



Housing Development & Community Improvement

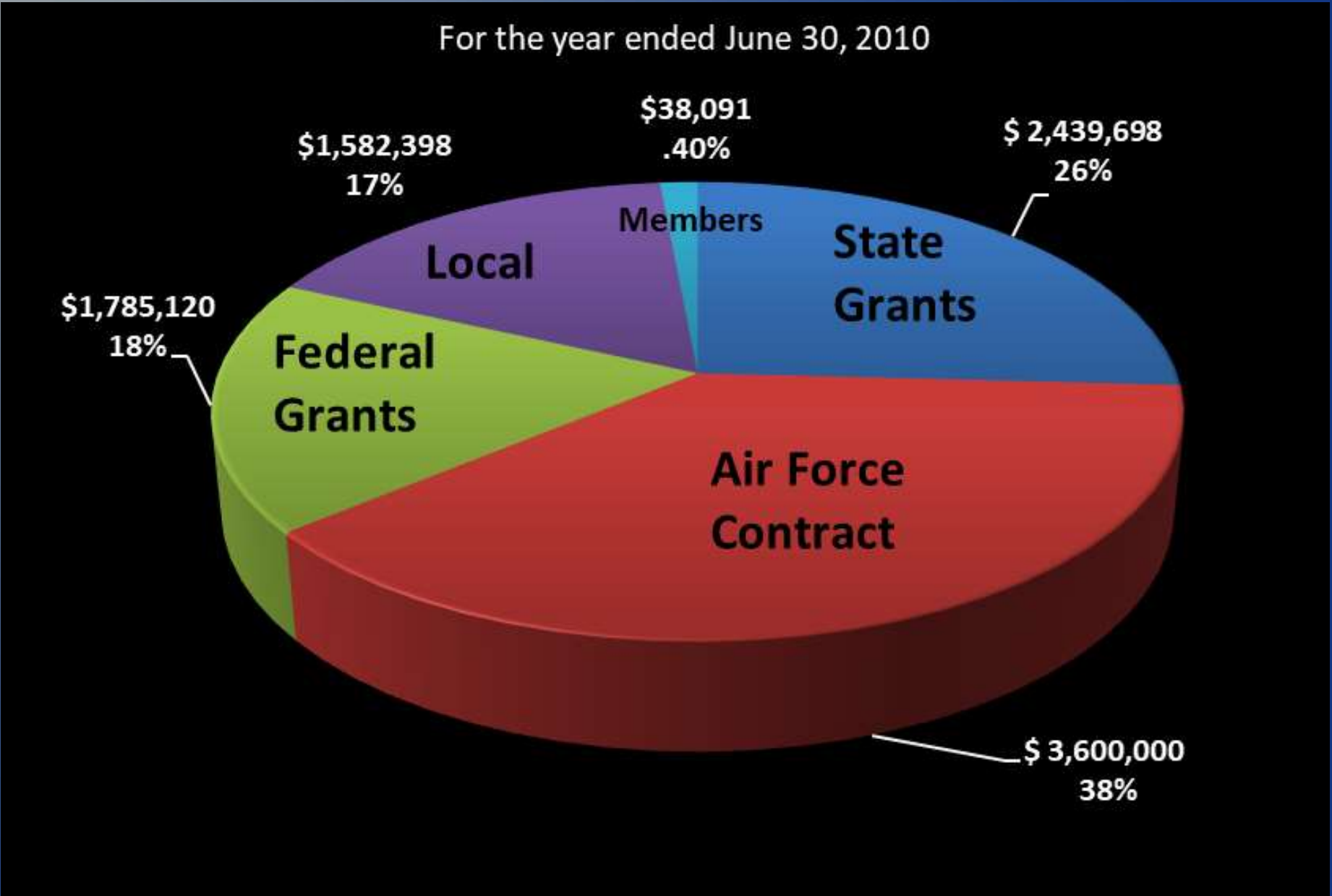
Michael Ryburn, Deputy Executive Director



South Western Oklahoma Development Authority

Why invest in Housing? This was a breakdown of SWODA's revenue sources

For the year ended June 30, 2010





South Western Oklahoma Development Authority

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South Western Oklahoma Development Authority
420 Sooner Drive • Burns Flat • Oklahoma • 73624 • 502-562-4852

This plan describes proposed housing development and community housing improvement activities. While communities throughout the SWODA region have many similarities, real estate housing markets are very location specific. Location, location, location is a real estate mantra for a reason. If more identical homes can increase or decrease in value due to location, it's repeated three times for emphasis, and so you will remember the phrase. It's the number one rule in real estate, and it's often the most overlooked rule. Ideas and approaches to housing that work in Elk City may not work in Halls.

