

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 3036
Authorization for the CDA to provide \$32,600 in first mortgage financing to a purchaser of a Lake Point Condominiums subject to the conditions set forth in this resolution.

Presented July 14, 2011
Referred _____
Reported Back _____
Adopted July 14, 2011
Placed on File _____
Moved By Timothy Bruer
Seconded By Kelly Thompson-Frater
Yeas 6 Nays 0 Absent 0
Rules Suspended _____

PREAMBLE

At its March 2011 meeting, the CDA approved Resolution 3011 to provide up to \$100,000 (in aggregate) in financing to purchasers of the condominiums at Lake Point Condominiums subject to the conditions set forth in the resolution. (Resolution 3011 is attached.) The conditions included the following restriction. "...financing subordinate to the CDA first mortgage shall be limited to City assistance programs."

The CDA has a request for first mortgage financing from a purchaser of a Lake Point Condominium in the amount of \$32,600. The purchaser has also applied for subordinate financing from the City in the amount of \$12,475 and subordinate financing from the Realtors Association of south Central Wisconsin Housing Foundation's Home Start program in the amount of \$1,440.

The Home Start loan is a fifteen (15) year deferred interest loan at 3% interest, due upon sale, cash out refinance, or on-owner occupancy.

With the exception of the Home Start subordinate financing, the CDA first mortgage loan is in full compliance with the approved terms of the CDA first mortgage loan program.

The Home Start loan is advantageous to the buyer and does not increase the CDA's risk of repayment on the first mortgage.

NOW THEREFORE BE IT RESOLVED The CDA authorizes a \$32,600 loan to a purchaser of a Lake Point Condominium with \$1,440 in Home Start subordinate financing.

NOW, THEREFORE BE IT FURTHER RESOLVED that the Executive Director and Deputy Executive Director are hereby authorized to execute such documents, instruments and records and to take such other actions as shall be necessary to accomplish the purpose of this