

Agenda Item:
<u>MHAGB 3</u>
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**MHGB**

**COMMUNICATION**  
**City Manager's Office**

**GENERAL INFORMATION—**

Agenda Date: 06/06/05  
05-332

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, 125 E. 35<sup>th</sup> Ct., to Frank P. and Mary R. Coll.

**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 \$73,030 after seller costs are paid. The second mortgage in the amount of approximately \$35,070 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 \$109,000. The projected loan amount is \$73,030 with a second mortgage in the amount of \$35,970.