BUSINESS INFORMATION

Management envisioning a multi-phase approach to address various housing issues throughout the SWODA region. Housing development and improvement is a long term program. Due to the time involved for construction activities, the amount of financial resources involved, and the legal issues related to land acquisition and sales, this program will not be an overnight fix to housing issues within the region. SWODA wants to establish a process working with Counties, Cities & Towns, and other partners that help meet the demand for new housing and addresses the clean-up of substandard housing units.

Business Description

Phase I - New Housing

SWODA plans to construct moderate size (1,800-1,850 sq ft average) market housing to help meet the needs of workforce families. These built to specification (spec) homes would generally consist of (3) bedrooms, (2) baths, (2) car garage, all appliances, and basic amenities.

To control costs, SWODA proposes to build multiple housing units simultaneously at each location. We would like to build a minimum (3) three subdivisions at a time to allow contractors to purchase materials in larger volume, and to sub-contract multiple jobs at a time which should reduce costs. SWODA will finance the construction of the "Spec" homes directly with the contractors as they will save interest costs during construction. To comply with state statutes, SWODA will be required to seek bids for the construction projects which should also help to keep costs down.

Sales of the new homes will be dependent on the market prices and conditions for each location.

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Business Description - continued

Phase II - Condemnatory Housing Improvement

Throughout the region there are substandard housing units unfit for occupancy. These units require in place in many communities due to state regulations, lack of local ordinances, and cost of demolition, hazardous materials, and even equity. In some cases housing can be rehabilitated, but many times the cost to repair far exceeds the value.

SWODA would like to start with Counties, Cities and Towns, and private property owners to acquire property with substandard dwellings or "blight" property on which a building has already been razed. SWODA will make profits from the sales of new housing units to acquire and cleanup these properties. After properties are "clean", SWODA will work with local officials and owners to determine the best approach to re-developing the lots.



Obviously in a neighborhood of \$40,000-\$50,000 older homes SWODA cannot build a group of \$100,000 new homes and expect them to sell for market prices. Options for development might be multifamily units, smaller "affordable" homes (500-1200 sq ft), possibly a new park, or sale to neighbors wanting to increase their property value. Even if lots are left empty, it's a better situation than a dilapidated structure that brings down surrounding property values, poses hazards, or creates a negative view or atmosphere in the community.

An important part of this phase is community involvement to understand and understand. If communities are not willing to try to address issues to keep properties from becoming substandard, then it will make it difficult for SWODA to invest there. This has to be a combined effort of community improvement. SWODA can help communities develop ordinances, and ways to enforce them. We will also work with and help to promote community groups and their projects that address similar issues. SWODA wants communities within our region to be focused and aligned for how nice and clean they are, so that people can see all the other positives we have to offer.

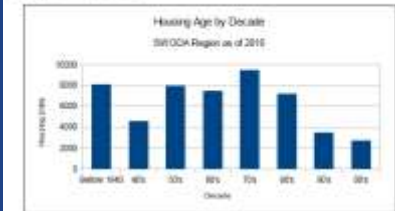
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MARKET INFORMATION

As stated previously, real estate and housing is very dependent upon location. Analysis of housing is very location and time specific, however throughout the SWODA region there are many market similarities which are discussed below.

Market Analysis - Historic Information

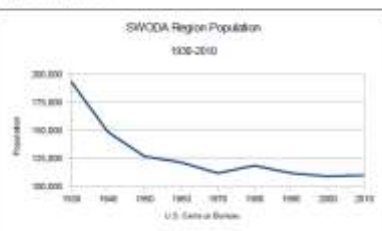
As of 2010, there were 30,010 housing units within the SWODA region, 42% of those units were more than 50 years old constructed before 1960. While the age of units may speak towards the condition, it's the percent of total units and the trend in the region that causes concern.



