

**2012 STAFF REVIEW OF PROPOSALS FOR  
COMMUNITY/NEIGHBORHOOD DEVELOPMENT RESERVE FUNDS**  
(Housing Development Funds, Affordable Housing Trust Funds, Facility Acquisition/Rehab Funds, Futures Funds)

---

1. **Project Name/Title:** Movin Out: Homeownership Downpayment Assistance
2. **Agency Name:** Movin Out, Inc
3. **Requested Amount:** \$216,000
4. **Project Type:**  New  Continuing
5. **Framework Plan Objective Most Directly Addressed by Proposed Activity:**  
Objective B: Housing for Buyers; II. Funds from eligible sources will be available for down payment and closing cost assistance in order to promote affordable housing opportunities for low to moderate income homebuyers.
6. **Product/Service Description:**  
First time homebuyers will use up to \$30,000 of HOME funds for down payment assistance with the purchase of their first home. An additional \$6,000 per unit may be used for service delivery costs. Movin Out will work specifically with households who have one member, adult or child, with a permanent disability. By providing a no interest, deferred loan, the first mortgage is lowered enough to make monthly payments affordable to low income household. The loan is repaid when the buyer no longer occupies the property and the money is then available to other low income buyers to continue to support Madison affordable housing, in perpetuity.
7. **Anticipated Accomplishments (Numbers/Type/Outcome):**  
Additional six housing units will become affordable to purchase for low to moderate income households in 2012.
8. **Staff Review:**  
Movin' Out has been running the downpayment assistance program with CDD funding for 16 years. Movin' Out offers a great amount of support and coaching throughout the whole purchase transaction. Movin' Out is highly regarded with competent staff whom continue to attend trainings to stay up to date with industry changes. Staff effectively matches homeowners with other available down payment funding sources leveraging the City of Madison's CDD funds to create a feasible mortgage payment for LMI families. Movin' Out provides funding for households with a member with a permanent disability. Counselors are working in collaboration with many sources besides a lender on behalf of the household. Coordination between realtor, human services system, family and support staff, housing authorities, etc is needed for all of the households.

Movin' Out's 2012 contract was awarded at \$298,675 (\$270,000 HOME during 2010 Summer Funding and \$28,675 of HOME Program Income from sales of units). At this time the full amount of the contract has been reserved for households anticipating a 2012 closing date. A total of six homeowners have already closed in 2012 which expended \$204,102 of the contract. The remaining funds are expected to close in the next 60 days.

Interest rates are at historically low rates which are providing an excellent opportunity for Movin Out to assist households in obtaining fixed rate financing at reasonable housing prices. The demand for affordable housing in City of Madison is a priority which Movin Out staff has shown the capacity to find qualified homeowners in need of this service.

Staff recommendation: fund at \$1-8,000 from the HOME Housing Reserve Funds for at least 3 units of down payment assistance at the 2013-2014 CDD Goals and Priorities level of \$36,000 per household.

**Total Cost/Total Beneficiaries Equals: \$531,000/ 3 households = \$177,000 per unit price**  
**CD Office Funds/CD-Eligible Beneficiaries Equals: \$108,000/3 households = \$36,000**  
**CD Office Funds as Percentage of Total Budget: 20%**