



# **POLICIES & PROCEDURES**

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**OREGON REALTORS®  
HOME FOUNDATION  
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## **VISION**

Individual home ownership is a foundation of American democracy and promotes a strong economy, healthy communities, and a responsible citizenry. The Oregon REALTORS® HOME Foundation (HOME) sees affordable home ownership opportunities as a vital component in providing adequate, safe and decent housing to all of the citizens of Oregon.

## **MISSION**

The Oregon REALTORS® Home Foundation (HOME) provides financial resources to individuals, groups or organizations that directly or indirectly create, expand, or encourage home ownership opportunities for Oregonians at or below local median income.

HOME promotes awareness of affordable housing issues by educating Oregonians and their representatives about the barriers to affordable ownership and the resources needed to increase housing affordability. In addition, in extraordinary circumstances where a significant housing crisis may exist due to acts of disaster such as those caused by floods, fires, riots, storms, or similar large-scale events, the Oregon REALTORS® HOME Foundation may provide financial assistance.

## **BRIEF HISTORY**

Aware of the increasing need for affordable housing in the state of Oregon, a small group of concerned REALTORS® realized an opportunity to establish a housing program that would give REALTORS® a way to aid their communities with affordable housing issues. The Oregon REALTORS® HOME Foundation (HOME) was created in 2004. **HOME** was created to provide financial assistance to people with severe housing needs.

The first Board of Directors was established in 2004 and created application forms, funding cycles, financial and affiliate institution relationships, refined a business plan, and bylaws and operating guidelines.

Initial emphasis was on educating the Oregon REALTORS® membership on the program through articles in Oregon REALTORS® publications and presentations at REALTOR® meetings. The goal and intent of HOME is to increase broker participation in the program, so that more funds will be available for housing grants.

## **MANAGEMENT**

The Board of Directors of Oregon REALTORS® HOME shall consist of a minimum of nine voting Directors, but not more than fifteen voting Directors, including the President-elect of Oregon REALTORS®, with a minimum of six but not to exceed twelve Directors-at-large. Members of the Board of Directors have the responsibility to promote and market the program, educate the REALTOR® community as well as industry affiliates, and oversee and establish financial distribution guidelines of the Foundation.

## **HOW THE PROGRAM WORKS**

Real Estate Brokerages and Escrow companies with interest bearing trust accounts will be asked to contribute the earned interest to HOME. Once the interest-bearing trust account has been opened, the broker must notify the Real Estate Agency, informing them of the establishment of their interest-bearing real estate account.

The financial institution where the account is established sweeps the account on a regular basis, preferably monthly, and sends a check to HOME.

The Executive Director and/or the Secretary/Treasurer of HOME keeps track of contributions received from participating brokers and escrow companies of each local board/association. As the monies accumulate within each individual local board account, the Executive Director and/or Secretary/Treasurer will present the amounts to the Oregon REALTORS® HOME Board of Directors who makes the determination of whether the balance is adequate for the local board to give a grant.

The HOME Foundation will engage in and support other groups' fundraising activities throughout the State to increase the amount of funds available for distribution to qualified grant applicants.

## **SETTING UP AN INTEREST-BEARING ACCOUNT**

The reporting procedures have been set up in a similar manner to the attorneys' foundation (IOLTA), with which most financial institutions are familiar.

The name of the real estate broker's trust account remains the same, with the addition of HOME (IBO) "interest beneficiary only", on the second line. The Oregon REALTORS® HOME federal tax identification number, **84-1641552**, must be used on the account for interest reporting purposes. An example of how the account will read:

### **As Is Currently**

The Cottage Realty  
K Cook Brkr/Sales Trust Acct  
P.O. Box 1020  
Real Town, OR 97212

### **Would Become:**

HOME (IBO) Cottage Realty  
K Cook Brkr/Sales Trust Acct  
P.O. Box 1020  
Real Town, OR 97212

Cottage Tax ID#

84-1641552 (HOMEF tax #)

It is not necessary for the broker to have new checks printed, as HOME is the beneficiary only of the interest on the account and has no other interest or authorization in regard to this account.

The financial institution will sweep interest earned on the broker's trust account and a check sent to:

**HOME** (Oregon REALTORS® HOME Foundation)  
P.O. Box 351  
Salem, OR 97308

### **WHO MAY APPLY FOR FINANCIAL ASSISTANCE?**

1. Organizations that wish to apply for a grant will be nonprofit organizations that have received a determination letter from the Internal Revenue Service qualifying the organization under Section 501 (c)(3) of the federal tax code. Organizations may include, but not be limited to:
  - Non-profit housing organizations
  - Down payment assistance programs
  - Programs which educate buyers on home ownership and foreclosure avoidance
  - Rehab construction to accommodate elderly homeowners or those with a disability
2. Qualified individuals may apply for a grant through the HOME Sweet Home Program (HSH). All applicants must meet program requirements as outlined in the HOME Sweet Home Program procedures to be eligible for a grant. Availability of HSH funds is dependent on available outside grant funding.
3. During a declared state of emergency, either by local, state or federal officials, individuals, rather than qualified organizations may submit an application to receive grant funds. All applicants must meet the eligibility requirements as specified in the applicable application. All required documentation to receive a grant must be included with application. Individual applications will be reviewed and vetted by the Oregon REALTORS® review team and processed as received. Availability of state of emergency grants will be determined as funding permits.

## **APPLICATION**

Applications for all grants other than those provided through the HOME Sweet Home Program must be made by nonprofit 501 (c)(3) organizations only when a notice for request of grant applications is distributed by the HOME Foundation Board of Directors to the local boards.

