



DEVELOPMENT PARTNERS
BY REINVESTMENT FUND

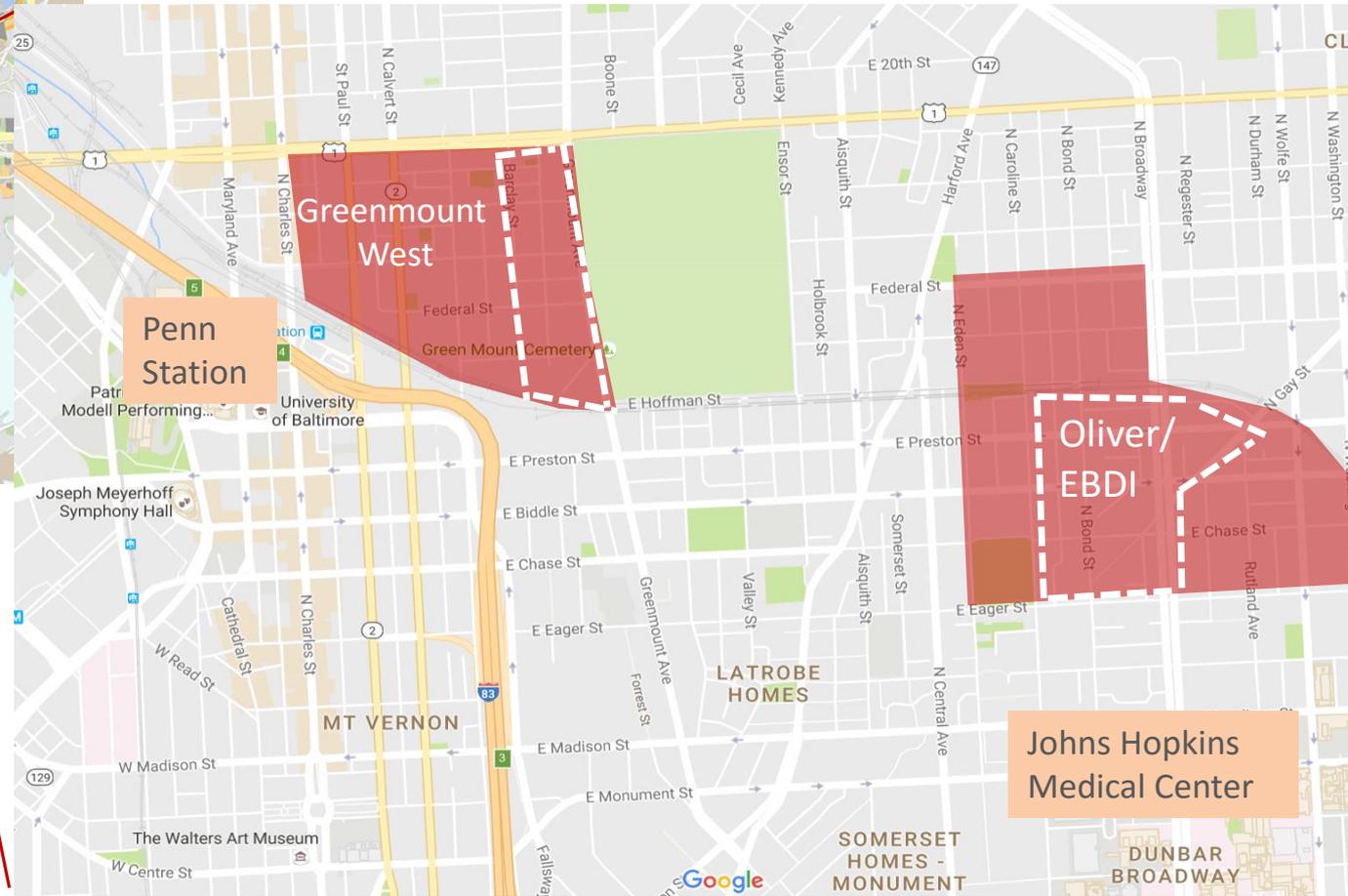
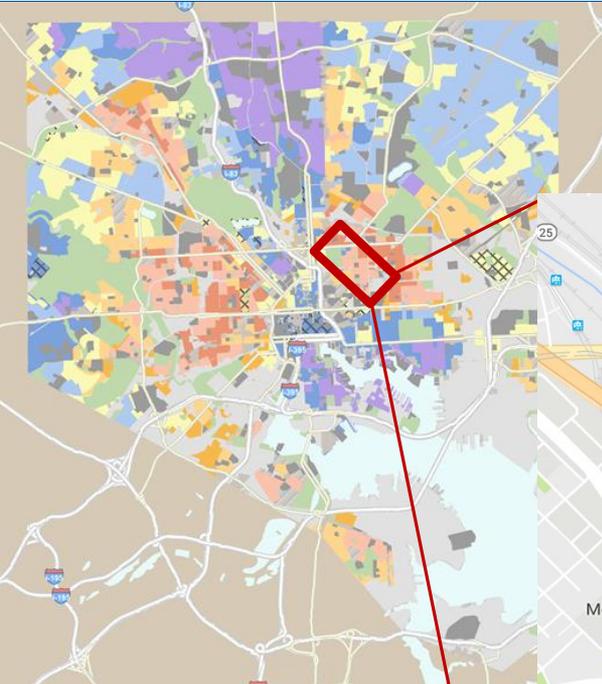


