



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Housing Rehabilitation Review Board
From: Dawn Reinhart
Date: 6/8/17
Re: Disposition of 1827 Avon Street (17-0788)

List price: \$149,200 **Comments:** property is under construction and a certificate of occupancy has not been issued. Transfer of home will not take place until the certificate of occupancy has been issued, the retaining wall is certified by the Department of Engineering and water drainage issues have been resolved.

Offer to purchase 1: \$150,000, contingent upon receiving a 2nd Mortgage

Credit Score: 744/717 **1st Mortgage approval:** \$120,000

Other: Chapter 7 Bankruptcy filled in 2010, Vehicle Repossession in 2001

Guidelines state that Buyer must not exceed 43% debt to income and should not spend more than 38% of monthly income on housing payments. Following these guidelines, Buyer should have a 1st mortgage between \$107,000 and \$110,000.

1 st Mortgage:	\$107,500
Potential AHP Grant:	\$6,000*
2 nd Mortgage:	\$36,500

*If buyer is not awarded the AHP Grant, City 2nd Mortgage would be \$42,500

Offer to purchase 2: \$149,200, contingent upon obtaining a WHEDA loan in no less than \$120,000 at an interest rate of no more than 4.25%.

Comments: Staff is in the process of income certifying applicant.