

From Blight to Blessing: Leveraging Immigrant Assets toward Homeownership Access

Who? | The People

Participants will be made up a diverse array of CCDA practitioners from around the country. Most will be creative entrepreneurial types or those with previous experience in the housing or immigration section of community development. Estimated workshop size is around 30-40 people.

Facilitators, John Mark Bowers and Tannia Lascano, have extensive experience working and growing a sustainable homeownership venture with low-income immigrants.

Why? | The Current Situation

As new immigrants settle into post-industrial communities around the US, a market niche has opened for creative entrepreneurial CCDA practitioners to facilitate the purchase, financing and legal paperwork of blighted homes in high-demand by immigrant families—many of whom are skilled in remodeling yet themselves prey to slumlords. Practitioners will consider a sustainable homeownership business model in which they can generate revenue by connecting workers skilled in remodeling to affordable houses—not only teaching them to fish, but giving them access to own the pond.

So That? | The Anticipated Change

As a result of this introductory workshop, participants will demonstrate 2 key behaviors:

- Talk to a friend, mentor, or colleague who has expertise in housing or immigration in their area about local potential; and
- Perform an assessment of foundational resources in their community needed for creation of sustainable homeownership ventures.

When? | The Time and Timing

Thursday, November 12th; 3:15-4:30 pm; 75 minutes
ccda.org/workshops-by-day-and-time

Where? | The Place and Space

The CCDA conference will take place at:

Memphis Cook Convention Center
255 N. Main St.
Memphis, TN

Conference rooms can accommodate up to 50 learners, with adequate wall space for posting charts (Mississippi Room). Chairs will be arranged in a circle in advance.

What? | The Content

Experience/Interest of participants
Biblical foundations for business with justice
Model/context overview
6 key steps
Sample budget
Property inspection process
Title search
Auction regulations
Quiet title action
Quit-claim deed process/Resale
Contract terms and conditions
Integration of financial education (Faith & Finances)
Q&A Debrief (Required by Organizer)
Assessment/Action steps in your community

What For? | Achievement-Based Objectives

By the end of the 75-minute workshop, we will have:

1. **Introduced** ourselves to other practitioners by describing our interest in homeownership for low-income immigrants; (10 minutes)
2. **Considered** Biblical foundations for just housing business; (10 minutes)
3. **Examined** a contextual overview (10 minutes) and **considered** key steps for considering a holistic homeownership ministry among immigrants; (10 minutes)
4. **Participated** in a step-by-step timeline narrative revealing best practices; (25 minutes)
5. **Named** and **answered** specific participant questions (Q&A) and **committed** to action steps. (10 minutes)

Materials needed:

Computer with powerpoint
Flipchart/markers
Resource packet

Task 1: Introduce ourselves to other practitioners by describing our interest in homeownership for low-income immigrants; (10 minutes)

Welcome!

1A: Share your interest and experience in homeownership for low-income immigrants with a new partner for 3 minutes—someone you don't know! Then, we'll **hear** what your partner said. You have to listen!

We'll note them on the chart: *Our Interest*

Thanks for sharing! We'll try to speak to those interests as best we can today.

I've never been able to speak to a group about this - and am just thrilled to be able to share this model today. This has been a real journey for me, and it's such a treat to get to share. In the process, I think you always find yourself somewhere in between feeling like you are the restorer of the city in ruins and dirty slumlord. You'll feel that way, too, if you get into this business. Ha.

I want to share a model that I've home-grown in Chattanooga, TN; this will *have* to be contextualized to your city or community. This might have to be so adapted for you, not work for your context, but I encourage you to listen and dream.

I'm overjoyed to share with you about *Restablecer*—a model for this that I've been learning in action. This is Alfredo, Damaris, and their children. These are the resilient minds behind this business model. (*Picture of Alfredo, Damaris, family*)

Task 2: Consider Biblical foundations for just housing business; (10 minutes)

To begin today, I'd like to invite you to examine a business model that is based on the *restorative economy*. Many businesses, even Christian-run, have little vision for a business model that incorporates justice in its very design. Consequently, many housing business exploit the poor and the acquire land and property with an aim solely focused on wealth building and maximum profit.

2A: In contrast, **read** Deuteronomy 24:19-22 on how God's people were commanded to incorporate social justice into the very design of how they did business.

When you reap your harvest in your field and forget a sheaf in the field, you shall not go back to get it; it shall be left for the immigrant, the orphan, and the widow, so that the Lord your God may bless you in all your undertakings. When you beat your olive trees, do not strip what is left; it shall be for the immigrant, the orphan, and the widow. When you gather the grapes of your vineyard, do not glean what is left; it shall be for the immigrant, the orphan, and the widow. Remember that you were a slave in the land of Egypt; therefore I am commanding you to do this.

2B: Call out words that come to mind when you envision business, in this case farming, being done in this way.

The model we want to talk to you today is based on this idea of God’s *restorative economy*. Instead of striving for maximum profit, the practicing generosity with the excess, in the kingdom of God, we actually have to bend our economic model away from maximum profit, looking to provide access to ownership and work in the *process* of doing business.

2C: Imagine this as a continuum. Somewhere in between 100% charity/subsidy and 100% free market for-profit is a sweet spot that provides this creative access to ownership.