2016 TRF Development Partners-Baltimore, LLC

Investor Meeting
October 18, 2016

Build from Strength

Since inception TRF DP–Baltimore, LLC and affiliates have raised and invested over \$85 million in East Baltimore



Greenmount West

2009 Greenmount West: 185 Vacant Properties



2016 Greenmount West: 61 Vacant Properties



Greenmount West

Redevelopment Activity – 157 residential units

28 single family homes

129 multi-family units

1 Community Park



Oliver/EBDI

2009 Oliver/EBDI: 458 vacant properties

2016 Oliver/EBDI: 33 vacant properties



Source: TRF DP



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Oliver/EBDI

Redevelopment Activity – 188 residential units

188 single family homes

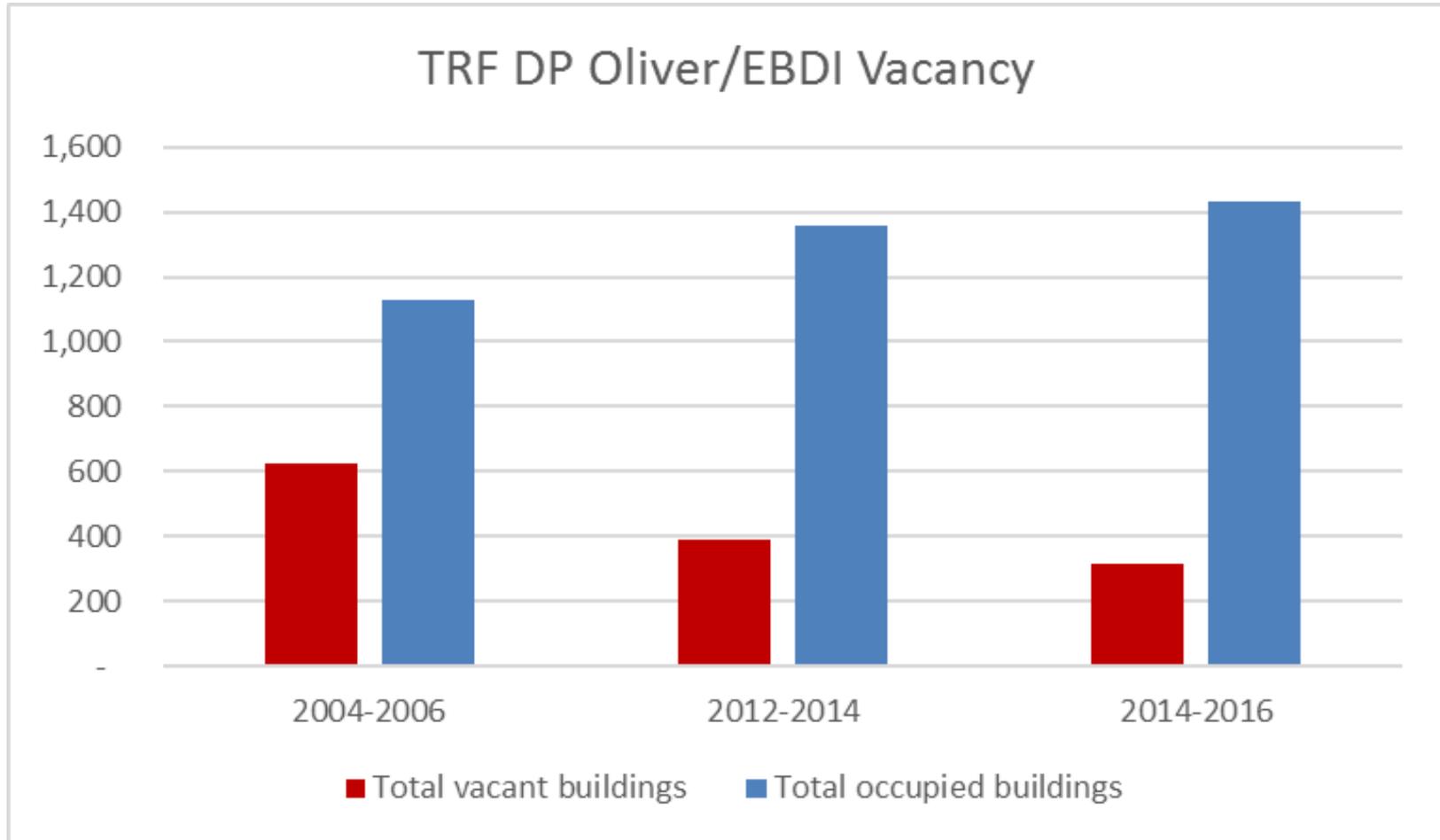
132 lots consolidated

4 storefront commercial spaces

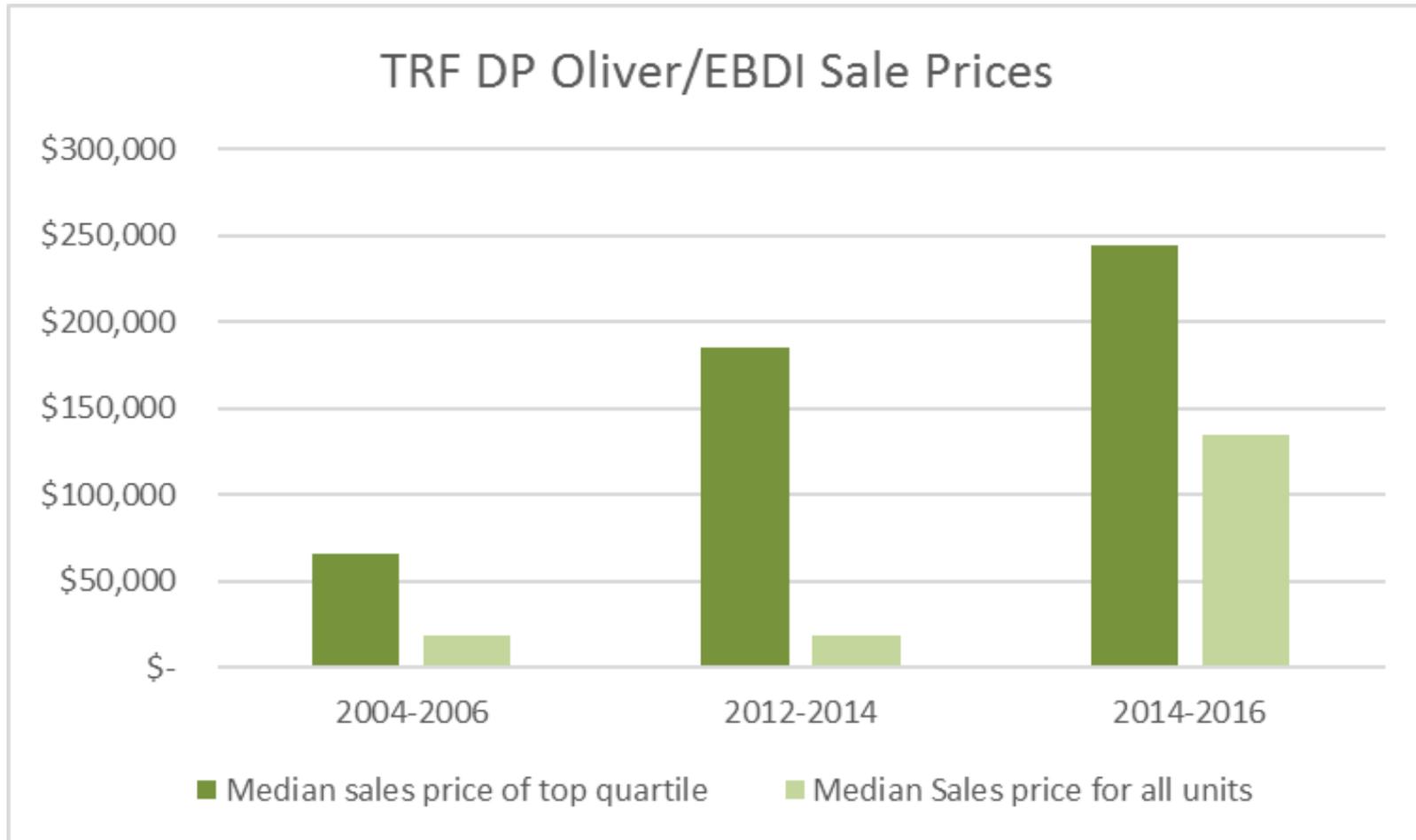


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Oliver/EBDI



Oliver/EBDI



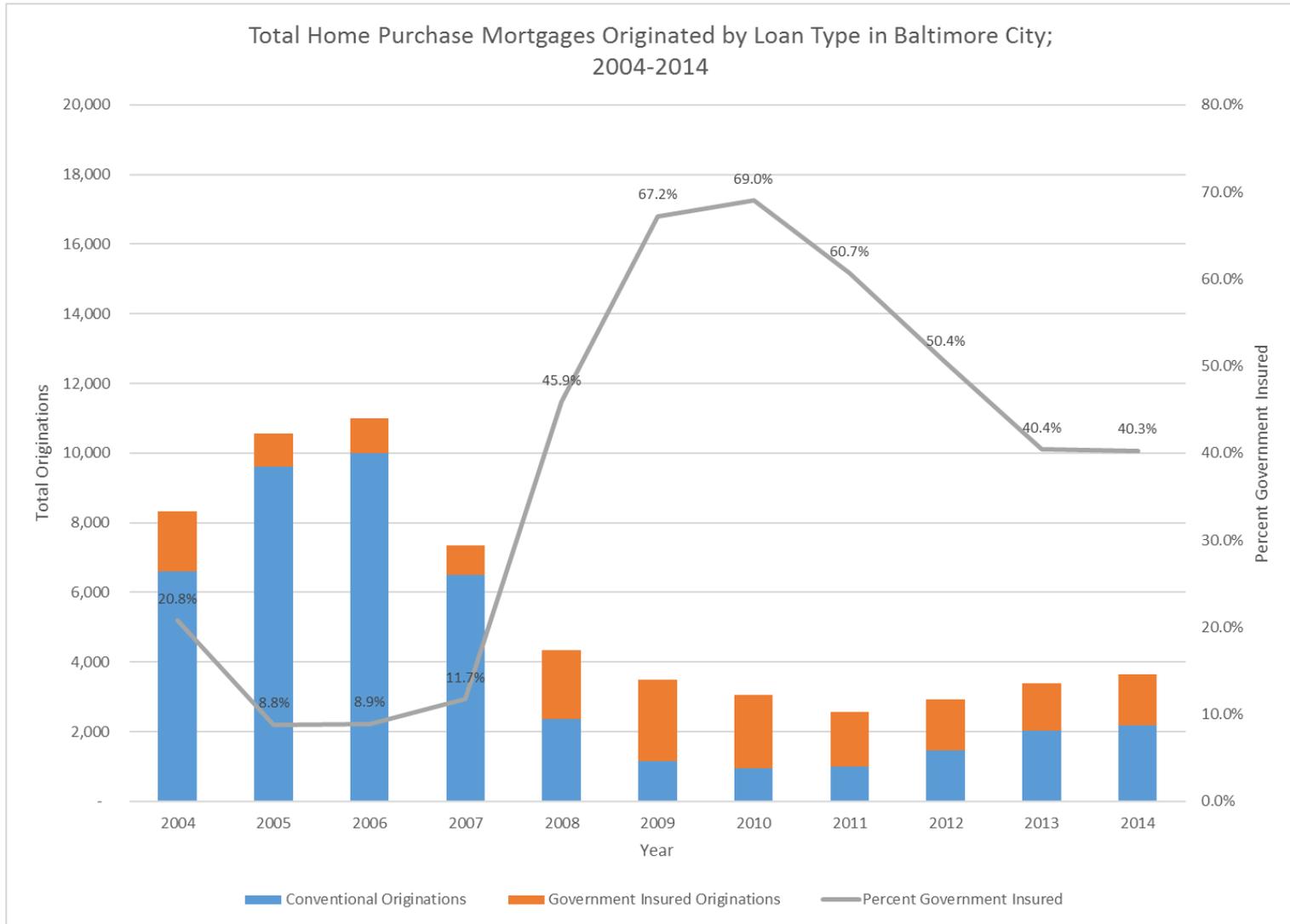
Oliver/EBDI

| TRF DP Oliver/EBDI Investment Area | 2004-2006 | 2012-2014 | 2014-2016 |
|------------------------------------|-----------|------------|------------|
| Average Monthly Sales | 0.08 | 1.07 | 1.38 |
| Average Monthly Rehab/ New Starts | 1.50 | 3.77 | 4.86 |
| Total vacant buildings | 623 | 392 | 316 |
| Median sales price of top quartile | \$ 65,500 | \$ 185,000 | \$ 244,900 |
| Median Sales price for all units | \$ 18,450 | \$ 18,360 | \$ 135,000 |

