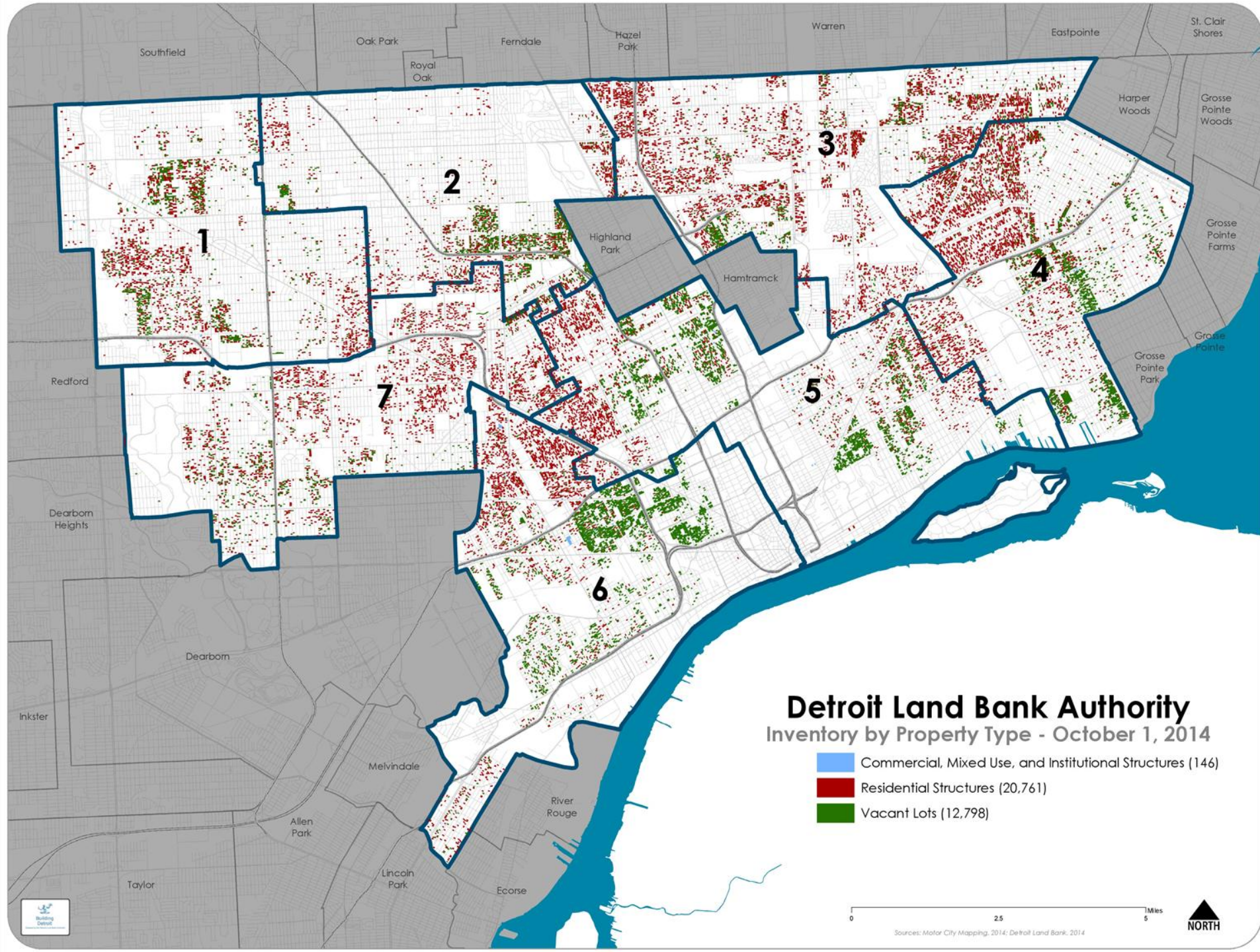


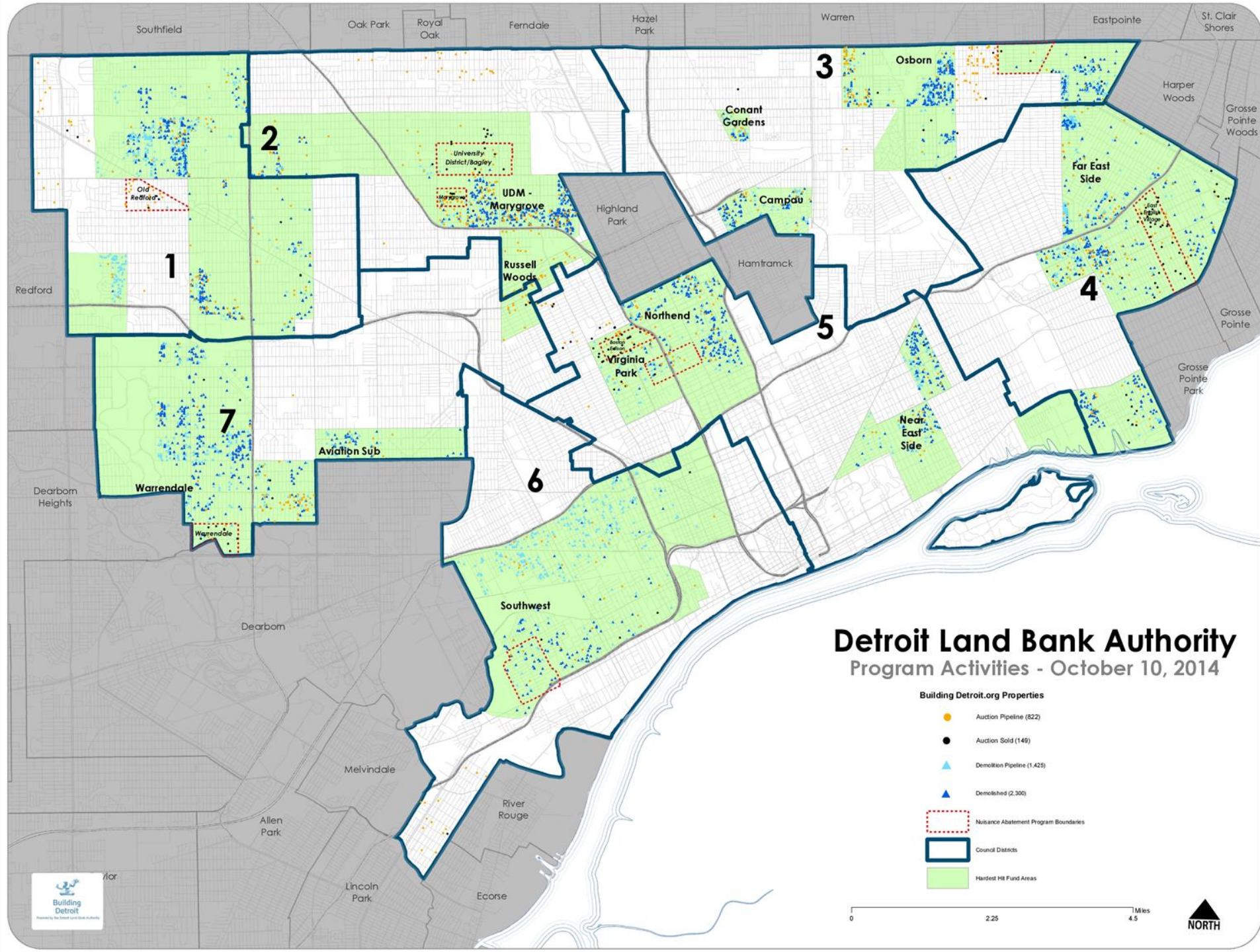


Detroit Land Bank Authority

Community Partnership Programs

 Neighbors Wanted.







Community Partnership

RULES

To become a Community Partner, a qualifying nonprofit faith-based organization, or a community development organization must meet 6 standards:

1. Be located in the City of Detroit;
2. Have a federal 501(c)(3) tax exempt status;
3. Be current on its property taxes;
4. Have not lost title to property through foreclosure due to nonpayment of taxes within the past three (3) years;
5. Not have any material blight violations or fines; and
6. Each Community Partner will be a partner for a defined geographic target area as agreed on by the Community Partner and the DLBA. The size and boundaries of an organization's defined geographic target area will be based on the organization's history of service in the area and, in no case, will exceed 5 square miles. The DLBA has the sole discretion as to whether to enter into a Community Partner Agreement and the DLBA reserves the right to decline to enter into a Community Partner Agreement with any group where the DLBA is not convinced of the prospective Community Partner's ability to fulfill the terms of the agreement.



Community Partnership

Endorsement Partner

In an endorsement partnership, a Community Partner does not actually buy or own properties itself. Instead, it identifies homeowners who have the ability to fix up and maintain the house and live in the community as good neighbors. It is expected that a bidder endorsed by a community group will live in the house themselves for at least three years.

For each auction of a house in its service area, the Community Partner may endorse one bidder it deems to be a good neighbor for the community. The Community Partner's endorsement means the endorsed bidder will get an automatic 20% bonus on their bid amount. The DLBA has determined that it is worth taking 20% less on a sales price in order to get homeowners committed to the neighborhood.

