

**ST. LOUIS COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY**

AGENDA

**April 2, 2013
9:35 a.m.**

1. Approve minutes of January 8, 2013 meeting
2. Center City Housing Corp./CHUM - Emergency Shelter Housing (13-05)
3. Deferred Loan Program – Replacing Failed SSTS (13-06)
4. Update on Minnesota Cities Participation Program – Information only (HRA Board Memo 13-01)

**ST. LOUIS COUNTY HOUSING AND REDEVELOPMENT AUTHORITY (HRA)
MINUTES**

Tuesday, January 8, 2013

The St. Louis County Housing and Redevelopment Authority (HRA) meeting was called to order at 11:01 a.m., by Commissioner Steve Raukar in the County Boardroom, 2nd Floor, Courthouse, Duluth, MN, with the following members present: Commissioner Frank Jewell, Commissioner Steve O'Neil, Commissioner Chris Dahlberg, Commissioner Mike Forsman, Commissioner Pete Stauber, Commissioner Keith Nelson and Commissioner Steve Raukar. Absent - None.

Commissioner Nelson, supported by Commissioner Jewell, moved to approve the minutes from the September 4, 2012, HRA meeting; seven yeas, zero nays.

County Board Clerk, Roberta Museta asked for nominations for the 2013 Chair for the HRA. Commissioner Forsman, supported by Commissioner O'Neil, nominated Commissioner Raukar for the Chair of the HRA. Commissioner Nelson, supported by Commissioner Dahlberg, moved to approve Commissioner Raukar to serve as Chair; seven yeas, zero nays. Resolution No.13-170.

Commissioner Nelson, supported by Commissioner Jewell, nominated Commissioner Forsman for the Vice-Chair of the HRA. Commissioner Nelson, supported by Commissioner O'Neil, moved to close nominations and approve Commissioner Forsman to serve as Vice-chair; seven yeas, zero nays. Resolution No.13-171.

Commissioner Nelson, supported by Commissioner Forsman, nominated Commissioner O'Neil for the Secretary of the HRA. Commissioner Forsman, supported by Commissioner Jewell, moved to close nominations and approve Commissioner O'Neil to serve as Secretary; seven yeas, zero nays. Resolution No.13-172.

Commissioner Forsman supported by Commissioner O'Neil, moved to establish the official newspaper in 2013 for the HRA to be the same as the official newspaper for St. Louis County (Duluth News Tribune); seven yeas, zero nays. Resolution No. 13-173.

Commissioner Jewell, supported by Commissioner O'Neil, moved to adopt an agreement for 2013 HRA Legal Services with the St. Louis County Attorney's Office in an amount not to exceed \$40,000.00; seven yeas, zero nays. Resolution No. 13-174.

Commissioner Jewell, supported by Commissioner O'Neil, moved to authorize issuance of notice of intent to participate in the Minnesota Housing Finance Agency, Minnesota City Participation Program. HRA Executive Director Barb Hayden said the St. Louis County HRA has been involved with the program since 2004 and assisted over 247 families. Director Hayden said this is a great program and there is no cost to the county; seven yeas, zero nays. Resolution No. 13-175.

HRA RESOLUTION No. 13-170

BY COMMISSIONER NELSON:

RESOLVED, that the St. Louis County Housing and Redevelopment Authority Board of Commissioners makes the following appointments:

Chair, Commissioner Raukar

Unanimously adopted January 8, 2013.

HRA RESOLUTION No. 13-171

BY COMMISSIONER NELSON:

RESOLVED, that the St. Louis County Housing and Redevelopment Authority Board of Commissioners makes the following appointments:

Vice-Chair, Commissioner Forsman

Unanimously adopted January 8, 2013.

HRA RESOLUTION No. 13-172

BY COMMISSIONER FORSMAN:

RESOLVED, that the St. Louis County Housing and Redevelopment Authority Board of Commissioners makes the following appointments:

Secretary, Commissioner O'Neil

Unanimously adopted January 8, 2013.