Changes in building starts and occupancy are greater than sales pace

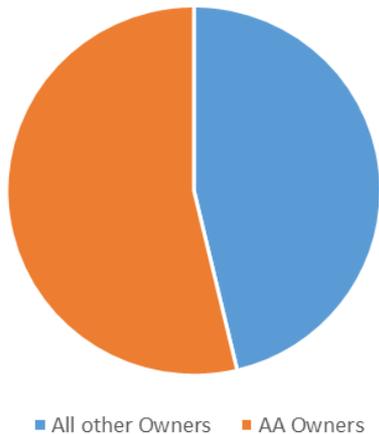


Baltimore Mortgage Activity



Path to Homeownership

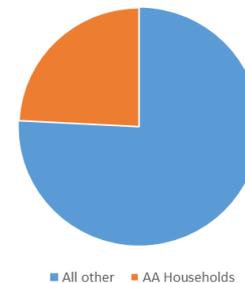
2014 Total Baltimore Homeowners



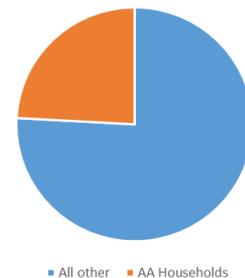
Assist current tenants to develop necessary skills and savings to become homeowners

- Credit counseling & repair
- Budgeting & savings plan
- Community organizing
- Mortgage products with clear underwriting criteria

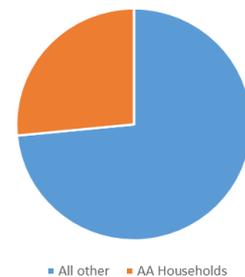
2012 Mortgage Originations



2013 Mortgage Originations



2014 Mortgage Originations



Financial Status

TRF DP - Baltimore FY 2015

Assets In Thousands

| | |
|-------------------|------------------|
| Cash | \$ 843 |
| Escrow | \$ 723 |
| Real Estate Owned | <u>\$ 30,426</u> |
| Total | \$ 31,992 |

Liabilities In Thousands

| | |
|-------------------|------------------|
| Accounts Payable | \$ 378 |
| Current Loans | \$ 3,328 |
| Non-Current Loans | <u>\$ 26,757</u> |
| Total | \$ 30,463 |

| | |
|--|-----------|
| Total DP units currently held for rent or sale | 140 |
| Estimated market value of completed units | \$ 25,550 |
| Book Value of completed units | \$ 28,359 |

| | |
|------------------------------------|-----------------|
| Outstanding DP Notes | \$ 9,570 |
| DP Notes as % of total liabilities | 31.4% |
| Total Hard Debt | \$ 21,520 |
| Subsidy Debt | <u>\$ 8,565</u> |
| Total Debt | \$ 30,085 |



TRF Development Partners-Baltimore, LLC Notes

- 26 notes issued between June 2006 and September 2009 totaling \$9.57 million
- Unsecured 10-year loan with a 5-year extension that can be exercised by TRF DP-Baltimore



July 2007 Investor Goals

Long-term Objective:

- Develop economically diverse areas whose market-driven growth benefits long-term neighborhood residents and area institutions
- Create a range of housing options including market, affordable and workforce
- Enhance understanding of responsible urban redevelopment
- Create an investment model for other parts of the City and beyond
- Generate a return for investors



Going Forward

TRF Development Partners-Baltimore, LLC Note Restructuring:

- \$1MM repayment of principal (pro rata) in 2017.
- Further repayment plan is based on the sale of rental units. DP-Baltimore will identify 137 units which are already rehabbed and currently owned.
- Starting in 2019 the goal is to sell an additional 20 units per year.
- There will be an annual repayment distribution to the noteholders based on pro rata share of net sale proceeds after 15% retainage for DP-Baltimore operations.
- Repayments will be based on actual home sales; we plan to make noteholder distributions of: \$2.5MM by 12/31/20, \$2.5MM by 12/31/22, and balance by 12/31/24, subject to our best efforts and market conditions.
- Each note will be extended to have similar term to 2024. For some, this is not a long term extension. Further extensions would be by agreement of noteholders having a majority of then outstanding debt.
- 2% annual interest on outstanding principal balances.



