



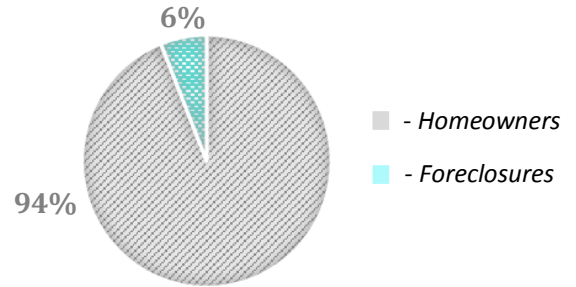
ACTS Families stabilize and improve central city neighborhoods

A report prepared in July 2015 by ACTS Housing and Mike Zimmerman, Senior Vice President of Investor Relations for the Mortgage Guaranty Insurance Corporation (MGIC)

Sustainable Homeownership

- ⇒ The report examined the 1,700 families ACTS helped from 1992 to 2013
- ⇒ Of those 1,700 families (7,000 individuals—majority children) 94% were still homeowners in 2015.
- ⇒ 77% were still in the home they purchased through ACTS; 17% sold their home after rehabbing and living in it for a number of years. Only 6% ended their homeownership experience in foreclosure.

Sustainability since 1992



Data Comparisons

- ⇒ Due to the unique nature of ACTS’ model, comparisons are difficult but not impossible.
- ⇒ From 2004-2008 upwards of 24% of African American borrowers and 25% of Latino borrowers were foreclosed, as were as many as 24% of homeowners of all races that purchase in low-income areas.
- ⇒ In comparison, during this time, only 10% of ACTS families lost their homes.
- ⇒ Furthermore, ACTS loan portfolio is 99.6% current as of October 2015, meaning a .4% delinquency rate. This compares quite favorably to a national serious delinquency rate for “prime quality” loans of 2.6% (data from the Mortgage Bankers Association of America)

Figure 9: Rates of Completed Foreclosures and Serious Delinquencies by Neighborhood Income (2004-2008 Originations)

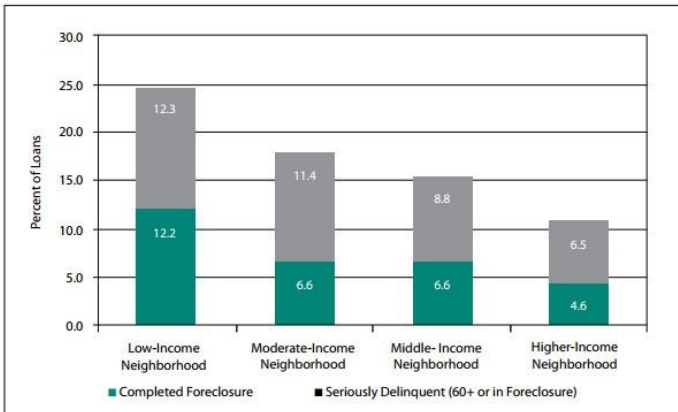
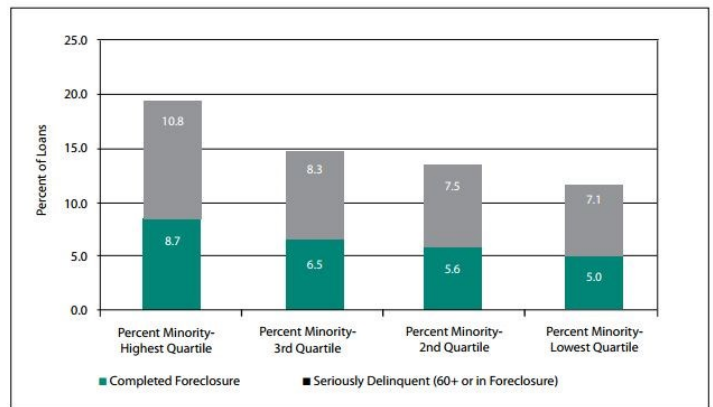


Figure 10: Rates of Completed Foreclosures and Serious Delinquencies by Borrower Race and Ethnicity (2004-2008 Originations)



Figures above taken from the Center for Responsible Lending’s Report: Lost Ground (2011): Disparities in Mortgage Lending and Foreclosures

Conclusion

- ⇒ ACTS model is successful thanks to one-on-one HUD approved homeownership counseling sessions, expert real estate brokerage and experienced rehab management.
- ⇒ In addition, ACTS Housing’s nonprofit affiliate, ACTS Lending, allows ACTS to make loans to lower the cost burden of rehab work for families.
- ⇒ In neighborhoods with significant barriers to homeownership, ACTS has profound success at helping families become homeowners and sustain homeownership.

If you are interested in receiving a copy of the full report contact Rebecca Stoner at: rstoner@actshousing.org 1-414-727-0016