

Know When to Hold Know When to Fold



Portfolio Evaluation: Not for Sissies

Presenters

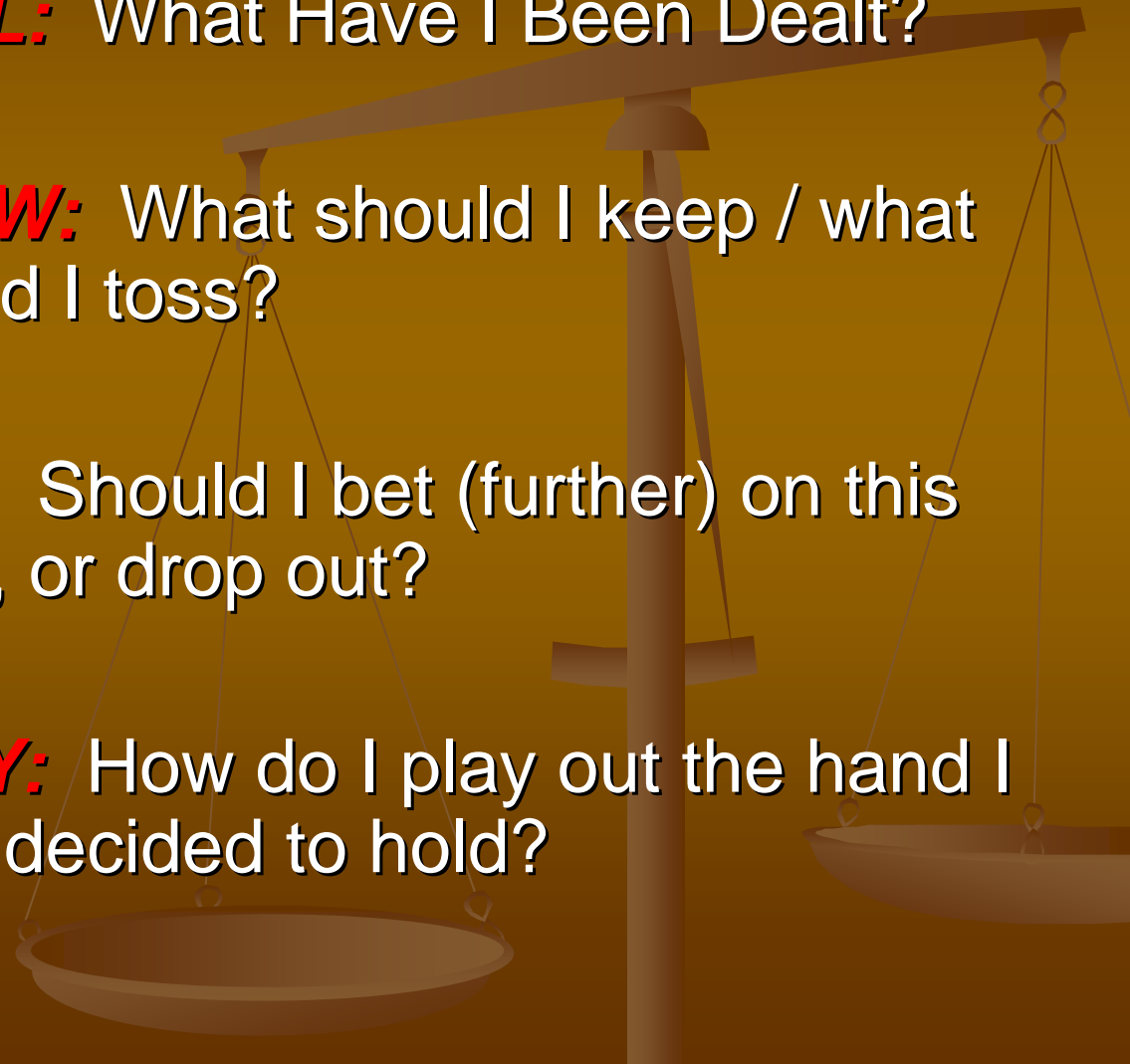
- Mark Welch, Affordable Housing Consultant, Community Capital Corporation
- Willa Johnson, Director of Real Estate Planning, Boulder Housing Partners
- Leslie Mitchell, President, FirstBank of Cherry Creek
Former Board member of The Uptown Partnership



Poker Analogy: Five Card Draw



- **DEAL:** What Have I Been Dealt?
- **DRAW:** What should I keep / what should I toss?
- **BET:** Should I bet (further) on this hand, or drop out?
- **PLAY:** How do I play out the hand I have decided to hold?



The Poker Analogy in Property Analysis

- **DEAL:** Assess the value/contribution of each holding
- **DRAW:** Preliminary portfolio review/strategy
- **BET:** What else is 'out there' and how do you stack up competitively
- **PLAY:** Make decisions and move forward



Property Analysis: What Do You Have?