Reinvestment Fund – TRF Development Partners

Development Partners: A New Governance Model

Current:

- Reinvestment Fund appoints all TRF DP Board Members
- Current DP Board membership:
 - Reinvestment Fund (2 Board seats)
 - BUILD (3 seats)
 - IAF (2 seats)
 - Unaffiliated (3 Board seats)

Future:

- Reinvestment Fund, BUILD and IAF will jointly appoint all TRF DP Board Members
- Board membership:
 - Reinvestment Fund (1/3 Board seats)
 - BUILD (1/3 seats)
 - IAF (1/3 seats)
 - Unaffiliated (none)





DEVELOPMENT PARTNERS
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Atlanta
:
Reclaimi
ng the
Pittsbur
gh
Neighbor
hood

September 2011

Natallie Keiser

Senior Associate, Community Economic Development

Joyce Sheperd

City Council Member, City of Atlanta

THE ANNIE E. CASEY FOUNDATION



Atlanta's Neighborhood Planning Unit V (NPU-V)



Atlanta, Georgia Pittsburgh Neighborhood

- Developed after Civil War by freed slaves who came to work at the adjacent railroad shops(1883)
- Early 20th century - included a thriving corridor of black owned businesses & homes of Clark College staff
- Loss of population (1960 – 1990) and proximity to downtown = speculation during housing boom (early 2000's)



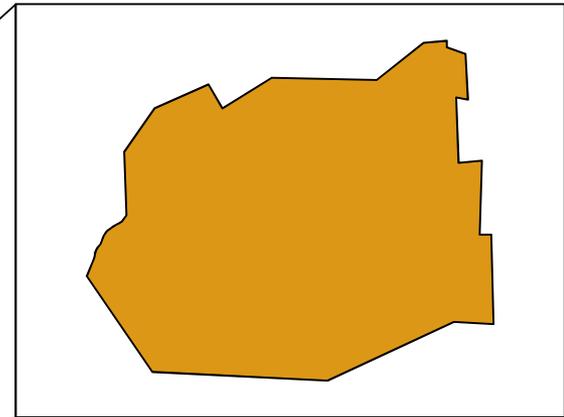
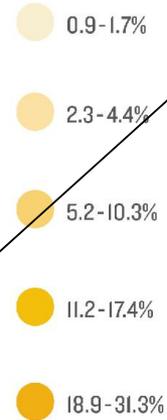
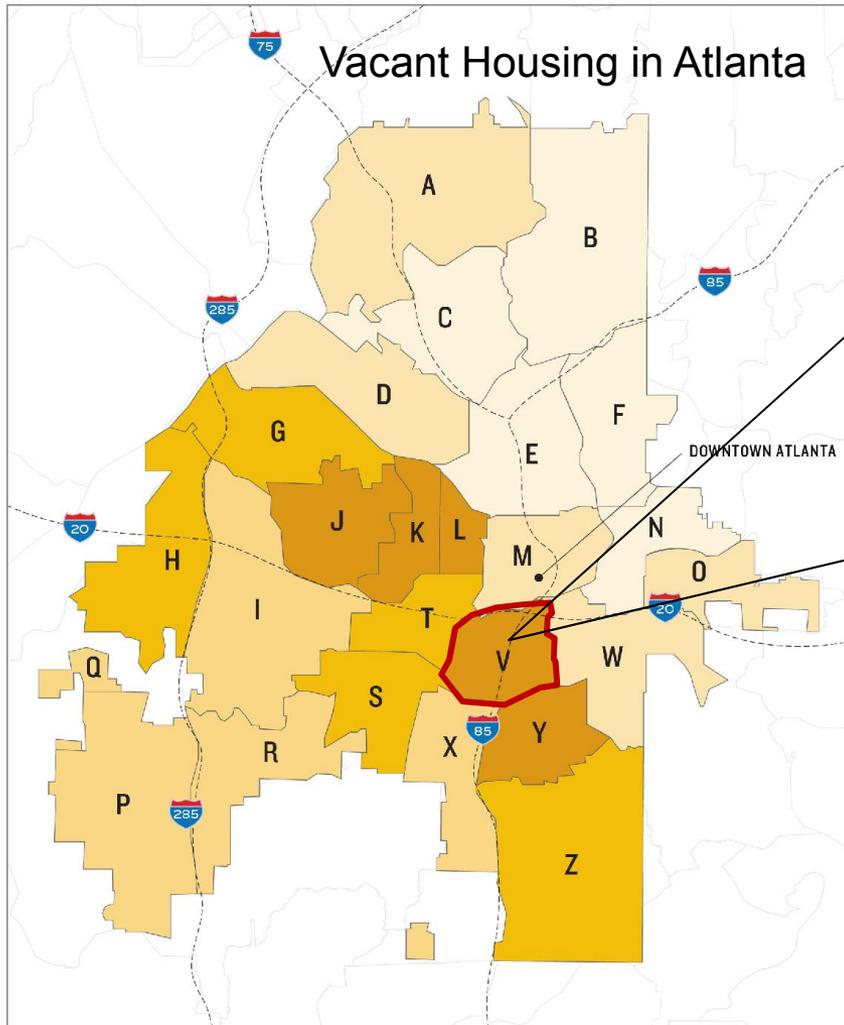
Atlanta 2000 - 2010