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Trends in housing development closely relate to population and economic patterns. In the 1920s and 50s Air Force Base activities in Burns Flat and Altus greatly increased demand for housing development. In the 1960s industry development in Wickerford (MO) continued the demand for housing. In the 1970s and early 80s while base closures occurred in Burns Flat an oil boom occurred affecting mostly Beckwith, Custer, Washita, and Roger Mills counties and region housing construction was at its all time high. However, as shown in the previous graph, housing development has decreased from 9,387 units (1970s) to 2,672 units developed from 2000 - 2010 (-75%).

The SWODA region has also undergone substantial out-migration of its population since the 1930 U.S. Census. In 1930, the total population of the region was 110,763. The region's economy in this decade was dependent upon agriculture production. Due to poor farming practices and extreme drought conditions during the 1930s, the region experienced "The Dust Bowl" as well as the "Great Depression" and the out-migration began. As of the 2010 Census, out-migration had shifted the region's population to 100,917 (-10% since 1930). The region has seen population increases in only two decades over the last eighty years, both of the decades (1980 & 2010) coincide with oil and gas industry booms.



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SWODA HOUSING & COMMUNITY IMPROVEMENT						
INCOME STATEMENT & CASH FLOW ANALYSIS						
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	STABILIZED
NEW HOUSING UNIT CONSTRUCTION LEVEL	9 UNITS	12 UNITS	15 UNITS	15 UNITS	15 UNITS	15 UNITS
REVENUES						
Gross New Residential Home Sales	\$ 1,416,000	\$ 1,776,000	\$ 2,424,000	\$ 2,184,000	\$ 2,304,000	\$ 2,304,000
- OPERATING EXPENSES						
Administrative - SWODA staff	25,000	30,000	40,000	40,000	50,000	50,000
Architect/Legal/Closing	15,000	15,000	15,000	15,000	15,000	15,000
Advertising (Bids)/Marketing	10,000	10,000	10,000	7,500	7,500	7,500
Lot Acquisition (Yr 1 1B-24)	243,000	150,000	135,000	270,000	150,000	185,000
Construction expense	\$ 1,059,000	\$ 1,545,000	\$ 1,929,000	\$ 1,929,000	\$ 1,935,000	\$ 1,931,000
= TOTAL OPERATING EXPENSES	\$ 1,352,000	\$ 1,750,000	\$ 2,129,000	\$ 2,261,500	\$ 2,157,500	\$ 2,188,500
= NET OPERATING INCOME	\$ 64,000	\$ 26,000	\$ 295,000	\$ (77,500)	\$ 146,500	\$ 115,500
- DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
= CASH FLOW	\$ 64,000	\$ 26,000	\$ 295,000	\$ (77,500)	\$ 146,500	\$ 115,500
CASH-ON-CASH RETURN ON INVESTMENT						
Cash Flow						
Original Investment (\$1,000,000)	6.40%	2.60%	29.50%	-7.75%	14.65%	11.55%

66 HOMES BUILT OVER A FIVE YEAR PERIOD

SWODA Regional Housing Market Information
Homes listed online
As of February 12, 2018

