

January 19, 2012

City of Madison
CDBG Commission
c/o Linette Rhodes

Dear CDBG Commission Members:

I am interested in purchasing Operation Fresh Start's house at 1305 Everett Street. With an annual gross income of \$32,372.40, I am eligible according to income to receive the City's deferred second mortgage. However, my cash savings, which I saved over 15 years of work, exceed the asset limits established by the City for eligibility for the Downpayment Assistance Program. I am writing to request an exemption, based on need, from this policy.

I recently retired from working for the State of Wisconsin as a sound engineer for Wisconsin Public Radio. I retired at age 58 because of health problems that I have been experiencing, including an injured back and symptoms of nerve damage, which my doctors believe may be neuropathy. My decision to buy the home on Everett is related to my desire to establish myself in a house that I can afford to buy and to maintain throughout my retirement. I am also looking for a house that I can physically negotiate if my mobility deteriorates, as I am afraid it will. The home on Everett is small, has a near ground level side exit, a deck off the front door, a garage, and seems suitable to me as someone who now has some mobility problems which may grow more severe.

I understand that the asset limit established by the City for the HOME program is \$15,000. My current cash assets, placed in savings and checking accounts and CD's is \$106,000. I understand that if I had invested this same amount in a retirement account, such as an IRA, these same savings would meet the guidelines established for the Downpayment Assistance Program. However, I kept my savings in cash, primarily as a way of maintaining an emergency fund and a way to avoid using credit for larger purchases, such as my car. Also, since this money is savings, it is my understanding that I can no longer invest this money in an IRA, contributions to which must be made from earned income.

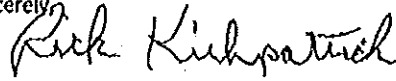
It is not very typical, I think, for someone to purchase their first home at the point of retirement. The idea of buying this house makes sense to me, but only if I can keep the mortgage cost as low as possible and only if I can maintain as much of my savings as possible, thus the need to rely on the Downpayment Assistance Program. As a retiree, I need to rely on my savings to pay for emergencies, such as health emergencies or repairs to the house, as well as larger purchases, such as a new car to replace my now 11-year-old car. Having these funds available to me is an important part of my retirement plan.

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One final point: There are no guarantees that the Wisconsin retirement fund will remain in the strong position it currently is in. Raids by the Legislature have been threatened, and the stability and growth of pension investments is uncertain. I certainly hope it never happens, but it is possible that changes to the State pension fund could reduce my pension income. Once again, I see it as being essential to have savings to back me up in case of unforeseen changes.

Thank you for your consideration of my request.

Sincerely,

A handwritten signature in cursive script that reads "Rick Kirkpatrick". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Rick Kirkpatrick