

## Solana Beach business helps victims of Lilac fire

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*A Solana Beach company is providing upfront funding to help Rancho Monserate Country Club residents replace their homes that were destroyed in the December Lilac fire. Courtesy photo*

**SOLANA BEACH** — The day after the Lilac fire broke out in Bonsall on Dec. 7, 2017, William Smith watched from his Solana Beach office as volunteers descended upon the Del Mar Fairgrounds, bringing donations and aid for trainers and horses forced to leave San Luis Rey Training Center.

Rather than walk across the street to contribute to the effort, the founder of Sequoia Home Funding drove to the evacuation area to help another group of victims at Rancho Monserate Country Club.

“We were allowed in and just witnessed total devastation,” Smith said. “It was heartbreaking.”

About one-third of the 232 units in the 55-plus manufactured home community in Fallbrook were completely destroyed.

Smith, whose company provides upfront financing for those types of homes, had recently bought a lot in the community and the house on which it sat was on the market.

Fortunately, he said, it “was virtually unscathed.” Rather than try for a quick sale, Smith delisted the property and transformed it into an information hub.

“We began to put together a program to support the community,” he said. “Most of these people are 70, 80, even 90 years old.

“In the first week or two, people were dazed,” he added. “They didn’t know where to turn or what to do. They were blindsided by this. If you think about it, they had minutes to get out of their house. A lot of folks didn’t even take clothing and their clothing burned up.

*About one-third of the 232 units in the 55-plus manufactured home community in Fallbrook were completely destroyed.*

“They had nowhere to go,” Smith said. “They lost everything. Talking to them was like looking into a kaleidoscope. They didn’t know what to focus on.

“We found that if you could suggest any one thing they could do — contact your insurance company, find a rental place — once they took the first step, everything started to line up behind it,” he added. “It didn’t matter what that first step was.”

Smith knew many of the residents because he had been working to help replace some of the aging, outdated units.

According to federal law, manufactured homes built before June 15, 1976, cannot be mortgaged.

“If you can’t mortgage a home it destroys the value of it because you can only get cash buyers, which typically means lower offers,” he said. “So, if you can’t finance it, what’s its value?”

The added benefit, Smith said, is that new manufactured homes are built better.

“The ones that are too old are horribly energy inefficient and made with inferior materials and substandard construction compared to today standards,” he said. “Our approach is to get people into a new home to bring the values and standards up in the whole community, which a lot of people call a hidden gem.”

Because construction and bridge financing is not an option in the manufactured home industry, Sequoia provides all upfront costs.

“We’ll pay for it,” Smith said. “Zero down, zero upfront, no deposits. We arrange for a third-party bank mortgage with a variety of lenders.”

He said the price for a manufactured home ranges from \$150,000 for a very basic house to \$275,000. New homes in Rancho Monserate can sell for up to \$350,000 because of community amenities such as the golf course and club house.

Homes sizes are about 1,400 to 1,800 square feet and each is custom.

Smith had been working with Assemblywoman Marie Waldron to pass legislation that will help California buyers secure a mortgage in San Diego because the county’s interpretation of a state law has made that difficult.

“With the advent of the fire we were able to make the case that we’ve got 75 people here who want to put a new home on their burned-out property and they want it to be real estate so they can get it financed and unless you fix this you’ve got a whole lot of disenfranchised people,” he said.

Waldron introduced a bill last month to change the language of the existing law.

*“In the first week or two, people were dazed,” he added. “They didn’t know where to turn or what to do.”*

While 75 of the Rancho Monserate homes were reduced to ashes, units that can be replaced are disassembled and sent to Mexico to become affordable housing for residents there.

Smith had one of those projects in the works when the fire broke out. It, too, survived the flames.



*One of the homes in Rancho Monserate destroyed in the Lilac Fire*