HRA RESOLUTION No. 13-173

BY COMMISSIONER FORSMAN:

RESOLVED, that the HRA Board of Commissioners establishes the official newspaper for the HRA to be the same as the official newspaper established for St. Louis County in 2013.

Unanimously adopted January 8, 2013.

HRA RESOLUTION No. 13-174

BY COMMISSIONER JEWELL:

RESOLVED, that the Chair of the HRA and the Executive Director are authorized to execute an agreement with the St. Louis County Attorney's office for legal services for 2013 in an amount not to exceed \$40,000, payable from Fund 250.

Unanimously adopted January 8, 2013.

HRA RESOLUITON No. 13-175

BY COMMISSIONER JEWELL:

WHEREAS, the Minnesota Housing Finance Agency (MHFA) has issued a request for notice to participate in the Minnesota City Participation Program (MCPPI); and

WHEREAS, the St. Louis County Housing and Redevelopment Authority (HRA) is an eligible participant in the program and the HRA participation in the MCPPI is consistent with the mission and vision of the HRA; and

WHEREAS, MHFA acceptance of the HRA request will provide affordable mortgage financing to first-time home buyers throughout St. Louis County.

NOW, THEREFORE, BE IT RESOLVED, that the St. Louis County HRA Board approves the submission of a Minnesota City Participation Program notice of intent to participate to the Minnesota Housing Finance Agency and authorizes the Executive Director to sign this notice.

RESOLVED FURTHER, that upon acceptance by the Minnesota Housing Finance Agency, the HRA Board authorizes the Executive Director and a representative of the County Attorney to execute all the necessary documents related thereto.

Unanimously adopted January 8, 2013.

At 11:15 a.m., January 8, 2013, Commissioner Nelson, supported by Commissioner Dahlberg, moved to adjourn; seven yeas, zero nays.

Steve Raukar, Chair of the St. Louis County HRA

Roberta A. Museta, Deputy Auditor/Clerk of the County Board

HRA BOARD LETTER NO. 13-05

DATE: April 2, 2013

RE: Center City Housing
Corporation – CHUM
Emergency Shelter Housing

FROM: Barbara Hayden, Director
Planning and Community Development
HRA Executive Director

ACTION REQUESTED:

The St. Louis County Housing and Redevelopment Authority (HRA) Board is requested to authorize \$250,000 in funding to Center City Housing Corporation for the development of six units of emergency shelter housing.

BACKGROUND:

Center City Housing Corporation is proposing to develop Hillside Apartments, housing for homeless families. It will consist of 6 units of emergency shelter housing and 44 units of supportive housing for homeless families. The project includes the acquisition and demolition of existing blighted property and is located on 4th Street and 1st Avenue West in Duluth, MN.

The project is a unique collaborative effort among Center City Housing, Churches United in Ministry (CHUM), One Roof Community Housing and Duluth HRA. Center City Housing will own the building and CHUM will be the service provider.

St. Louis County HRA is being requested to support the six new emergency shelter housing units to be operated by CHUM. These units will replace the current four unit CHUM facility that is in poor repair and inadequate to meet the needs of homeless families in the area. The CHUM Emergency Family Shelter serves as the regional emergency shelter for families in southern St. Louis County.

Families throughout the county who experience chronic homelessness and instability often use the CHUM emergency shelter program. The program addresses immediate survival needs and the CHUM staff work with parents to address underlying issues that result in family instability. CHUM estimates that approximately 30 percent of homeless families staying in shelter come from Northeast Minnesota outside the city limits of Duluth.

The Hillside Apartment project is designed to end each family's homelessness upon entry. All programming is designed to address the issues that families with multiple episodes of homelessness face. The overall goal is to interrupt the generational cycle of homelessness.

The total cost of the project is approximately \$11.2 million. With approval of this request to the St. Louis County HRA for the emergency shelter housing, it is expected that the financial package closing for the project will be scheduled by July of 2013. Construction will begin in fall of 2013.