Effects of Foreclosure Crisis

| | |
|------|---|
| 2000 | <ul style="list-style-type: none">• Population- 416,629• Occupied Housing- 73,475• Vacant Housing- 18,778 |
| 2010 | <ul style="list-style-type: none">• Population- 420,003• Occupied Housing- 83,154• Vacant Housing- 39,431 |
| 2015 | <ul style="list-style-type: none">• Population- 463,815• Occupied Housing- 80,596• Vacant Housing- 39,000 |

2010 - 24.7% of Pittsburgh residents owned homes vs 59.8% in 2000

City of Atlanta Vacancies



Neighborhood Planning Unit-V (NPU-V)

- Adair Park
- Capital Gateway
- Mechanicsville
- Peoplestown
- Pittsburgh
- Summerhill

Pittsburgh Homes: Phase I

- 53 vacant homes acquired by Foundation
- 44 homes acquired by City of Atlanta, partnering with CDC
- 5 homes renovated and rented prior to 2015 by Foundation
- 8 Foundation homes renovated and sold 2015/2016 – private developer, Wells Fargo, Invest Atlanta – heavily subsidized
- Property values increased 6% from 2015-2016



Pittsburgh Homes: Phase I

- Branding – Coalition of Partners
 - #PittsburghATL
 - Flags
 - Home Tours
 - Website content
 - Festivals
 - Video
- Repairs for Existing Owners
- Code Enforcement with City



Pittsburgh Homes: Phase II

- Single block strategy – 6 homes with Atlanta Neighborhood Development Partnership via Foundation grant & Wells Fargo loan. Coalition building to transform block.
- Transfer with performance lien – identifying mission-aligned partners with their own renovation capital
- Purchase renovation program – 5 homes marketed directly to homebuyers for renovation with \$10,000 forgivable loan from Foundation and \$10,000 from Invest Atlanta

Purchase-Renovate Program
An amazing opportunity to purchase, renovate and create the home of your dreams in the rising intown community of Pittsburgh!

791 Coleman Street SW \$24,900

367 Wald Street SW \$39,000

957 Welch Street SW \$29,000

785 Coleman Street SW \$17,500

454 Rockwell Street SW \$34,000

area west REALTY

Qualified buyers may receive up to \$20,000 towards the purchase and renovation of their home. Buyer incentives are offered by the Annie E. Casey Foundation's Purchase Renovate Program and Invest Atlanta's Home Renovation Advantage Program.

Pittsburgh Homes: Phase II

- City of Atlanta - HOME funds for 4 Foundation owned properties and 5 City owned properties
- Community based police – Stipends for 4 officers to purchase and engage in the community
- Lease Purchase – Opportunity for 5 long term tenants to purchase homes at cost with \$4,500 in downpayment assistance
- Community Development Corporation – Continue to provide capacity building support



Overview of Home Development

AECF Pittsburgh Homes Development Programs

| Category | | Homes |
|---|---|-------------|
| Total Homes | | 53 |
| Programs | Phase 1: REAL Group | (8) |
| | Phase 2: Atlanta Neighborhood Development Partnership | (6) |
| | Faith Based Partner Redevelopment | (3) |
| | Purchase-Renovation Program | (5) |
| | City of Atlanta HOME Funded Phase | (4) |
| | Lease-Purchase Program | (5) |
| Total Homes Developed & Programmed | | (31) |
| AECF Homes Remaining | | 22 |



Economic Development & Asset Map

352 University Avenue

NPU-V DEVELOPMENT CONTEXT

Community Assets Legend



HOUSING DEVELOPMENTS

- Columbia at Mechanicsville
- Heritage Station
- Capitol Gateway
- Columbia at Peoplestown



NEIGHBORHOOD CENTERS

- Dunbar Neighborhood Center (home to Dunbar Center of Hope, Center for Working Families Inc., Center for Black Women's Wellness and Casey Foundation's Atlanta Civic Site office)
- Emmas House, Rick McDevitt Youth Center
- Salvation Army Ray & Jean Kroc Corps Community Center
- Pittman Park Recreation Center



COMMUNITY-BASED/ DEVELOPMENT ORGANIZATIONS

- Pittsburgh Community Improvement Association (PCIA)
- Peoplestown Revitalization Corporation (PRC)
- SUMMECH Community Development Corporation, Inc. (SUMMECH)
- Summerhill Neighborhood Development Corporation (SNDC)



