





PLANNING AND DEVELOPMENT

400 La Crosse Street | La Crosse, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Community Development Committee

From: Dawn Reinhart

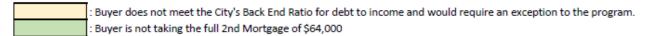
Date: July 13, 2020

Re: Action on offer to purchase 1458 Redfield St

List price: \$209,000; the City to provide a deferred 2nd mortgage of \$64,000 which will accrue interest of 3% per annum and will cease to accrue interest at half of the principal value. The City will also provide a forgivable 3rd mortgage of \$25,000, forgiven each year over a 15-year period.

Staff received a total of 14 applications, 8 of the applicants are eligible. Buyer's are numbered in the order of receipt of application. Buyer #10's offer is contingent upon the sale of their home (they have an accepted offer to purchase).

Order of	Offer to		*		Down		Monthly		Front End		Back End		Max DTI				
Receipt	Purchase		1st Mortgage		Payment		Payment		Ratio 33%		Ratio 38%		43%	2nd Mtg		3rd Mtg	
1	\$	209,000	\$	75,000	\$	6,000	\$	347.34	\$	516.57	\$	186.05	43%	\$	103,000.00	\$	25,000.00
2	\$	209,000	\$	113,800	\$	6,200	\$	535.15	\$	696.22	\$	634.31	35%	\$	64,000.00	\$	25,000.00
3	\$	209,000	\$	120,000			\$	555.74	\$	848.25	\$	653.95	35%	\$	64,000.00	\$	25,000.00
4	\$	209,000	\$	140,000			\$	648.36	\$	861.46	\$	687.17	37%	\$	44,000.00	\$	25,000.00
7	\$	209,000	\$	120,000			\$	555.74	\$	623.31	\$	579.93	37%	\$	64,000.00	\$	25,000.00
10	\$	209,000	\$	81,000	\$	49,000	Ş	375.12	Ş	512.36	\$	675.18	34%	s,	54,000.00	Ş	25,000.00
12	\$	209,000	\$	100,000			\$	463.12	\$	645.80	\$	320.03	41%	\$	84,000.00	\$	25,000.00
13	\$	209,000	\$	100,000			\$	435.21	\$	608.20	\$	365.54	40%	\$	84,000.00	\$	25,000.00



NOTE: The accepted offer to purchase shall be contingent upon the applicant meeting all of the program's eligibility requirements and must sign the City's Real Estate Purchase Agreement at or prior to closing.