

2024 Client Survey Results

Foreclosure Acquisition / Rehabilitation Program



September 9, 2024

Community Development Division
City of Billings

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Foreclosure Acquisition / Rehab Program

Program Overview

This report provides a general overview of the current Foreclosure Acquisition / Rehabilitation Program (“Foreclosure Program”). The Foreclosure Program goals are to:

- Preserve the City’s existing housing stock and revitalize established neighborhoods by mitigating the negative community impacts of vacant, foreclosed properties;
- Improve affordable housing quality, condition, safety, livability, and accessibility;
- Stabilize property values in neighborhoods with existing vacant, foreclosed homes; and
- Eliminate the potential for crime related to existing vacant, foreclosed properties.

The intent of rehabilitation work completed under the Foreclosure Program is to improve the supply of decent, safe, sanitary and affordable housing for low-income families and individuals, and to enhance the stability and standard of living in existing neighborhoods.

The Community Development Board has expressed a preference that low-income areas be prioritized over other areas of the city, when feasible.

Zero interest, deferred payment loans and/or subsidies are available to approved First Time Home Buyer (FTHB) applicants on a first-come, first-serve basis to purchase rehabilitated homes.

The Foreclosure Program must ensure proper management of Federal funding, including financial management of grant funds, compliance with State and Federal requirements, and effective start-up and completion of project activities.

“I would never have been able to purchase a home, and this program made it happen! It was truly an answer to prayers!”

- Client Survey Comment

Complying with National Objectives

The [Housing and Community Development Act of 1974](#), requires housing activities meet the national objective of benefiting low-income persons. Therefore, only low-income applicants as defined by HUD are eligible to receive assistance to purchase and occupy Foreclosure Program homes.

Background

The Neighborhood Stabilization Program (NSP) was authorized through the Housing and Economic Recovery Act of 2008 to prevent the deterioration of neighborhoods due to foreclosures. The City of Billings applied to the Montana Department of Commerce for NSP funding to acquire, rehabilitate and offer affordable housing opportunities to low, moderate, and middle income households. The City of Billings' NSP Program began in 2009 when this grant funding was received. After the State of Montana grant funding was fully expended, the City of Billings included the Foreclosure Program in subsequent 5-year Consolidated Plans and Annual Action Plans and funded the program with Community Development Block Grant (CDBG) grant funding received from the U.S. Department of Housing & Urban Development (HUD).

2024 Survey Objectives

To learn and understand from Foreclosure Program participants about the Foreclosure Program successes, challenges, failures, and suggestions and then use the resulting information to:

- Educate the City Council about the Foreclosure Program and ask for continued support,
- Make appropriate changes to improve the Foreclosure Program, and
- Facilitate and plan annual Foreclosure Program evaluations to ensure a dynamic, effective Foreclosure Program into the future.

Methodology

Since the Program began, the City of Billings has purchased 14 HUD-foreclosed properties. Twelve (12) of these properties have been rehabilitated and sold to low-income FTHB and two (2) properties are currently in the rehabilitation phase. Of the 12 homes sold, 9 are still owned by the original FTHB purchasers. Surveys were direct mailed to all nine (9) Foreclosure Program participants who still own and reside in the rehabilitated home they purchased from the City of Billings. Both a QR code and a web address (URL) were included in the cover letter to make survey completion as easy as possible. A paper copy of the survey was also included for those participants who preferred to complete and return the survey by mail.

“This was a great program. It taught me information to own a home”

- Client Survey Comment

Results / Analytics

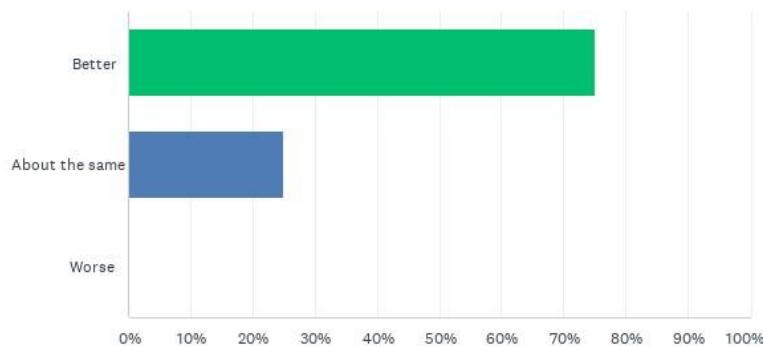
Four (4) Foreclosure Program participants submitted survey responses (45%).

Question: “Would you have been able to purchase a home without the Foreclosure Program?” 100% of the participants responded, “Very Unlikely.”

Question: “The Foreclosure Program limits mortgage payments to 30% of household income. Did this make mortgage payments affordable for you?” 100% of the participants responded, “Strongly Agree.”

Question: “How much has owning your own home benefited your household?” 100% of the participants responded, “A great deal.”

Q5 How would you rank the neighborhood's visual appeal since you purchased your home?
(Select one)



Question: “Would you recommend the Foreclosure Program to family, friends, and others?” 100% of the participants responded, “Definitely would.”