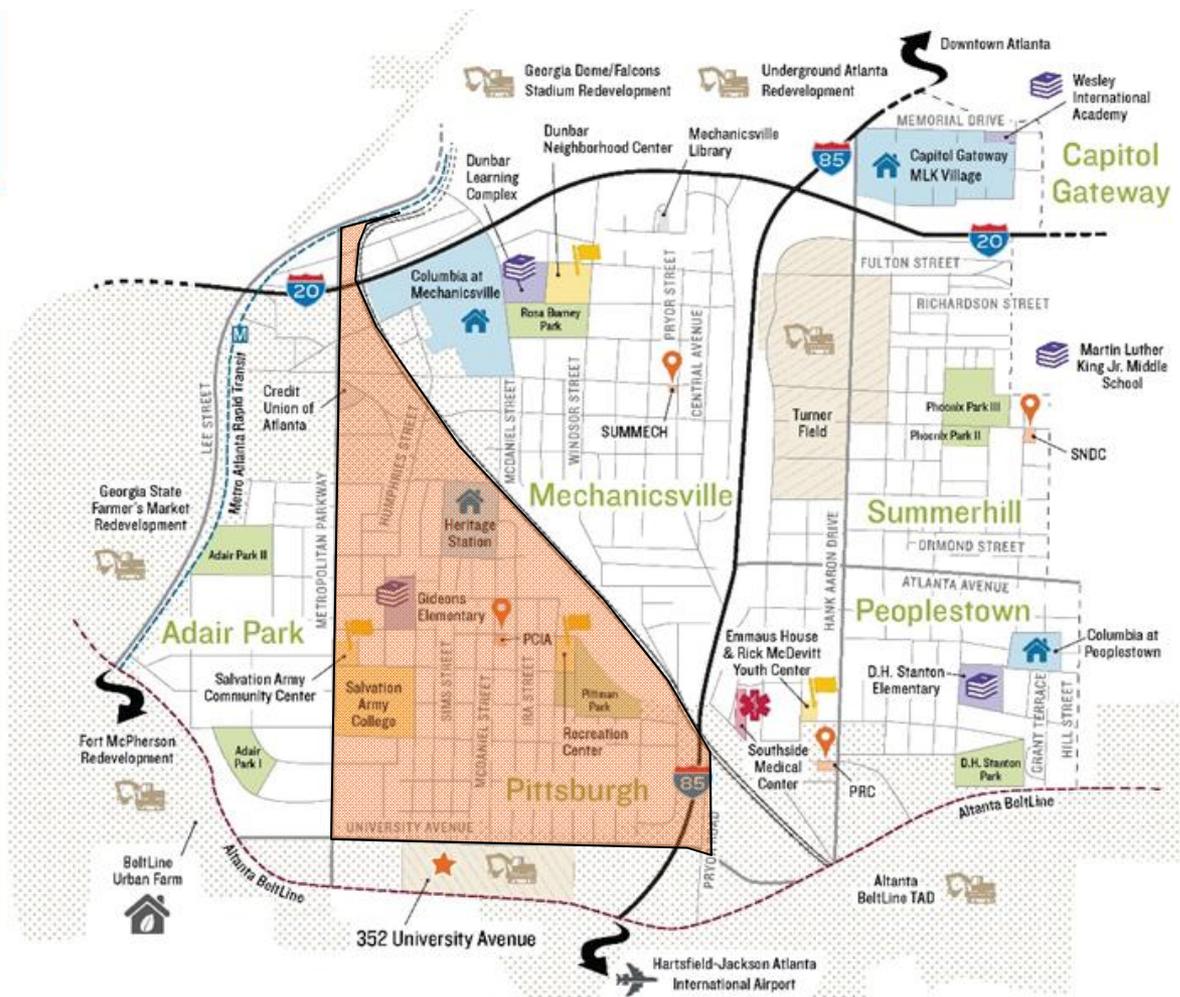
PHYSICAL DEVELOPMENT PROJECTS

- 352 University Avenue
- Turner Field
- Atlanta BeltLine
- Atlanta BeltLine Tax Allocation District (TAD)
- Georgia Dome/Falcons Stadium
- Georgia State Farmer's Market
- Underground Atlanta
- Fort McPherson Redevelopment



SCHOOLS

- Dunbar Learning Complex (home to Louise Atlanta and Dunbar Elementary School)
- D.H. Stanton Elementary School
- Gideons Elementary School
- Wesley International Academy
- Martin Luther King Jr. Middle School



Heavy Lift Still Ahead

- Pittsburgh community remains about 34% vacant
- Home values are still suppressed below the cost of a quality rehab
- Inaccessible property owners with dangerous properties with multiple code violations continue
- Occupied homes with families in unhealthy and unsafe conditions





THE ANNIE E. CASEY FOUNDATION

Developing solutions to build a brighter future for children, families and communities

www.aecf.org