



**MHGB**

**COMMUNICATION**

Agenda

**City Manager's Office**

Item No.:

mggb2

**GENERAL INFORMATION—**

Agenda Date: February 9, 2004

Communication No.:

04-055

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Chris Johansen, Housing Services Director

-

**SUBJECT—**

**Sale of Public Housing Single-Family Unit, 2819 Center, to Amanda M. Weltha.**

**SYNOPSIS—**

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

**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 \$54,940 after seller costs are paid. The second mortgage in the amount of approximately \$27,060 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 housing program participants.

An eligible buyer has made application with Bank of America for a loan to purchase the Property.

The appraised price of the property is \$82,000. The projected loan amount is \$54,940 with a second mortgage in the amount of \$27,060.