The President and/or Executive Officer of each local board will, upon notification by the representative for the Oregon REALTORS® HOME Foundation that grant applications are being solicited will take all reasonable measures to adequately publicize the availability of funds within that board. Local boards shall solicit and review applications from qualified organizations operating within their community. Applications are received by the local board President or Executive Officer and presented to their local Association Board of Directors. The local Board then makes a recommendation to HOME. The Oregon REALTORS® HOME Board of Directors will not consider applications for funding which have not been previously endorsed by the local board of REALTORS®. At this time, all selected applications are sent to the Oregon REALTORS® HOME Board of Directors and reviewed by the Board of Directors.

The Oregon REALTORS® HOME Board of Directors, who represent various areas of the state, ensures that all grants will be made in compliance with the guidelines established by the IRS, and the HOME Foundation Policies established by the HOME Foundation Board of Directors.

In reviewing applications, the Oregon REALTORS® HOME Board of Directors will consider:

1. Extent of public and private commitments to the proposed project
2. Local government and project participants committed real dollars
3. Interim and/or permanent financing firm commitments
4. Efforts to involve the surrounding community and addressing their concerns and/or needs
5. Any "in kind" services being used on the project, and determine if the value of these services is reasonable
6. Efforts made to access resources of other organizations
7. The economic viability of the project
8. Completed feasibility and/or marketing study
9. Services other than housing provided to the households served by this project

10. Restrictions or covenants existing to ensure that housing made available under this program will continue to serve the needs of the targeted income group
11. Experience level of the applicant and resources to see the project through to completion
12. The role of management responsible for the project once completed
13. Efforts or commitments made to create sustainability to project by either recapture of funds or reinvestment of funds.

Once the application is approved, the President or Executive Officer of the local board will be notified and sent a check in the amount of the awarded grant made payable to the grant recipient. The local Board of Directors will arrange for the presentation of the funds to the recipient.

#### **ALLOCATION OF MONIES RECEIVED**

100% of all monies received by Oregon REALTORS® HOME from local board fundraisers, individual contributions, and interest earned on client trust accounts will be returned in the form of grants to organizations within the community served by the local board from which the monies are received, upon receiving qualified grant applications from 501 (c)(3) organizations. All monies received from fundraisers sponsored by Oregon REALTORS® will be made available equally throughout the state.

20% or less, as determined annually by the HOME Foundation Board of Directors, of all monies received will be allocated to the HOME Sweet Home Program. The HOME Sweet Home Program provides qualified first-time homebuyers with down payment assistance for home purchases. The down payment assistance will be in the form of a grant to accompany a first mortgage. The grant recipient must be in the workforce earning less than 100% of the area median income. The terms of the HOME Sweet Home Program and eligibility criteria are subject to change at the discretion of the HOME Foundation Board of Directors. Whether any yearly funds are allocated to the HOME Sweet Home Program is dependent on availability of other outside funding.

10% or less, as determined annually by the HOME Foundation Board of Directors, of all monies received are put into a State Emergency Fund to be used on an as needed basis in the event of a housing related emergency. In such an event, the Oregon REALTORS® HOME Directors may approve monies to be taken from this portion of the Fund and given directly to the organization in charge of disaster relief in specific areas. This Fund may also be used to support programs dealing with affordable housing issues which would be beneficial statewide. All monies distributed are at the discretion of the Board of Directors with determining factors being the impact on statewide programs.



10% of all monies earned are deposited into an administrative account. Expenses such as marketing, insurance, printing, and accounting costs are paid from this account. Any general funds received including dues allocation, silent/live auction proceeds, Oregon REALTORS® sponsored fundraisers and general contributions are to be distributed, following the procedures outlined in these policies, at the discretion of the HOME Foundation Board of Directors.

### **GRANT APPLICATION FORMAT**

The grant application may be found under Attachment A and may be changed upon majority vote of the Oregon REALTORS® HOME Board of Directors.

**ATTACHMENT A**

Cover Letter

1. Narrative (Preferred length should not exceed two pages)
  - a. Mission statement, brief statement of organizations goals and/or objectives.
  - b. Brief summary of organization’s history.
  - c. Description of current programs, activities and accomplishments.
  
2. Purpose of Grant (Please include the following information)
  - a. Project Description - concise narrative description of the project. The narrative should include goals, project scope, and proposed use of the requested funds. Also, include type of project, i.e., New Construction, Rental, Single Family, Group Home, Elderly, Rehabilitation, Family, Multifamily, Home Ownership or Non-Site-Specific.
  - b. Statement of need/problem to be addressed and including number served in the targeted population and how they will benefit.
  - c. Description of program goals and measurable objectives.
  - d. Description of program and activities to accomplish these goals; is this a new or ongoing activity on the part of the sponsoring organization?
  - e. Other organizations, if any, participating in the program. Include "in kind" involvement.
  - f. Long term sources/strategies for funding of this program.
  - g. Estimated start and completion date of the project.
  - h. Will any services other than housing be provided to the households to be served under this project?
  
3. Evaluation
  - a. Expected results during the funding period.
  - b. How would you define and measure success?
  - c. How will project’s results be used and/or disseminated?

The information represented herein and in attachments is true and accurate to the best of my knowledge. I understand that the Oregon REALTORS® FHOME Board of Directors may review any documents or instruments relating to the prudent analysis of this application and may conduct site inspections.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Local Board President

\_\_\_\_\_  
By

\_\_\_\_\_  
Local Board Executive Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date