Question: "What do you like the most about living in your own home?" Responses:

- "The sense of ownership and independence. The ability to be in a safe neighborhood and pride of owning a home for my kids future."
- "Nobody tells you what you can't do to your home."
- "I have my privacy. I don't have to worry about a landlord and eventually this will be my own home."
- "Being able to give my kids stability in knowing this our home."

Question: "What suggestions do you have for improving the Foreclosure Program?" Responses:

- "I didn't have any issues."
- "Maybe not make it a stipulation that the home owner has to pay back the loan if we move. Some people might not have a choice but to sell due to illness or a need to move to better themselves & that puts a burden on them"
- "I don't have any"
- "None, I had a great experience!"

Question: "Please share any additional impacts, thoughts, ideas or suggestions about the Foreclosure Program." Responses:

- "I am extremely appreciative and grateful for the program which again afforded me as a single mother of three working hard to provide a safe and secure environment for my children to grow up in. I can never thank the people who helped me through this journey enough."
- "This was a great program. It taught me information to own a home"
- "I would never have been able to purchase a home, and this program made it happen! It was truly an answer to prayers!"

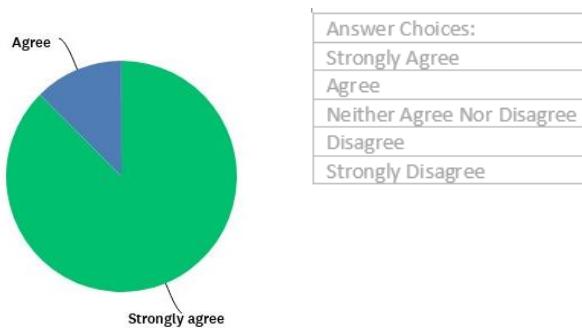
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SURVEY RESULTS

11/14/2024 Open House / 1709 Saint Johns Avenue Foreclosure Acquisition / Rehabilitation Program

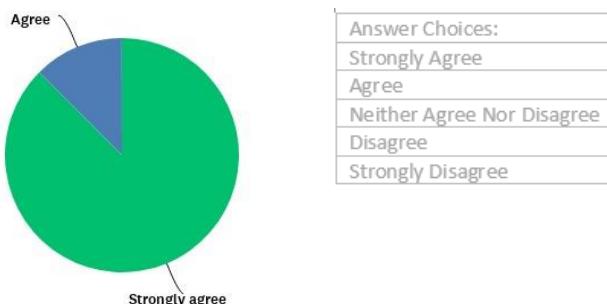
Q1 Improvements to the vacant, foreclosed home in my neighborhood made a positive visual difference in my neighborhood. (Select one)



Q2 The City's purchase and rehabilitation of the vacant, foreclosed home in my neighborhood has contributed to neighborhood stability.

100% of respondents answered "Strongly Agree."

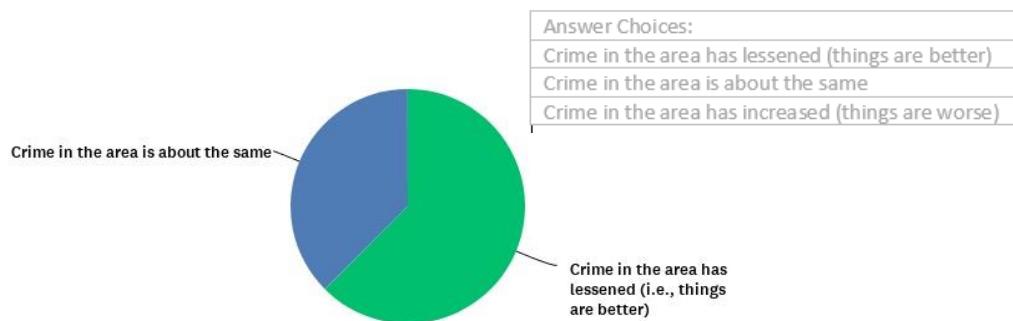
Q3 My household has benefited from the rehabilitation of the vacant, foreclosed home in my neighborhood. (Select one)



Q4 My neighborhood is safer following the City's investment in rehabilitating the vacant, foreclosed home in my neighborhood.

100% of respondents answered "Strongly Agree."

Q5 How has crime in your neighborhood changed since the City purchased and rehabilitated the vacant, foreclosed home in your neighborhood? (Select one)



Q6 How satisfied were you with City staff's efforts to keep you informed about the project in your neighborhood? (Select one)



Q7: In what ways has the Foreclosure Program made a difference in your neighborhood?

- “Improved neighborhood”
- “Nice looking neighborhood”
- “Improved values”
- “Improved it”
- “Makes whole area better”
- “Please continue this program”

Q8: Please share any additional impacts, thoughts, ideas or suggestions about the Foreclosure Program.

- “It is a good program for the neighborhood and new homeowner”
- “Great program”
- “Looks good”
- “Good deal”
- “Keep it up!”