



**MUNICIPAL
HOUSING
GOVERNING
BOARD
COMMUNICATION:**

ITEM - MHGB _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

02-289

SYNOPSIS -

Authorization to sell a public housing single-family unit to a housing program participant.

AGENDA:

JUNE 3, 2002

FISCAL IMPACT -

Revenue derived from the sale of the property goes into the Section 5(h) Operating Budget to cover program costs. The Housing Services Department will net approximately \$40,200 after seller costs are paid. The second mortgage in the amount of approximately \$19,800 is, by program guidelines, held in abeyance for seven years. If the owner goes the full seven-year term, the second mortgage is forgiven.

SUBJECT:

SALE OF PUBLIC
HOUSING SINGLE-
FAMILY UNIT-3010
CLEVELAND

RECOMMENDATION -

TYPE:

Approval.

RESOLUTION
RECEIVE/FILE

BACKGROUND -

SUBMITTED BY:

MICHAEL MATTHES
ACTING HOUSING
SERVICES
DIRECTOR

The Department of Housing Services is a participant in the Section 5(h) Affordable Homeownership Program which was approved on May 30, 2000, by the United States Department of Housing and Urban Development (HUD). Under this program, single-family homes in the public housing inventory are sold to eligible housing program participants.

A housing program participant has made application with Neighborhood Finance Corporation (NFC) to purchase 3010 Cleveland, Des Moines.

The appraised price of the property is \$60,000. The projected loan amount is \$40,200, with a second mortgage in the amount of \$19,800.