St. Louis County HRA funding will be in the form of a 20 year deferred loan to Center City Housing. If the property is maintained as emergency shelter housing for 20 years, the loan will be forgiven.

This project is a priority of "Heading Home St. Louis County: A Ten Year Plan to End Homelessness." The project is located in Duluth. In order for the St. Louis County HRA to participate in the project, the City of Duluth and the Duluth HRA need to formally authorize the County HRA to participate in a project within their boundaries.

RECOMMENDATION:

It is recommended that the St. Louis County HRA Board authorize a funding agreement with Center City Housing for \$250,000 for emergency shelter housing for homeless families with funds transferred from HRA fund balance as needed and payable from HRA Fund 250, Agency 251001.

Enclosures

Center City Housing Corporation - CHUM Emergency Shelter Housing

HRA RESOLUTION NO.

WHEREAS, Center City Housing Corporation has requested \$250,000 from the St. Louis County Housing and Redevelopment Authority for six units of emergency shelter housing in the proposed Hillside Apartments located on 4th Street and 1st Avenue West, Duluth, MN; and

WHEREAS, The St. Louis County HRA has the authority to fund projects providing decent safe and affordable housing for persons of low and moderate income; and

WHEREAS, The St. Louis County HRA has funded similar projects that have a regional impact and are in partnership with other housing funders; and

THEREFORE, BE IT RESOLVED, The St. Louis County Housing and Redevelopment Authority authorizes the Executive Director and County Attorney to negotiate a \$250,000 funding agreement for a 20 year deferred loan with the Center City Housing;

RESOLVED FURTHER, The appropriate HRA officials and a representative of the County Attorney are authorized to execute the funding agreement on behalf of the St. Louis County HRA, along with all the necessary documents related thereto;

RESOLVED FURTHER, That funds as needed be transferred from HRA fund balance and be paid from HRA Fund 250, Agency 251001.

HILLSIDE APARTMENTS PROJECT DESCRIPTION

PARTNERS

One Roof Community Housing: co-developer, focusing on real estate development and coordination of development team.

Center City Housing Corporation: co-developer, owner and manager of Hillside Apartments.

Churches United in Ministry: service provider for entire building, operator of the emergency shelter

Housing and Redevelopment Authority of Duluth: property acquisition and interim owner, relocation, and provider of 44 project-based Section 8 vouchers for rental assistance

PURPOSE

- Redevelopment of the upper side of 4th Street between 1st and 2nd Avenues West—site of the Hillside Laundry and several other blighted properties that have been neglected and badly managed in the last 15 years. **The site is in the heart of the At Home in Duluth and City of Duluth target areas for revitalization in the Central Hillside.**
- Creation of 44 units of permanent supportive housing for families with multiple barriers to maintaining stable housing in keeping with the 10 Year Plan to End Homelessness. Stabilizing this population of families will dramatically reduce short term community costs associated with families cycling from shelter to housing to the streets and back again. Even more importantly, **this housing will give the children of these families the security required for them to break the generational cycle of poverty that we are increasingly seeing in our homeless populations. At the end of the day, the Hillside Apartments is about the kids.**
- Creation of 6 units of emergency shelter for homeless families.
- Hillside Apartment features:
 - Office space for CHUM service providers
 - Office space for property management staff
 - Community room for tenants
 - Children’s education and programming space
 - Outdoor recreation area for children
 - Community kitchen and laundry facilities for residents
 - The building will be staffed 24 hours, 7 days a week with a front desk person
 - Cameras in all common spaces of the interior and directions of the exterior of the building

PROJECT FUNDING

SOURCES	Revised
Syndication Proceeds	9,055,359
NeighborWorks America	150,000
NeighborWorks America	50,000
FHLB	300,000
GMHF	500,000
Bremer	50,000
Kreske	150,000
City of Duluth HOME/CDBG	250,000
Churches United in Ministry	450,000
Duluth LISC	10,000
<u>Gap to be filled with SLC HRA</u>	<u>250,000</u>
Total of Permanent Financing	\$ 11,215,359
USES	
Demolition	166,530
Construction	7,989,581
Soft Costs	2,733,187
Reserves	326,061
Total	\$ 11,215,359



