


<h1 style="margin: 0;">MHGB</h1> <h2 style="margin: 0;">Communication</h2> <p style="margin: 0;">Office of the City Manager</p> 	Date	February 20, 2006
	Agenda Item No. MHGB2 Roll Call No. <u>06-</u> Communication No. <u>06-071</u> Department: Housing Services	

AGENDA HEADING:

Approval of Conveyance of 2501 East 41st Court, City-owned Municipal Housing Agency Property, pursuant to Affordable Home Ownership Program.

RECOMMENDATION:

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

FISCAL IMPACT:

Amount: \$76,380

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 \$76,380 after seller costs are paid. The second mortgage in the amount of approximately \$37,620 is, by program guidelines, held in abeyance for seven (7) years. If the owner completes the full seven (7) year term, the second mortgage is forgiven.

ADDITIONAL INFORMATION:

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 an application with Bank of America for a loan to purchase the property.

The appraised price of the property is \$114,000. The projected loan amount is \$76,380 with a second mortgage in the amount of \$37,620.

PREVIOUS COUNCIL ACTION(S):

Date:

Roll Call Number:

Action:

BOARD/COMMISSION ACTION(S):

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

N/A