



NATIVIDAD'S DREAM



Resident Owned Communities
BETTER TOGETHER

STRATEGIC PLAN

July 2021 - December 2022

Park Plaza Cooperative

We Own It!

20,000 Strong and Growing



SCALING EQUITABLE RESIDENT OWNERSHIP
THROUGH COMMUNITY-DRIVEN CHANGE

2021-22 STRATEGIC PLAN

SCALING EQUITABLE RESIDENT OWNERSHIP THROUGH COMMUNITY-DRIVEN CHANGE

ROC USA® launched 13 years ago with the mission of transforming the marketplace for manufactured housing to build economic security and wealth for owners of manufactured homes through resident-ownership. Land ownership is viewed as a driver of racial and economic equity and ROC USA's model of financing homeowners to purchase and operate their communities as cooperatives has proven to be a uniquely effective way to promote asset development and wealth creation in low- and moderate-income communities and communities of color.

Today, ROC USA manages a network of nearly 300 resident owned communities (ROCs) serving 20,000 homeowners in 20 states and is poised to scale this model nationally. It partners with and invests in 12 Certified Technical Assistance Partners (CTAPs) and aims to ensure that these organizations are fully equipped to meet ROC training and servicing needs, innovate in the manufactured housing and co-op sectors, and operate viable lines of business. ROC USA has structured its governance to ensure that both ROC leaders and CTAP representatives are members of its Board of Directors.

At the heart of this plan is a strategy to transform ROC USA's organizational structure to align with the goals of the strategic plan and position the social venture for long-term growth and impact. This includes launching a new line of business called ROC Direct, which will expand services to all new states through a national team for direct pre- and post-purchase development and technical assistance services, with an emphasis on market development in communities of color.

2021

2022

This initiative will be complemented by the creation of ROC Movement to unleash the power of ROC Leaders to advance policy change at the local, state, and federal levels and change the perception and standing of manufactured housing and ROCs as vital affordable housing. Both strategies will be supported by expanding ROC USA's Training and Continuous Learning program to engage homeowners and ROC Members in capacity-building and peer-to-peer networking online in both English and Spanish.

Over the course of the next 18 months, ROC USA will also focus on expanding capitalization sources for resident ownership at the regional and state levels while raising more than \$75 million in debt, equity and participation capital that will be needed to meet projected loan demand. It will assess the viability of launching an "acquisition company" to deconsolidate portfolios and/or reposition MHCs that are not viable as ROCs in their current state and expand the options for homeowners. ROC USA will advocate for resources to ensure ROCs are physically resilient and will invest in innovation for energy-efficient new homes and community solar. Finally, ROC USA will renew its commitment to secure safe and affordable single-family loans for homeowners to address one of most serious and inequitable aspects of the nation's mortgage finance markets.

With the country in the midst of an unprecedented affordable housing crisis, factory-built manufactured housing and secure resident owned communities are finally being recognized as a solution whose time has come. Our responsibility is to make this strategy viable nationwide, and we take that responsibility seriously.

As ROC USA scales its products and services nationally, it remains committed to its core vision of being led by and serving homeowners first and foremost. Every element of this strategic plan will be driven by how well it supports and advances community-driven change to create financially secure, democratically managed, and inclusive communities.

ROC USA Board of Directors, July 2021

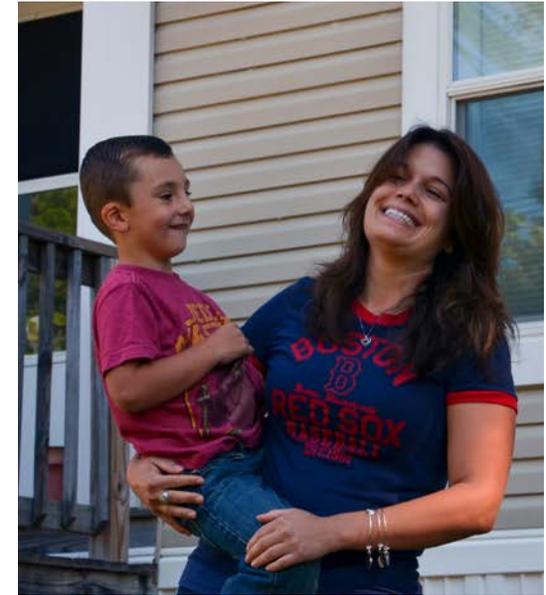
“ROCs are one of the few sources of unsubsidized naturally occurring affordable housing in the country not subject to market-based rent increases.”

2019, Freddie Mac
"Spotlight on Underserved
Markets
Manufactured Housing
Resident-Owned
Communities"

VISION

Cross-cutting themes of the strategic plan:

1. Restructuring to Grow as a Customer-Centric and Disciplined Organization
2. Advancing Racial Equity and Community-Driven Change
3. Deepening Culture of Learning and Innovation
4. Measuring Performance and Impact



“Too many people look down on our communities and it’s not right – there is no place in Minneapolis that is as affordable and safe and deeply connected as here for these families.”