- Individual Property Sustainability
 - Each property must stand alone: analyze income, expenses, NOI, debt, etc.
- Ranking as Contributors to Your Business Income
 - Measuring cash flow in or out
 - What happens if any property is eliminated?
- Disposition scenario for each Property
 - 5 yrs, 10 yrs, now?
- Debt restructuring
 - How does existing debt align with disposition strategy?

What Do You Do After You Know? Boulder Housing Partners



- Capitalize on Advantages:
 - Access to Capital
 - Geographic concentration
 - PHA resources (vouchers, Property Tax Exemption)
- Stabilize Portfolio
 - Property-level snapshots
 - Capital Planning
 - Market Info
 - Portfolio Monitoring

What Do You Do, continued

- Improve Efficiencies
 - Property & Asset management
 - Dispose and redeploy
 - Avoid cross-subsidy and implicit guarantees
- Development needs to accompany stabilization and efficiencies



EXECUTIVE DECISION MAKING SYSTEM

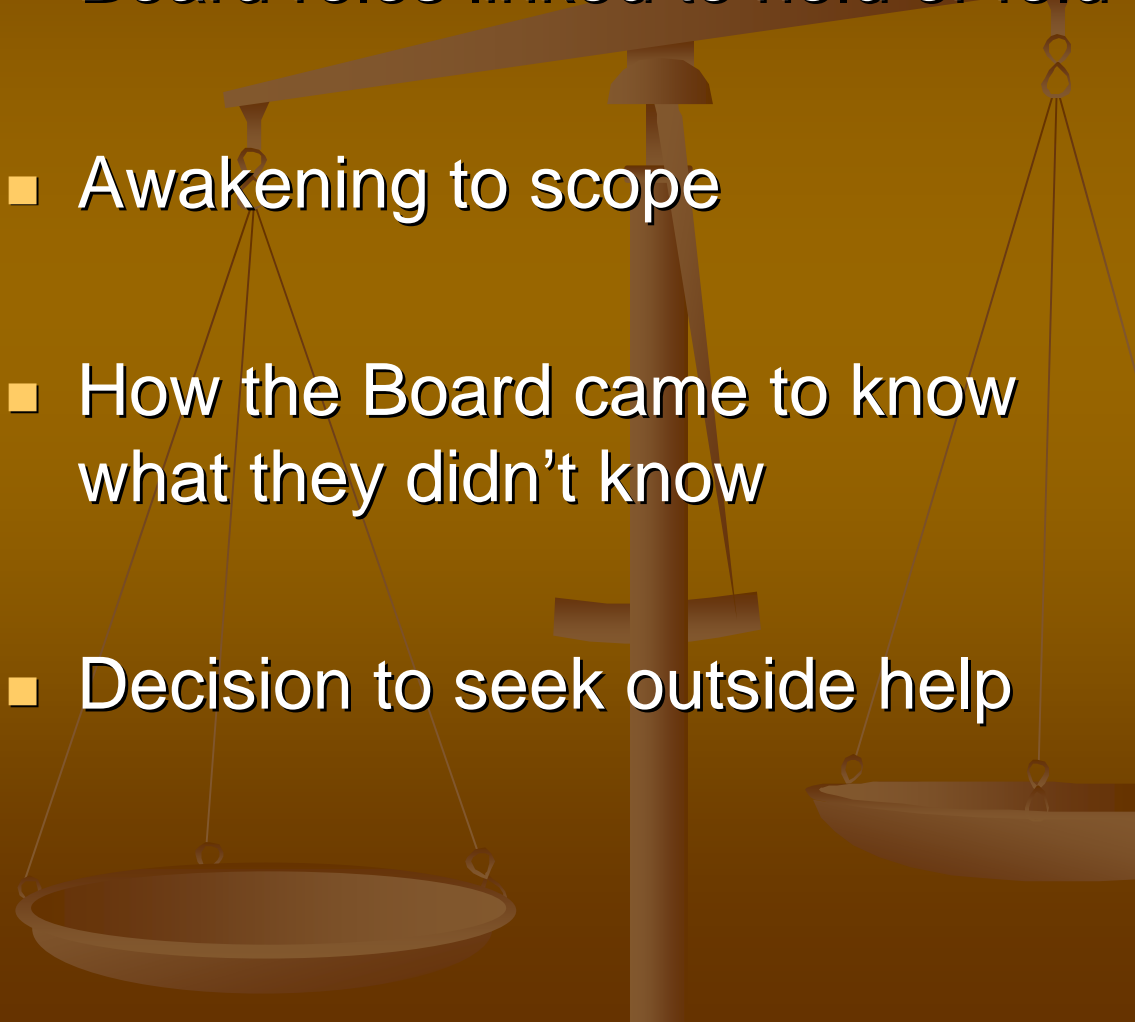


Know When To Fold

The Uptown Partnership Experience



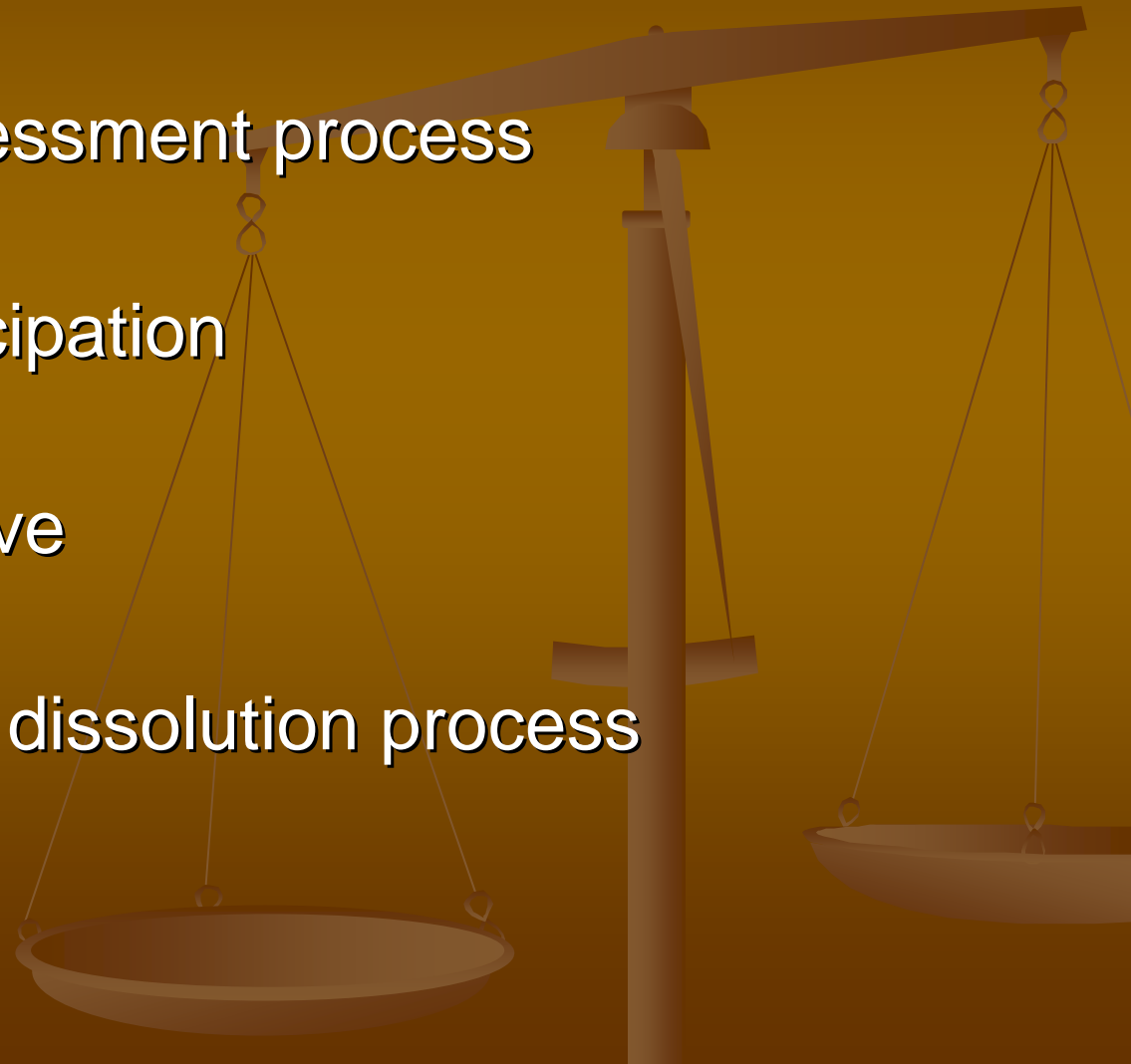
- Board roles linked to hold or fold
- Awakening to scope
- How the Board came to know what they didn't know
- Decision to seek outside help



Folding the Tent, continued

The Uptown Partnership Experience

- Goals for the assessment process
- Stakeholder participation
- Decision to dissolve
- Objectives for the dissolution process



Questions?

- Mark Welch
 - mark@commcapcorp.com
 - (303) 832-1151
 - Willa Johnson
 - johnsonwi@bouldercolorado.gov
 - (720) 564-4643
 - Leslie Mitchell
 - leslie.mitchell@efirstbank.com
 - (303) 329-5601
 - Cherie Kirschbaum (TUP Consultant)
 - cherie@city-projects.com
 - (720) 219-1600
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