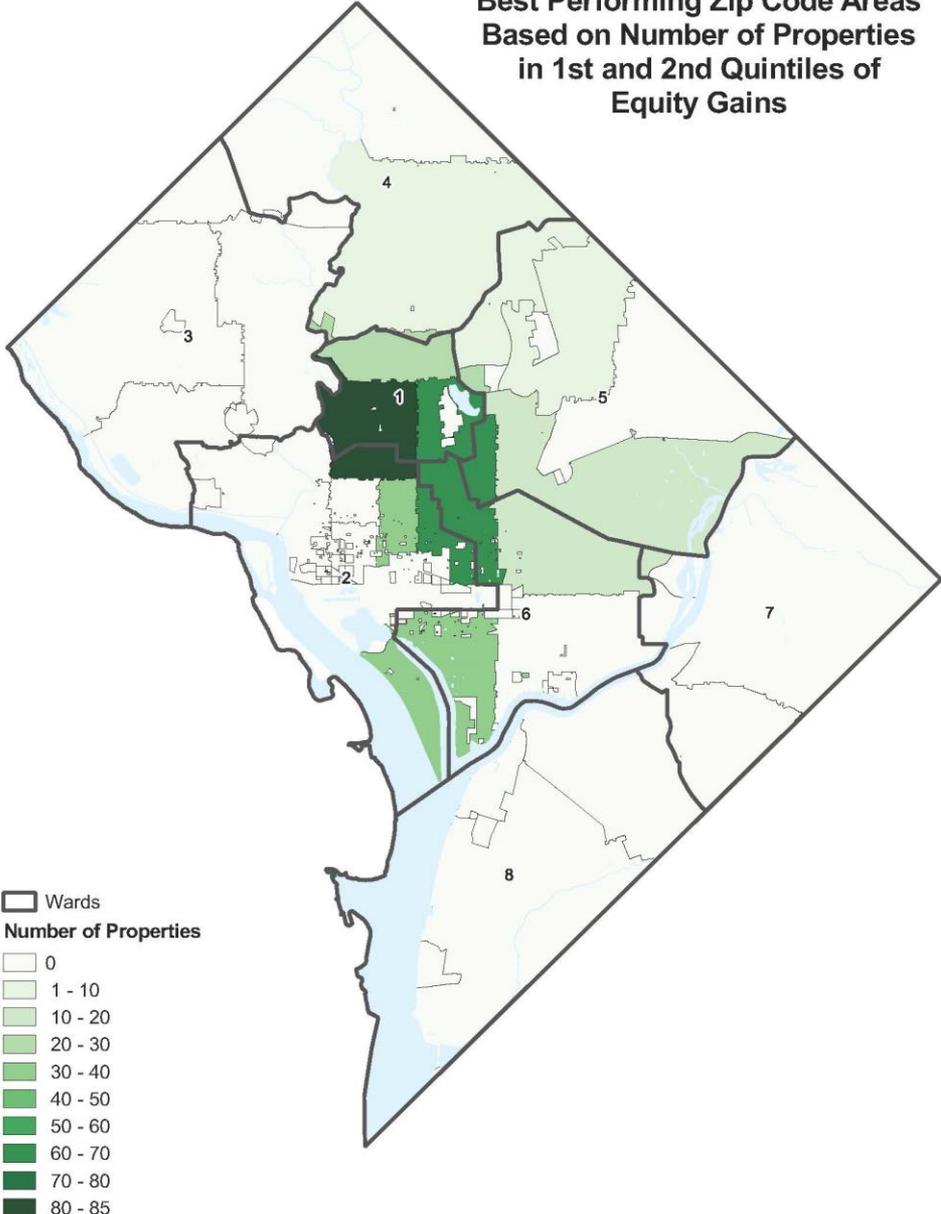
	Total Equity	Median Equity
1983-89	\$15,081,702	\$360,000
1990-99	\$71,357,097	\$292,344
2000-09	\$72,257,511	\$153,595
2010-14	\$3,548,202	\$13,908

Equity

Best performing zip code areas based on MANNA number of properties in 1st and 2nd quintiles of equity gains

Ranking	Zip Code	Neighborhoods	# of Properties
1	20009	Adams Morgan, Columbia Heights, Lanier Heights, 15 & U Neighborhood	85
2	20001	Shaw, Bloomingdale, Mt. Vernon Triangle	65
3	20005	Logan Circle, Downtown	37
4	20024	Southwest Washington	32
5	20010	Park View , Pleasant Plain, Mt. Pleasant	23

Best Performing Zip Code Areas Based on Number of Properties in 1st and 2nd Quintiles of Equity Gains



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- For the full study, visit www.mannadc.org/reports-2/
 - Presenter info:
 - Sarah Scruggs, MANNA Inc., sscruggs@mannadc.org
 - Josh Silver, National Community Reinvestment Coalition (NCRC), jsilver@ncrc.org