



MHGB

COMMUNICATION

Agenda Item No.:

City Manager's Office

MHGB3

GENERAL INFORMATION—

Agenda Date: August 9, 2004
04-397

Communication No.:

Agenda Item Type: Resolution

Roll Call No:

Submitted by: Chris Johansen, Housing Services Director

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SUBJECT—

Sale of Public Housing Single-Family Unit, 104 E. 36th St. to Luis F. Reyes & Frances Reyes.

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 \$72,360 after seller costs are paid. The second mortgage in the amount of approximately \$35,640 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.

Eligible buyers have made application with Neighborhood Finance Corporation for a loan to purchase the Property.

The appraised price of the property is \$108,000. The projected loan amount is \$72,360 with a second mortgage in the amount of \$35,640.