Information includes homes only not entry bids

Location	<-\$10K	\$10K-\$15K	\$15K-\$17.5K	>-\$17.5K	Total	2017 Proj.
Woodward	3	3	3	28	43	11,832
Catoos	14	19	3	8	44	9,140
Acushla	1	0	0	5	1	706
Custer City	2	0	0	1	3	264
Baller	2	1	0	2	5	298
Com	1	0	0	1	2	481
Hydra	1	1	1	1	4	950
Hobbs	2	3	0	1	7	3,242
Thomas	2	3	0	8	13	1,187
Belling	2	0	1	8	11	861
Watonga	4	3	0	8	15	2,671
Elk City	42	27	24	83	188	11,555
Sayre	11	3	4	9	27	4,380
Sook	1	2	0	1	4	1,000
Cherokee	8	1	0	3	12	824
Harrison	1	0	1	3	5	568
Carroll	2	1	0	1	4	524
Carroll	23	10	2	5	43	2,776
Burns Flat	16	0	0	8	24	1,939
Mts View	4	1	0	8	13	790
Bentley	4	2	8	1	15	861
Hughes	14	5	7	4	25	3,509
Traylor	4	0	0	1	5	1,307
Alfa	61	43	19	36	163	18,848
Mangum	16	1	1	3	21	2,776
Strickland	2	2	1	8	13	1,863
Halls	8	1	0	8	17	1,894
Blair	8	0	8	8	24	763
Oklahoma	5	0	0	8	13	572
Dale	1	1	1	5	8	424
Total All Towns (20)	213	138	62	173	586	89,352
Total w/o Alfa, El, Whit	137	80	17	38	262	47,118
	54%	24%	7%	15%		
El Reno	16	24	7	22	71	18,848
Woodward	23	16	12	43	94	12,289
Arnall	4	0	0	5	9	491
Shulbuck	7	9	2	1	19	1,203
Glyndon	8	1	0	2	11	1,548



South Western Oklahoma Development Authority





The South Western Oklahoma Development Authority (SWODA) recently held a ribbon cutting to celebrate the completion of two new homes in Thomas. The new homes are the third and fourth homes that SWODA has developed in Thomas. SWODA worked with the City of Thomas and Thomas Economic Development Authority (TEDA) to acquire lots for the homes. SWODA's housing program began in 2013 in response to the lack of quality, moderately priced homes in Southwest Oklahoma. "SWODA is trying to make a difference in the community by addressing some of the need for new housing and helping continue the strong economic development efforts of the City and TEDA. Thomas has made great strides in recent years and SWODA is proud to work by their side" said Debora Glasgow, SWODA's Executive Director. Both of the new homes are under contracts with buyers and SWODA plans to begin construction on two additional homes in coming months.

SWODA

\$158,400

Single Family Property
Year Built: 2021
Three Total Bedroom(s)
Two Total Bath(s)
Approx. 1,463 sq. ft.
Forced Air Heat
Air Conditioning
Two Car Garage
Composition Roof
Quiet Neighborhood
Lot Size 75'x140'
In City Limits



NEW CONSTRUCTION



201 W Lincoln, Corn, Oklahoma

Features Include: Granite countertops, open floor plan, Master suite, walk-in closet and master bath, carpet and tile, architectural composition roof, brick exterior, Energy Star rated low-e argon gas filled windows, R-15 insulated walls, R-38 ceilings, city utilities. Stainless steel finish kitchen appliances included.

Additional Comments: Please consider making this house your new family home. For more information, or to make an offer, visit SWODA's website and click on the Housing link.

Financing: No developer financing. Please contact your lender

Questions or to arrange a viewing

Michael Ryburn

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www.swoda.org

SWODA

\$174,800

Single Family Property
3 Total Bedroom(s)
2 Bath(s)
Approx. 1,645 sq. ft.
Natural gas heat
Central air cooling
Master bath
Large Walk-in Closet
2 Car Garage
Composition Roof
In City Limits
Lot size 86 x 135

Make this your HOME! For **SALE**



Features Include: Split Master bedroom, open floor plan, Large master bedroom, beautiful walk-in closet in master bath, carpet, and ceramic tile, architectural composition roof, brick exterior, R-15 insulated walls, R-38 ceilings, city water and sewer. Stainless steel finish kitchen appliances all included, move in ready!

Additional Comments: Please consider making this house your new family home. Cordell is a wonderful community with great schools. For more information visit www.swoda.org/housing.



