

1. May 15th, 2017

a. Attendance: Ryan Acuff, Ryan Van Allstyne, Burt, Teresa, Marie, Katie Liebel, Shane, Jennie, and Liz

b. Resale formula conversation continued

i. **Jim's Things to think about**

1. -Jim recommends doing a broad sweeping spreadsheet of home values and how much houses have actually appreciated in Roc over last 10 years:
2. -need to decide what percent of profit will helps us meet goals of
3. 1)ensure fair access to homeownership for future low income homeowners.
4. 2) also to give present homeowner a fair return on investment in buying a house 3) keep people from flipping houses
5. 4) incentivize improvements to house
6. 5) easy comprehension of resale formula
7. 6)ease of administration
8. 7)lack of intrusiveness

ii. Appraisal method

1. Burt has a concern with appraisal method that if housing values rise too fast like SW this formula could allow for housing values to still increase to dramatically
  - a. If we do adopt appraisal method we need a common appraisal method

2. Joe sees Burt's con to appraisal method as more akin to San Francisco or other booming city. Rocs highest boom is SWedge but isn't comparable
3. Ryan says that according to appraisal method used can put house high or low
  - . Bank doesn't have to tell you what their method is
  - a. HUD has their own method (Ryan V. has experience with this)
  - b. If we are going to adopt appraisal resale formula we need a common appraisal process
  - c. What do we want in an appraisal report?
    - i. Consistent across geography and time
    - ii. Context of changes impacting property values
  - d. Need to understand historically what's going on
    - . Ask RMAPI
  - e. Appraisal method can be very negative for the method
- iii. Index method
  1. Based on index like cost of living
  2. We need to research consumer price index and cost of living index
- iv. Questions we have:
  1. Is there a way to do a cap?
  2. If you live in house for a year and you sell it maybe you can only take 1%equity this can encourage?
  3. What if house value goes down?
  4. Liz wants to have different housing prices laid out next to each other with the different methods side by side over maybe 10 year period

5. Joe is leaning towards appraisal method, because it takes us out of equation and puts it on professional, homeowner can't feel slighted by CLT. Likes that this method is tried and true and we should follow it with our own modifications and variations for this area and based on history.
6. Ryan A. wonders if we can designate a specific person/agency to do all appraisals and do them a certain way
7. Joe wonders if we can find standard appraisal protocol (this is why we are inviting RMAPI and Home Leasing to hear about their work in this area)
8. Jennie wonders if we want to restrict people to one appraiser or give them choice of own appraiser
9. Burt's Proposal
  - . Wants to support incentivizing particular improvements through resale formula
    - . EX adding solar panels or putting on new roof could allow for a change in resale formula percentage
    - i. For appraisal method you don't only get a number for the house the appraisal also bases number on comparable homes that have sold recently,

we should use differential data in appraisal report to grade condition of house and look at market price of this house in old case of comparable homes

1. In new case it's worth 110% and old
- ii. Increasing percentage up to full 25% each year you own the house
- iii. Minute taker is confused could you explain this more in writing Burt?

c. Action Items

- . **Ryan Van Allstyne** will invite Dr. Leonard Brock from RMAPI to next Monday's meeting
  1. Want to know about their appraisal formula and IBM's appraisal formula
  2. Invite Home Leasing to a meeting

i. **Burt**

1. is going to crunch numbers more on housing sales in Beechwood
2. [Link to google sheet of 3,000](#) sales in Beechwood since 1993 (also on server in csv)
3. Link to [google sheet of tax data](#) from last 3 years for 800 Beechwood homes (Shane can add more if necessary from [Monroe County](#))

4. 42,836 average sale price overall since 1993
5. Explain your proposal for resale formula in writing?

iii. Joe

1. Add Katie Liebel to email chain
2. [ktliebel@gmail.com](mailto:ktliebel@gmail.com)

d. Future business

- i. Taproot collective: Amber Powers and Lauren Caruso
  1. Interesting in urban farming and putting farms in CLT
  2. May attend our next meeting
- ii. Find out what different appraisal methods are and what we want them to look for
- iii. [Connected Communities housing interest group at 5:30 at RTS](#)  
[Neighborworks Training: \\*May 30<sup>th</sup> 6:30 – 8pm \\* at RTS](#)