

Strengthening Small & Emerging CDFIs

ROC USA, LLC

www.rocusa.org

ROC USA® has a mission to make quality resident ownership viable nationwide and to expand economic opportunities for homeowners in manufactured home communities. When a manufactured home community (MHC) or "mobile home park" is for sale, ROC USA seeks to provide homeowners who are working together as a democratic organization with the opportunity to purchase their community. ROC USA is a national nonprofit organization with two subsidiaries: ROC USA Capital and ROC USA Network. ROC USA Capital is a CDFI and provides financing for homeowners to purchase their communities. ROC USA Network is the network of independent non-profit organizations that serve as Certified Technical Assistance Providers to MHC around the country.

This case study demonstrates a **collaborative network**.

Action:

ROC USA, LLC was formed in 2008 by several leading nonprofit organizations in an effort to replicate and expand the successful resident-owned community model originally piloted by New Hampshire Community Loan Fund (NHCLF). In manufactured home communities (MHC), while families own their homes, they rent or lease the land on which the house is located. Seventy-five percent of the 2.7 million owners of mobile and manufactured homes in the country's 50,000 MHCs are low-income. Since 1984, NHCLF has provided technical expertise and loans to cooperatives so homeowners could jointly buy their communities and operate them on a not-for-profit basis as a way to preserve affordable housing and improve communities. In New Hampshire, 20 percent of all MHCs (more than 100 of the 450 in the state) are now owned by homeowner cooperatives. To bring this successful New Hampshire-based financing and technical assistance model to a national scale, NHCLF formed ROC USA, LLC in 2008. ROC USA helps homeowners overcome the three barriers to resident ownership – the lack of opportunity, expertise, and financing – through two subsidiaries, a Network of local TA affiliates and a national CDFI. ROC USA, a social venture, also offers national programs, including leadership development, online peer networking and education, aggregation, and marketing.

Process:

- NHCLF formed an exempt LLC with two national nonprofits, the Corporation for Enterprise Development and NCB Capital Impact. NeighborWorks® America also invested in ROC USA as a sponsor and, along with the three LLC Members, continues to provide ongoing strategic and governance support to ROC USA.
- Eight statewide and regional nonprofits are affiliated with ROC USA Network and provide on-the-ground technical assistance to homeowner groups in parts of 23 states.
- The Ford Foundation provided the majority of the funding to launch ROC USA, with additional support from Fannie Mae, Bank of America, and The F.B. Heron Foundation.



Outcomes:

- Since May of 2008, ROC USA Network has helped 48 resident corporations purchase their communities, and preserve 3,269 homes in 13 states.
- ROC USA Capital has directly financed \$59,900,000 in 20 project loans and participated in loans with 17 different co-lenders. (ROC USA Capital holds a first loss position and services its loans as the lead lender.)
- Homes in New Hampshire's resident-owned communities supported by NHCLF have been shown to sell faster, and for higher prices, than homes in traditional investor-owned communities.*

Organization Profile: ROC USA Capital

Founded:	2008
Type of CDFI:	Loan Fund
Target Market:	Resident corporations in the manufactured home community market
Types of Lending:	Housing (specifically for not-for-profit resident corporations for MHC purchase and refinance)
Loan Products:	Predevelopment, Community-Acquisition-Permanent
Asset Size:	\$25,218,153 (FY 2012)
No. of Employees:	9 (FY 2012)

* As documented by research at the Carsey Institute at the University of New Hampshire in 2005.

