

Minutes
Neighborhood Advisory Commission
Neighborhood Affordable Housing Committee Meeting
August 31, 2009

Minutes of the neighborhood Advisory Commission Affordable Housing Committee meeting, Aug. 31, 2009 6:00PM, Tempe public library Connections Café, 3500 S Rural Road.

Members Present: Lisa Roach, Tom Catlaw, Andy Hall, Ira King Jr
Members Absent: None
City Staff present: None
Guests present: John Sanborn - NAC, Mike Moshofsky –PrimeLending, Shane Hollenback – The Veracity Team

Agenda item #1 – Call to Order

Meeting was called to order at 6:03 PM

Agenda item #2 – Public Comment

A call for public comment was made without any responses

Agenda item # 3 – Information & Discussion on new/updated mortgage programs

What are the best programs available to benefit Tempe neighborhoods?

FHA – Old program with new popularity. Requires 3.5% down, Owner occupied transactions only, Purchase & refinance.

203K – FHA Rehab loan – Purchase & refinance transactions. Higher loan to value. Strong program. Does require work done by a licensed contractor and a FHA consultant. Used to remodel/restore single family homes.

VA – Available to all veterans. 100% loan to value, Purchase & refinance. VA funding fee of 2% rolled into loan, fee is waived if veteran is disabled.

Conventional (Fannie/Freddie) – available for purchase & refinance. Mortgage insurance required on loan to value of 80% and greater.

Conventional Rehab loan – similar to FHA program except renovations must be completed in 30days.

First Time homebuyer Tax credit – available on purchase transactions till Nov. 2009. Credit is from IRS.

Your Way Home (NSP) - neighborhood Stabilization Program. Up to 22% silent second used on foreclosed homes only. Time scaled repayment. Sales price must be 95% of the appraised value, 2 appraisals required, ratios very tight. Program hard to implement.

Home Path (FNMA) – 3% down on foreclosed properties only. No appraisal required, no mortgage insurance required. Available for Owner occupied 2nd home, and investment transactions. Risk based pricing, many price adjustments, higher closing costs & higher interest rates.

CAMP program – Tempe program for down payment assistance. Funding is limited and when gone, gone till next year.

Condos – Condo conversions hit very hard. Non-warrantable condos near impossible to sell.

Overall Market - Tempe not hit as hard as other areas, value drop not as severe. Short term the possibilities of more rentals, but in long term with affordability in Tempe improving could see shift towards Owner occupied.

Agenda Item # 4 – Future agenda topics

Election of Committee chair for 09/10, Permit rebate program, Craig Hittie – COT Housing Services, Housing Trust Fund Board

Agenda Item # 5 – Adjournment

Meeting was adjourned at 7:07 PM