All winning bidders must comply with the terms of the Auction Purchase Agreement including the deadlines for closing, rehabilitating, and occupying the property. If endorsed bidders fail to meet these deadlines, the DLBA may terminate the Endorsement Partnership. The DLBA is relying on the Community Partners to vet the bidders before endorsing them.



Community Partnership

Blight Removal Partnership

If the Community Partner wants to acquire property in its service area, the DLBA may contract to sell the Community Partner up to 10 properties if the Community Partner agrees to remove the blight and remediate the property.

The price for property sold through a Blight Removal Partnership will be fair market value less 20%. The purchase price will then be further reduced by the expected cost of blight removal.

A Community Partner must demonstrate organizational and financial capacity to perform the required blight removal and remediation within the agreed upon time frame.



Community Partnership

Redevelopment Partnership

A Community Partner may propose a large acquisition of more than 10 DLBA owned properties for purposes of redevelopment. That sale will be based on a specific development agreement in which the Community Partner includes the amount of investment, the type of development on the property, and the timeline for that development.

The price for property sold through a Redevelopment Partnership will be negotiated based on the amount of the investment. A Community Partner must demonstrate organizational and financial capacity to perform the redevelopment within the agreed upon timeframe.

All Redevelopment Partnerships will require the approval of the DLBA and the Detroit City Council.