



**Federal Reserve Bank of San Francisco
Stabilizing Communities Series:
Acquiring REOs in Compliance with NSP**

San Francisco, CA – February 3, 2009

Fresno, CA – February 4, 2009

REO Gifting and Discounted Sales Strategy

- Our goal is to leverage resources in order to stabilize communities and maintain housing stock while providing affordable housing through collaborative partnerships
- Working with individual non-profits and government entities and NSP jurisdictions to donate or sell Chase, WaMu or EMC-owned REO properties within their service areas that will assist in stabilizing neighborhoods with high foreclosure activity

REO Gifting and Discounted Sales Program Process

- Properties of interest are identified by nonprofit, government entities and NSP jurisdiction
- Availability of properties is confirmed and viewing of properties is arranged
- Nonprofit, government entities and NSP jurisdiction confirm interest in properties after viewing
- Implement the process to transfer ownership of properties
- Properties are rehabilitated by the nonprofit/NSP jurisdiction and sold
- Generally using properties as investment properties are not allowed but will consider requests from nonprofit to utilize properties as rentals
- 1 to 4 family units
- Will consider requests for bulk sales and single donations and purchases
- Participating in NCST First Look Program
- Utilizing a defined property valuation model that includes a discount that should allow for meeting the HUD discount requirement

REO Gifting and Discounted Sales Program Process

- **Documentation Required**
 - **Property Address**
 - **Planned use of property**
 - **Proof of 501 (C) (3) status or letter on official letterhead from governmental entity stating that they are a governmental entity, provides nine-digit tax identification number and signature of senior officer**
 - **Most recent annual report**
 - **Most recent audited financial statements**
 - **Mission statement including information about who the organization serves, geographic area served and a list of programs and services offered**
 - **Board of Directors list, including names and role**
 - **Information on previous rehab or new construction project**

REO Gifting and Discounted Sales Program

- Existing product line is available for the homeowner who will be purchasing the property.

REO Gifting and Discounted Sales Program Process

- Properties list on Chase website:

http://mortgage.chase.com/pages/other/co_properties_landing.jsp

- Properties list on WaMu website:

<http://www.wamuproperties.com>

REO Gifting and Discounted Sales Program Process

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