1408 Mallard Way – Cordell, OK

SWODA

\$212,500

Single Family Property
Year Built: 2015
4 Total Bedroom(s)
2 Full, 1 Half Bath(s)
Approx. 1,954 sq. ft.
Forced Air Gas Heat
Central Air
3 Car Garage
Composition Roof
Quiet Neighborhood
In City Limits
Lot 100x235
Protective Covenants

NEW CONSTRUCTION



For
SALE



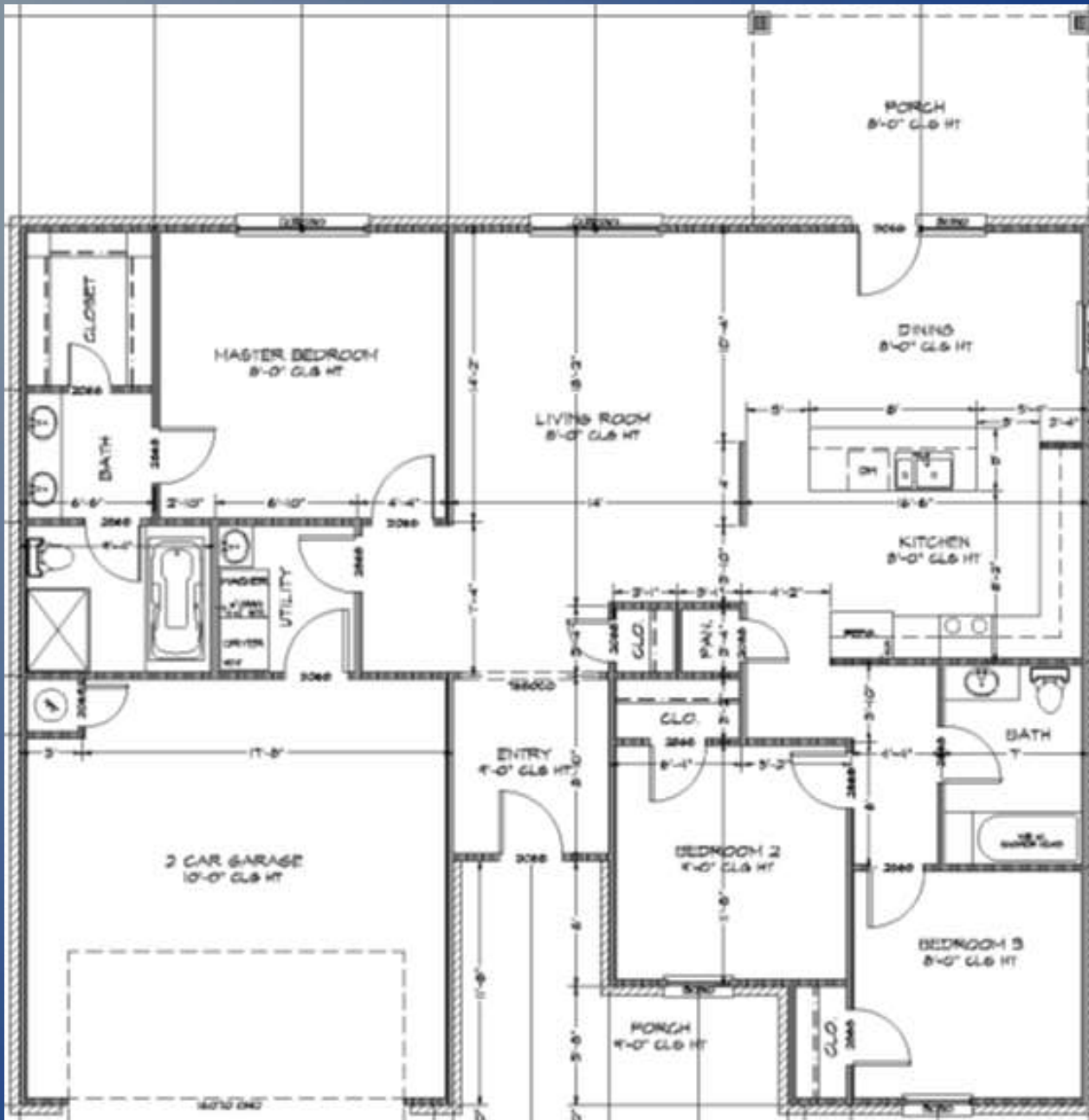
23 Fairway Drive, Sayre, OK

Features Include: Granite countertops, open floor plan, Master suite, walk-in closet in master bath, carpet, wood, and tile, architectural composition roof, brick exterior, Energy Star rated low-e argon gas filled windows, R-15 insulated walls, R-38 ceilings, city water, septic tank. Stainless steel finish kitchen appliances included.