Task 3: Examine context overview (10 minutes) and consider key steps for considering a holistic homeownership ministry among immigrants; (10 minutes)

The first step in beginning any social enterprise is *listening to the community*—one of the key components of CCDA. Knowing the context is always crucial. Tannia works with the immigrant families on a constant basis through a healthcare clinic.

3A: Listen as she shares some key information about our context in Chattanooga.

1. Chattanooga – the history of industry
 - A. White flight
 - B. Outsourcing of jobs
 - C. Availability of blighted homes

2. Guatemalan resettlement patterns (Tannia’s paper)
 - A. Characteristics of Latino community in Chattanooga
 - B. Buyers with construction/remodeling skills
 - C. Buyers with emotional resilience – Guatemala’s history

Thank you, Tannia!

Currently, the model is small. I have assisted 7 immigrant families in 2½ years to obtain homes on auction at affordable price points. In summary, I take responsibility for the financing, legal paperwork, taxes and insurance, while they are responsible for the construction and restoration of their coming home, along with monthly escrow-type payments.

3B: Examine these 6 Key Steps to a holistic homeownership ministry.

Holistic Homeownership Ministry: 6 Key Steps

1. Research your Context

Talk to friends, mentors, or colleagues who have expertise in housing and the immigrant community in your local area; then

Assess foundational resources in your community

- Research legal nuances of tax sales in your state; (for example, TN Code 67-5-25)
- Listen and learn at a back-tax auction;
- Perform focus groups on the skills/interest of immigrant community.

2. Assess Potential Property for Purchase

- Obtain a property list from your city and/or county; (Clerk and Masters or Real Property office)
- Inspect the properties physically and narrow down several options;
- Perform a title search (\$100-\$200) at Title Company to discern history/liens;
- Consult tax attorney for clarification.

3. Crunch the Numbers

You'll want to make sure the purchase has the potential to be profitable. For the sake of clarity, let's crunch some simple numbers of what it takes to purchase and re-sell an average house over the course of 5 years.

Cost of property	\$6,000
Legal paperwork	\$2,500
Taxes	\$500/year x 5 years = \$2500
Insurance	\$400/year x 5 years = \$2000
Staff time of practitioner	20 hours/year x 5 years at \$25/hour = \$2,500
Travel and printing costs	\$200
TOTAL	\$15,700

With total costs at \$15,700, an immigrant family's monthly payment is only around \$262 for 5 years. This monthly payment is around 1/3 the market cost of rent, allowing them to invest the surplus into improving and updating their home.

4. Bid on the Auction

Once you've identified a property or two, know your maximum and stick to it. In Chattanooga, such surplus exists in low-income areas that many properties don't even get the minimum bids.

- Be prepared for the redemption period (one year in Hamilton County, TN).
 - ❖ You can maintain, but not improve
 - ❖ You earn money if redeemed = 10% interest
- As soon as you win the bid, record the deed in your name as soon as possible.

5. Repair Status of Title

Know the difference between a deed and title. When you purchase a property on back tax auction, you purchase the right to the deed – this is not the same thing as a title.

- Quit-claim deed (simple but does not guarantee title insurance)
- Quiet title action (legal process through lawyer)
- Tax Title Services (TaxTitleServices.com)

6. Evaluate Buyers and Create a Notarized Contract

Spell out specifics of the purchase, such as:

- Payment terms and conditions, including timing of payments, taxes, insurance
- Implications in case of death, abandonment, default, redemption
- Options for financial education (*Faith & Finances*)
- Restrictions placed on the property (reselling, subletting, additions, fences, etc.)

Task 4: Participate in a step-by-step timeline narrative revealing best practices; (25 minutes)

4A: Divide into 6 groups and **examine** the step your group has been given. Each group will **analyze** their one step in the process and **generate** key ideas or questions they have. **Think:**

- What would it take for you to do these things?
- What questions do you have?

I will be walking around to assist you.

After 10 minutes, each group will **share** your ideas and **ask** questions in the large group.

4B: Share a summary of your step and your ideas or questions.

Task 5: Name and answer specific participant questions (Q&A) and commit to action steps. (10 minutes)

5A: Share any additional questions and ideas in the large group.

5B: As we leave this place, I invite you to **commit** to taking the first step when you get back to your community: *researching your context*.

- ✓ Talk to friends, mentors, or colleagues who have expertise in housing and immigration in your area about local potential.
- ✓ Assess foundational resources in their community (Listen and learn at a back-tax auction, research legal nuances in your county, map the assets of immigrant community).

Go in the peace of Jesus Christ!



Deuteronomy 24:19-22

Social Justice in Business

When you reap your harvest in your field and forget a sheaf in the field, you shall not go back to get it; it shall be left for the immigrant, the orphan, and the widow, so that the Lord your God may bless you in all your undertakings. When you beat your olive trees, do not strip what is left; it shall be for the immigrant, the orphan, and the widow. When you gather the grapes of your vineyard, do not glean what is left; it shall be for the immigrant, the orphan, and the widow. Remember that you were a slave in the land of Egypt; therefore I am commanding you to do this.

Charity/
Redistribution

Free Market
Enterprise



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2. Assess Potential Property for Purchase
3. Crunch the Numbers
4. Bid on the Auction
5. Repair Status of Title
6. Evaluate Buyers and Create Notarized Contract

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