



MHGB

COMMUNICATION

Item No

MHGB:

GENERAL INFORMATION—

Agenda Date: January 26, 2004

Communication No.:

04-039

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Chris Johansen, Housing Services Director

-

SUBJECT—

Sale of Public Housing Single-Family Unit, 2910 E. 22nd Court.

SYNOPSIS—

Authorization to sell a public housing single-family unit to eligible buyers.

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 \$42,880 after seller costs are paid. The second mortgage in the amount of approximately \$21,120 is, by program guidelines, held in abeyance for seven (7) years. If the owner goes the full seven (7) year term, the second mortgage is forgiven.

RECOMMENDATION—

Approval

BACKGROUND—

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. Under this program, single-family homes in the public housing inventory are sold to eligible buyers.

Eligible buyers have made application with Iowa State Bank for a loan to purchase the Property.

The appraised price of the property is \$64,000. The projected loan amount is \$42,880 with a second mortgage in the amount of \$21,120.