

Meet Bill Smith of Sequoia Home Funding

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Today we'd like to introduce you to Bill Smith.

Sequoia founder, Bill, brought reverse mortgage benefits to over 600 seniors, many of whom lived in manufactured homes. This experience, and the challenges facing mobile home financing inspired Sequoia's mission to modernize and improve senior housing opportunities.

In 2005, the U.S Housing and Urban Development department (HUD) denied Bill's loan application for a widow whose manufactured home was in a condominium community because its regulations excluded the combination from FHA mortgages even though manufactured homes and condominiums were each separately eligible. The regulation simply made no sense. And yet, it was having a real-world impact on the lives of and tens of thousands of people with similar properties.

Frustrated, Bill reached out to HUD to find out why this rule existed and what could be done to change it. In

2006, he met Margaret Burns, HUD's Deputy Director of the Office of Single Family Asset Management to advocate for his client and the many others in a similar position. Ms. Burns presented Bill's concerns to the HUD Secretary who agreed that the rule needed changing.

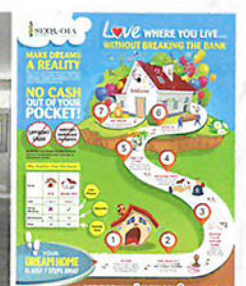
Together, they set a goal to eliminate the restriction and allow FHA lending into this major market segment.

Two years later, on July 30, 2008, President Bush signed the Housing and Economic Recovery Act of 2008 (HERA) which, thanks to Meg's and Bill's efforts, included the rule change they had worked so hard to obtain. Because of the rule change, Bill financed dozens of new homes for grateful homeowners and opened FHA insured lending to thousands.

Advocating for improved manufactured housing opportunities also exposed a significant structural flaw in manufactured home financing.

New manufactured homes are sold by licensed dealers. Bill's reverse mortgages paid for new homes but only when a dealer could finance the upfront costs and dealer capital was in short supply. Adding to the problem is the fact that manufactured homes built before June 1976 cannot be financed at all and, thus, have little or no value.

People living in these older homes dream about home replacement but often their financial circumstances don't allow for it.



Often the only value is the land underneath the old home and the owner's residential asset is far less valuable than their neighbor's newer home on similar land, but there was no effective way to solve the problem. Bill recognized all of this as an entirely unfair situation and set about developing solutions to overcome the obstacles to improve the lives of those affected.

The result is Sequoia. At Sequoia, they have developed an entirely new financing method which allows a current owner to replace an obsolete mobile home with a modern new replacement manufactured home with no cash up front and even without a monthly mortgage payment if they qualify.

They offer a simple one-stop solution that combines home design and selection, contracting and financing into one easy to understand package. And they solve other problems for homeowners wishing to sell now, buying for cash without appraisal, inspections or financing delays – in many cases closing escrow within as little as 10 days.

Since their founding in 2016, they have invested over \$10 million into California communities and have created many more millions in market value. Sequoia takes pride in the homes they build and the benefits they bring to homeowners and communities. Communities are all about lifestyle and personal enrichment.

The home one lives in is a major contributor to that experience. They become neighbors in the communities they serve and, like all good neighbors, they look out for the well-being and welfare of their fellow residents. Deserving individuals and communities significantly benefit when Sequoia serves.

Overall, has it been relatively smooth? If not, what were some of the struggles along the way?

Learning about construction and real estate sales comes from experience. We're up to speed now and the staff have become experts in manufactured housing and senior housing communities. Additionally, since we are not a lender, we needed to invent a whole new way to finance a new home for a property owner – one that required no upfront cash. Our proprietary home financing program is not duplicated from any other source.

Sequoia Home Funding – what should we know? What do you guys do best? What sets you apart from the competition?

We are vastly different from mobile home dealers and lenders. Through our relationships with manufactured home factories and dealers we can offer a homeowner choices unavailable elsewhere at wholesale and dealer prices with financing options unavailable from any other source.

What is "success" or "successful" for you?

Success is bringing a product to market that benefits customers, providing employment that is meaningful and rewarding, and improving the lives of people living in the communities we serve while achieving returns for our investors.

