



Agenda Item:

MHGB 3

MHGB COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 9/26/05
Agenda Item Type: Resolution

Communication No.: 05-532
Roll Call No:

Submitted by: Chris Johansen, Housing Services Director

SUBJECT—

Sale of Public Housing Single-Family Unit, 4024 E. 10th Street, to Sherri M. Neal.

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 \$76,045 after seller costs are paid. The second mortgage in the amount of approximately \$37,455 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 that 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 \$113,500. The projected loan amount is \$76,045 with a second mortgage in the amount of \$37,455.