Program puts families into bank-owned Novato homes

By Rob Rogers
Marin Independent Journal

Posted: 08/04/2011 06:10:53 PM PDT

At just after 4:30 p.m. Thursday, Theo and Meili Bruinsma became Novato's newest homeowners — thanks to the combined efforts of Northbay Family Homes, Wells Fargo & Co. and the Marin Community Foundation.

The Bruinsmas' new home is the second purchased under a program in which formerly bank-owned properties in Novato are purchased, repaired and revitalized and sold to families seeking an affordable home.

"There have been as many as 500 'real estate owned by lender' homes in Marin County at a time — and when we designed the program, half of all those REO homes in Marin were in Novato," said Clark Blaisdell, founding director of Northbay Family Homes. "We designed the program for neighborhoods in Novato where there were a significant number of REO homes appearing on a weekly and monthly basis."

Northbay Family Homes, a Novato-based nonprofit organization, undertook the purchase, restoration and resale program with the support of a $500,000 equity equivalent investment loan from Wells Fargo and a $250,000 grant from the Marin Community Foundation. Homes are sold to qualified families for $250,000 to $300,000.

"We wanted to demonstrate to the funders and our community lenders that this program was viable," said Pamela Asselmeier, director of special projects for Northbay Family Homes.

In addition to refurbishing the homes, Northbay Family Homes also works to improve their energy efficiency through a grant from Pacific Gas and Electric.

Not only does the program help the buyer — who acquires the property at a 30-year fixed-rate loan — and the bank, Blaisdell said, but by turning a vacant property into a new home, it helps to improve the value of Novato's neighborhoods.

"There's a lot of literature about how 'ownership neighborhoods' are looked after more frequently, and more often, than neighborhoods full of renters," Blaisdell said. "And banks don't want to make loans once the rental rate goes up past 50 percent in any neighborhood."

To qualify for the program, families needed to have at least one school-age child and...
earn up to 65 percent of the area median income, which is slightly less than $100,000 for a family of four, Blaisdell said. The Bruinsmas, who have two teenage children, had long been on the lottery list that Northbay maintained for the affordable homes it sold at the former Hamilton Field military base in Novato. Their new home is on Village Circle, off Redwood Boulevard.

"The Marin Community Foundation and Northbay Family Homes had been looking for families with low- to moderate-income salaries. But they were also looking for a family, so that this would be for more than just a couple or a single individual," said Raminder Somal, a community development officer with Wells Fargo. "They then worked with the Marin Housing Authority, identifying candidates at some of their first-time homebuyer workshops."

Contact Rob Rogers via email at rrogers@marinij.com