Additional Comments: Please consider making this house your new family home. Sayre is a great community with great schools. This home is located next to the Golf Course. For more information, or to make an offer, visit SWODA's website and click on the Housing Development link.

Financing Not offered

Questions or to arrange a viewing contact: Michael Ryburn 580-562-4882 www.swoda.org





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<http://www.swoda.org>



South Central Regional Affordable Community Housing (SCRACH)

John Boudreaux

Regional Revitalization Manager



Long-term Goal

- Build a program to construct Sustainable & Affordable Housing Units in South Louisiana
 - Coastal Zone
 - Coastal and Flood Zones
 - Affordable
- Work with our Government Partners to revitalize neighborhoods

Citizen Wishes

- Affordability, to include cost for Homeowner and Flood Insurance
- Work with Local, State and Federal Partners to assist citizens with becoming Homeowners.
 - Office of Community Development
 - GOHSEP
 - Louisiana Housing Corporation
 - USDA
 - HUD
 - EPA
 - Parish & Municipal Governments
 - Housing Departments
 - Banks
 - Insurance Companies

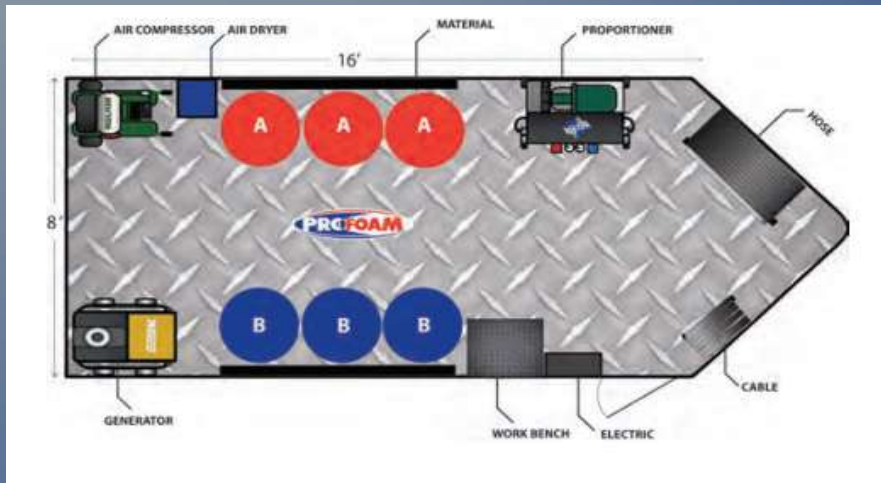
Customer Needs

- Affordable Housing
- Assistance with Loans
- Assistance with Insurance
- Low Maintenance Unit
- Storm Ready
- Energy Efficient
- Fortified

Program Analysis

- Use technology to improve strength and sustainability
- Construct with products that are cutting edge
- Use designs that are more durable
- Build to exceed Code Compliance

Advance Equipment



BuildSteel

Building for Life: the Facts About Cold-Formed Steel & Durability

One of the major material advantages of cold-formed steel (CFS) framing is that it is impervious to the environmental factors that typically threaten the integrity, lifespan and stability of other framing materials.

Here are the facts on CFS durability as you plan your next project.

CORROSION RESISTANCE

MOLD RESISTANCE



Planning

- Develop an organization to oversee the goals and objectives
- Conduct field work to identify potential locations of sites
- Work with Parishes and Municipalities to identify possible sites
- Build relationships with vendors and trades
- Do Public Awareness to inform individuals
- Organize through Bid Prep

Next Steps of Action

- Continue to develop Operational Plans
 - Responsibilities & Management
 - Safety
 - Purchasing & Procurement
 - Compliance
- Think Tanks & Coordination
- Collectively working with everyone to accomplish goals and objectives

Closing

People do not decide to become
extraordinary.

They decide to accomplish
extraordinary things!!!

Questions?

John Boudreaux

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