

## Program Implementation

Once a 501(c)(3) corporation negotiates a purchase from a willing seller, the price and conditions of sale are negotiated per a proposed bond financing.

Following a successful purchase negotiation, bond documents are prepared and circulated to members of the financing team, which includes the issuer, the manufactured home community owner, bond counsel, disclosure counsel, financial advisor, underwriter, 501(c)(3) corporation and counsel, rating agency, insurer, and trustee.

Once documents are approved by the issuer and the rating and/or insurance process is finalized (if applicable), the bonds are marketed and sold.

Following the sale of the bonds, a bond and escrow closing occurs, and the project changes ownership to the nonprofit 501(c)(3) corporation.

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The ICLFA financing team is as follows:

Participant Issuer	Firm Independent Cities Lease Finance Authority
Issuer's Counsel	Robert Messinger
Issuer's Financial Advisor	Kinsell, Newcomb & De Dios <b>OR</b> Girard Securities
Oversight Agent	Wolf & Company
Bond Counsel	Best, Best & Krieger <b>OR</b> Robert Messinger
Disclosure Counsel	Best, Best & Krieger <b>OR</b> Robert Messinger
Underwriter	Kinsell, Newcomb & De Dios
Underwriter's Counsel	By Underwriter
Trustee	Wells Fargo Bank <b>OR</b> Union Bank of California
Trustee's Counsel	By Trustee

The financing team members may be changed for a specific financing, subject to ICLFA Board approval.

For further information, please contact ICLFA at (877) 906-0941.



Independent Cities Lease Finance Authority

## ATTENTION: CITIES, COUNTIES, AND OWNERS OF MANUFACTURED HOME COMMUNITIES AND 501(c)(3) BUYERS OF MANUFACTURED HOME COMMUNITIES



STATE AND FEDERAL TAX EXEMPT  
FINANCING PROGRAM



## Purpose of Acquisition/ Financing Programs

The ICLFA, a Joint Powers Authority comprising 61 cities, is interested in doing its share to alleviate the housing crisis in California. As such, the Authority finances the purchase of multifamily residential projects, including manufactured home communities, for 501(c)(3) nonprofit corporations.

This financing program is offered to 501(c)(3) nonprofit corporations to purchase manufactured home communities from willing sellers. Nonprofit ownership is beneficial for the following reasons:

1. Nonprofit organizations have access to tax-exempt bond financing, allowing them to borrow at the lowest possible rates.
2. Thirty-five year financing of tax-exempt bonds helps stabilize community rents over a long period.
3. Nonprofits are able to provide many additional services and benefits to community residents, thereby helping to maintain 100% occupancy.
4. Nonprofit organizations are often able to assist residents in purchasing their homes.

## Benefits to Sellers

1. An exit strategy for owners
2. Cash from the sale of the community
3. An opportunity to retain community management
4. The potential for preferential tax treatment
5. The potential elimination of prepayment penalties on outstanding loans
6. An opportunity to carry back subordinate tax-exempt securities

## Benefits to Community Residents

Once a nonprofit corporation purchases the manufactured home community, residents enjoy the following operational privileges and community assurance:

1. Residents participate in the formation and implementation of community rules.
2. Residents provide input on the use of funds allotted to the community for infrastructure improvements, such as clubhouses, utilities, and streets.
3. Future rent increases are controlled and minimized by Regulatory Agreements.
4. Housing affordability and property health are maintained for 35 years.