



Agenda Item:

MHGB2

## **COUNCIL COMMUNICATION City Manager's Office**

### **GENERAL INFORMATION**

Agenda Date: 8/8/05  
Agenda Item Type: Resolution

Communication No.: 05-446  
Roll Call No.:

Submitted by: Chris Johansen, Housing Services Director

### **SUBJECT—**

Release of 5(h) Second Mortgage – 3010 Cleveland

### **SYNOPSIS—**

Dawn Hutchison purchased the 5(h) property at 3010 Cleveland in Des Moines on June 17, 2002. She has decided to sell the property, and the closing date is set for August 12, 2005. Since she has only fulfilled three out of the seven years on her Second Mortgage, only three years of the mortgage will be forgiven and she will pay the remaining portion at the time of closing. Staff has prepared a Release and Satisfaction of the Second Mortgage and requests approval.

### **FISCAL IMPACT—**

Ms. Hutchison will pay \$11,314 for the remaining portion of her Second Mortgage. The revenue will be deposited into the Public Housing operating budget.

### **RECOMMENDATION—**

Approval

### **BACKGROUND—**

Dawn Hutchison has been a successful homeowner thus far of the Municipal Housing Agency's 5(h) Affordable Homeownership Program and is requesting to pay off the remaining portion of her Second Mortgage in order to sell her property. Currently, she has a seven-year forgivable Second Mortgage in the amount of \$19,800 with the Des Moines Municipal Housing Agency. However, since she has lived in the home for three years and has been successful with the program requirements, staff requests that

she pay only the remaining portion of her Second Mortgage in the amount of \$11,314. Staff has prepared a Release and Satisfaction of the Second Mortgage and is requesting authorization to execute and record the document.