

A chance for meaningful change

CARVER, Mass. — Plight and opportunity.

Two words that sum of the situation at two Carver manufactured home communities as succinctly as any others.

Nestled in the woods among acres and acres of working cranberry bogs, Pine Tree Village and Cranberry Village provide 450 affordable homes in an area in need of affordable housing.

But what these communities can't provide is homeowner security. That's because the Cranberry and Pine Tree residents own their homes, but not the land underneath them. Without the protection afforded by owning the land as individuals or a co-op, owners of mobile homes are often denied access to a solid foundation for asset building, widely available home financing and the peace of mind that only resident ownership can provide.

"The rents go up every year," says Larry Erickson, a Pine Tree Village resident and member of the Pine Tree Village Residents Association, Inc. "The lease says they *can* go up every year, so of course they do."

Erickson said residents have taken notice of the increased sense of community in their neighborhoods since homeowners banded together to try to buy their communities.

"Something like this only works if we all work together and I'm surprised how we're all getting to know each other," Erickson says. "We tend to agree most of the time as it turns out."

That's hardly unique to the Carver communities, says Andy Danforth, housing program manager with the Cooperative Development Institute. CDI is the ROC USA®-certified technical assistance provider that has helped residents of Cranberry and Pine Tree organize and push to purchase their communities.

"That feeling of community is perhaps the most common thread that runs through each co-op we help through the purchase process," says Danforth, noting



that the Carver properties are in a 60-day due diligence stage. "It's been a consistent pattern of residents going from not much more than a wave to not only getting to know one another, but looking out for one another, too."

"We met Paul Bradley and the team and concluded that they've got a great business model and a great opportunity."

DAN LETENDRE

Director of community lending and investing, Bank of America

Since launching in 2008, ROC USA's lending arm, ROC USA Capital, has originated about \$29 million in loans to enable co-ops to purchase their

communities. ROC USA Network and its eight certified technical assistance providers in 23 states serve each community for the life of its loan.

The two potential Carver conversions represent a dramatic increase in the scope of ROC USA's work. If successful, the deals would nearly double the total lending provided by ROC USA Capital to date.

"We've gone from a demand-side challenge to a supply-side challenge," says ROC USA Capital Managing Director Michael Sloss. "The plight of thousands of homeowners is easily documented – they want very much to buy and preserve their communities."

That growth has attracted the attention of some major players in the community development lending sphere. ROC USA has partnered with Ford Foundation,

ROC BIO

Paul Bradley, president

Paul launched ROC USA in 2008 after

spending 16 years with the New Hampshire Community Loan Fund, where he spearheaded a manufactured housing program that helped 72 co-ops buy their communities. In 2008, he graduated from the NeighborWorks® America Achieving Excellence program offered through Harvard University's Kennedy School of Government. In 2011, Paul was named an Ashoka Fellow, a juried international fellowship for leading social entrepreneurs.



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Rockefeller Foundation, Bank of America, Deutsche Bank and more, leveraging those relationships to better serve co-op members in much the same way co-ops leverage their own numbers to benefit their membership.

"We met Paul Bradley and the team and concluded that they've got a great business model and a great opportunity," Dan Letendre, director of community lending and investing at Bank of America, told NPR. "In the end, this will work when investors look at the track record and conclude, 'I can lend ROC USA money, I can invest in ROC USA and I can get a good safe, attractive return, and get my capital back.'"

HOW COMMUNITY OWNERS FEEL: "CDI and ROC USA made the sale to the resident group both timely and professional."

JOHN WILKING, community owner

Resident ownership a solid foundation

EPSOM, N.H. – When ROC USA® began making resident ownership of mobile home communities a reality for thousands of people across America in spring 2008, it was a big step for a spin-off of the New Hampshire Community Loan Fund.

But it is only the first step.

President Paul Bradley and the social venture’s staff and affiliates are already looking toward what he calls the next frontier: establishing ROC USA as a sustainability toolbox for owners of mobile homes through an extensive series of partnerships with lenders, third-party vendors and more.

“We’re both scaling up our work helping co-ops purchase communities and scaling deep with a series of initiatives that are growing the seedling of resident ownership into a forest of security and opportunity for co-op members,” says Bradley, adding that ROC USA’s approach takes the “teach a man to fish and you feed him for a lifetime” principle to the nth degree. “To carry out the metaphor, we help these locally owned fish stores deliver through training, networking and market interventions.”

Next up for ROC USA: providing a 24/7 training platform and helping homeowners line up financing for home purchase and even home replacement.

“Resident ownership is long-term, it’s sustainable community development,” Bradley says. “We intervene at key points

in the marketplace, and leverage our successes to help even more people help themselves.”

The ben-



“The level of engagement achieved by this community development strategy is huge and, when taken in combination with the fundamental economic changes taking place as a result of this sectoral strategy, the impact is unparalleled.”

GEORGE MCCARTHY,
Director, Metropolitan Opportunity, Ford Foundation

Geoff Forrester Photography

efits of that kind of development are plain to see. Just ask Gary and Dawn Thulin of Epsom. The Thulins live in Breezy Acres Co-op, a community that went co-op in the early ’90s.

A few years ago, the Thulins replaced their 1960s home with a new Energy Star-rated home with loan from the New Hampshire Community Loan Fund’s nationally award-winning program. The Community Loan Fund is one of ROC USA’s local affiliates.

“I wake up now and ask Dawn, do we

have to check out today?” Gary said jokingly. “We are so happy here.”

The Thulins now feel better physically and mentally and their energy savings alone are poised to pay off the total cost of their home replacement in less than 15 years.

“The Thulins are a perfect example – one of many – that illustrate the benefits of our relationship with resident-owned communities,” Bradley says. “Their success story is one we’re looking to duplicate hundreds and thousands of times over.”

ROC BIO

Mary O’Hara, Director, ROC USA Network

Mary O’Hara has managed ROC USA Network since 2008. She provides organizational and technical training and support to ROC USA Network’s Certified Technical Assistance Providers.

Mary has 20 years of experience in community development lending and community reinvestment. She has served in leadership positions at the Massachusetts Urban Reinvestment Advisory Group, Boston Community Capital, and the Institute for Community Economics. Mary is a Cornell University graduate and lives in Boston.



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ROC BIO

Michael Sloss, Managing Director, ROC USA Capital

Michael Sloss brought 25 years of direct experience financing and developing affordable housing at the national, state and local levels to ROC USA Capital. Prior to joining ROC USA Capital in 2008, he spent nine years with Enterprise Community Loan Fund financing affordable housing across the country. Michael developed and structured credit enhanced acquisition loan funds in Los Angeles, Atlanta and Washington, D.C., totaling over \$170 million, raising capital from the private, public and foundation sectors.

Michael is a graduate of Hampshire College and lives in Washington, D.C.



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