Housing Partnership Network:
A peer learning network and business collaborative
Presented by Kristin Siglin
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Award-Winning Business Collaborative

- Leading affordable housing and community development nonprofits
- High-capacity, high-performing nonprofit owners, operators and developers
- Creates, capitalizes and manages social enterprises
- Achieves scale while maintaining local reach, accountability
- Member operations in all 50 states and Washington, DC
- Top-rated CDFI (CARS/Aeris rate AAA +2)
- $11.5 billion has been provided in CDFI financing
- 8.9 million people served by HPN members
- 350,000 affordable homes developed, rehabilitated or preserved
- 660,000 single-family and multi-family homes financed
National Reach, Local Impact, Member-Driven

As of December 2014
Entrepreneurial Nonprofit, Mission Focus

HPN combines a mission focus with business acumen to achieve ambitious social outcomes. The hallmark of HPN’s member-driven approach has been:

- **Peer Exchange** among senior leaders
- **Innovation** borne from peer exchange ideas
- **Social Enterprises** developed by HPN and its members
- **Policy** to strengthen impact, scale and sustainability of sector
Social-Purpose REIT

- HPET is the first real estate investment trust owned and operated by nonprofits
- Social-purpose REIT created in partnership with 12 nonprofit members and HPN
- Preserves affordable rental homes for families, seniors, others with modest incomes
- Launched in 2013 with an initial investment of $100 million
- Funded by investors, foundations, nonprofit members, HPN (which sponsors HPET)
- Invests long-term, low-cost equity alongside HPET members
- Enables members to acquire properties quickly and efficiently, and better compete with for-profit developers
- Members operate in 38 states, own 72,000+ apartment homes, $5 billion in value
Industry-Leading Education Platform

• Innovative online homebuyer education platform
• Joint effort of HPN, Minnesota Homeownership Center
• Empowers prospective homebuyers to become successful, sustainable homeowners
• Exceeds National Industry Standards
• Available in Spanish language
• 9-module course enables prospective homebuyers to learn online, at their own pace, with access to trained counseling professionals
• More than 70 partners have approved Framework, including Bank of America, Wells Fargo, Fannie Mae, Bremer Bank, and the Federal Home Loan Bank of Des Moines
Captive Insurance Enterprise

- First captive property and casualty insurance company created, owned and operated by nonprofit housing developers
- HPIEx is owned by 23 HPN members and HPN
- Currently insures 62,000 units, $8.3 billion in total insurable value (TIV)
- Multifamily property and liability insurance (since 2004)
- Workers compensation insurance (since 2014)
- Underwriting and investment profit accrues to members
- Member involvement in HPIEx is expected
- Stable premiums shield volatile pricing in the conventional insurance market
- Strong performance year-over-year
Tod Marvin
President & CEO
Easter Seals: Who are we & what do we do?

- Create opportunities so people with disabilities can pursue their hopes and dreams
- In Central Texas since 1937
- Serve 8,500 people each year
- Impact Goal: By 2020, serve 20,000 people each year
Social Venture @ Easter Seals

ATX

Residential Landscaping
• Reduce unemployment for people with disabilities 10%

L.I.F.E. Austin
• Reduce obesity and chronic disease for people with disabilities 10%
For-profit partnerships fueling growth

Broomly, Inc.
3-year break-even business plan
.....is now a 3-week plan

Originally projected 1,000 jobs per year
...now projecting 5,000 lawn/landscape jobs per year

Providing training, with a path to full-time employment for

900 people with disabilities
Social Venture @ Easter Seals

Where to begin?

- Assess risk tolerance
- Build the right culture
- Get connected
THANK YOU!

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GREENLIGHTS for NONPROFIT SUCCESS

Matt Kouri
CEO
Pay for Success is...

- A model for ensuring public dollars are spent only when agreed-upon and verified outcome goals are achieved
- A new model for financing social service delivery
- A way to funnel new private investment dollars toward solving complex problems
- Focused on rapidly scaling evidence-based services (or at least promising/proven practices) with the goal of spurring innovation and increasing accountability
- Often mis-referred to as Social Impact Bonds, but they are not actually bonds
TYPICAL PAY FOR SUCCESS STRUCTURE

1. Investors / Funders
   - Invest up front cost of program
   - Investment repaid, often with modest interest

2. Intermediary
   - Structures, coordinates, and manages the PFS project, contracts, etc.

3. Service Provider(s)
   - Deliver services

4. Target Population
   - Achieve outcomes

5. Evaluator / Validator
   - Measure and validate outcomes

6. Beneficiary (Payer)
   - Pays only to the extent defined outcomes are achieved

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[Diagram showing the flow of funds and roles involved in a Pay for Success structure]
QUESTIONS?