Natividad Seefeld

Park Plaza Cooperative, Fridley, Minn.

STRATEGIC FOCUS 1

ROC leaders and Members drive the national resident-ownership movement

GOAL: Unleash the power of ROC Leaders to build the movement and change the perception and standing of manufactured housing and ROCs as vital affordable housing.



OBJECTIVES

- Increase involvement and visibility of ROC leaders and ROC Association in states, regionally and nationally, while strengthening their leadership role on the ROC USA Board.
- Engage homeowners and ROC Members in continuous learning and peer-to-peer networking.
- Support development of ROC Association Committees to expand partnerships in affordable housing and co-op sectors and build political power and influence.

"Manufactured housing is no longer about mobility ... but about affordability. These homes look pretty much like your typical ranch house but, depending on where you live, they might cost half the price."

Feb. 7, 2020, Financial Times
"Why big investors are buying up American trailer parks"

“When people speak up, everyone learns.”

Lorie Cahill

ROC Association Director
Green Acres Cooperative
Kalispell, Mont.

STRATEGIC FOCUS 2

Advance whole venture sustainability as means to achieve impact at scale

A: Strengthen Existing ROCs and Support Development of New ROCs

GOAL: Help the existing ROCs thrive and 40 new resident groups secure ownership of 2,750 home sites.



OBJECTIVES

- Improve quality of Property Management services available to ROCs to enhance the value proposition and performance of ROCs.
- Advocate for resources which benefit ROCs, low-wealth communities and communities of color and homeowners and homebuyers in ROCs.
- Scale deep in existing markets to support at least two new ROCs per CTAP per year.
- Improve quality of training, support, and leadership development for ROC leaders and Members by fostering a high-level of engagement and inclusion through a robust on-line and in-person learning and networking opportunities.
- Expand services in new states by launching ROC Direct, a national program for direct pre- and post-purchase development and TA services, with an emphasis on market development in communities of color.

STRATEGIC FOCUS 2

Advance whole venture sustainability as means to achieve impact at scale

B: Support CTAP growth, sustainability, and innovation.

GOAL: CTAPs are fully equipped to meet ROC training and servicing needs, innovate in the manufactured housing and co-op sectors, and operate viable lines of business.



"There's no question we had a fair price."

Wendell Verduin

Community owner
Sold to the residents in
Centralia, Wash.

OBJECTIVES

- Achieve and sustain better than break-even operations through portfolio expansion, Network investments, and efficiencies and standards, per each CTAP's comprehensive business plan.
- Expand ROC USA Board Governance to include two elected Network affiliated CTAPs.
- Invest \$300,000 annually to support growth, innovation, and high mission impact per each CTAP's comprehensive business plan.
- Build out scalable systems to streamline operations and support an engaged and empowered portfolio of ROCs and ROC leaders to be successful.

OBJECTIVES

- Implement a customer-centric organizational reset by adding two new service units and one new line of business – ROC Direct – under new and existing executive leadership.
- Expand into three to five new states with a national ROC Direct team that is focused on four to five early wins that preserve at least 500 home sites.
- Innovate with equity, enterprise capital and fundraising to support the growth and resiliency of ROCs and the social venture.
- Develop local, state, regional and national capitalization channels to deliver best in class financing to ROCs and better compete with competing buyers and escalating community prices.
- Meet projected loan demand of \$75 million over 18 months by raising \$2 million of equity, \$18 million of balance sheet debt and \$55 million of participation capital.

STRATEGIC FOCUS 2

Advance whole venture sustainability as means to achieve impact at scale

C: Operate ROC USA sustainably; position for growth and national impact.

GOAL: Transform ROC USA's organization structure to position the social venture for long-term growth and impact, and to strengthen its financial sustainability.



- Consistently maintain strong loan underwriting and portfolio performance.
- Document impact on security, health and safety improvements and affordability of ROCs to inform policy and future investments.
- Assess an acquisition company start-up to deconsolidate portfolios and/or reposition MHCs that are not viable as ROCs in their current state.

“Our new nationwide service model opens up new markets and doubles down on our commitment to partners in existing markets.”

Paul Bradley

President, ROC USA

“We have media representation of who is living there and stereotypes of who is living there that are absolutely false. In reality, this is a major swath of our workforce.”

Esther Sullivan

Sociology professor, UC Denver
Author, "Manufactured
Insecurity"

STRATEGIC FOCUS 3

Strategic investments in home and community improvements to improve resiliency, health, safety, and affordability of ROCs

GOAL: ROCs have access to home and community improvement resources through public, private and philanthropic investments.



OBJECTIVES

- Expand access to home loans.
- Increase quality affordable homeownership opportunities and improve operating cash flow in ROCs through vacant site infill and old home replacement (as needed).
- Experiment and invest in innovation for energy-efficient new homes and community solar.
- Expand access to infrastructure improvement resources for communities and homeowners through state and federal policy and promotion of programs among ROC Members.



Resident Owned Communities
BETTER TOGETHER

rocusa.org

**STRATEGIC PLAN
COMMITTEE**

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