March 22, 2013

Barbara Hayden, Director
St. Louis county Planning and Development
100 Missabe Building
227 W Superior St.
Duluth, MN 55802-1913

Dear Barbara,

Center City Housing Corp. is seeking \$250,000 in capital support from St. Louis County Housing and Redevelopment Authority (HRA) for the construction of the six units of CHUM Emergency Family Shelter as part of the Hillside Apartments development. The CHUM Emergency Family Shelter is the regional emergency shelter for families from Southern St. Louis County.

The new facility will replace the current family shelter, a four-unit building purchased from the Duluth HRA for \$1 in 1998. That facility, which shelters over forty families a year, was not constructed for such hard use and the building is at the end of its useful life. In addition, demand far surpasses the capacity of the current building. 76 families received emergency shelter in 2012. Because the family shelter is always filled to capacity, many families resort to spending the night on sleeping mats on the floor of the CHUM Center. The new facility will provide safe and secure, if spartan, shelter for more families along with the support they need to re-stabilize their lives and move back to permanent housing within their communities.

Financing for the \$12 million development is near complete. In October, 2012, Minnesota Housing Finance Agency awarded the project \$9 million in tax credits. The City of Duluth has awarded the project nearly \$1million in CDBG and HOME and demolition funds. The Greater Minnesota Housing Fund has contributed 1 million to the project. This project has also received philanthropic support. St. Louis County's contribution to this project will close a gap in capital funding associated with the family shelter wing and allow us to begin construction this coming summer.

The location of the CHUM Family Shelter within the Hillside Apartments development is a logical placement as the supportive services available to shelter guests will also be provided to resident families of Hillside Apartments. In addition, 24 front desk staff will increase safety for families in the shelter. The permanent supportive housing units will also be a resource for shelter families that are not able, usually for mental health reasons, to maintain permanent housing without some support. The forty four family apartments will have site-based Section 8 certificates making them affordable for very low income homeless families.

Intensive supportive services will be offered on site. This will include services targeted to the adults in the program including, case management, education and job seeking support, budgeting, parenting and advocacy and referral. In addition to comprehensive services for the adults, the program will offer on-site programming for children birth

1 0 5 ½ W E S T F I R S T S T R E E T
D U L U T H , M N 5 5 8 0 2
P H O N E (2 1 8) 7 2 2 - 7 1 6 1 : F A X (2 1 8) 7 2 0 - 3 4 8 3

through 4 years old. CHUM is working with both the Duluth School District and the Human Development Center to identify and develop on site programming.

The entire project is targeted to serve very low income homeless families with children. Many will have had multiple episodes of homelessness and/or long periods of homelessness. A high percentage of the households served will be fleeing domestic violence, less than half of the parents will have completed high school, many have physical and mental health issues and multiple barriers to long term housing success. Many of the school aged children attend multiple schools in a year because of frequent moves. Most adults were in foster care as children and have had little exposure to appropriate parenting as they were growing up. The majority of the adults in our programming are either third or fourth generation impoverished and live with all of the issues that are a result of poverty and living in chaotic and violent homes and communities. Most of the parents struggle with mental health and family stressors that often leave them emotionally unavailable and unable to meet the emotional/social needs of their children.

Because of the generational issues of poverty and homelessness there is a high need for intervention and support to each family member. To address the needs of the target population CHUM will provide intensive case management services to both shelter and Hillside Apartment residents. Advocacy and referral to community resources will help to build a strong foundation under each family.

Research has shown that these services for high barrier, homeless families have payoffs to the community as a whole. Children have a more consistent and successful educational experience when not moving from school to school due to homelessness. Families with a history of child protection interventions are reunited with their children and rarely lose them back into foster care. Medical attention and healthier diets have lifelong positive impacts.

The Wilder Foundation recently completed a return on investment study of permanent supportive housing for families with children. That study found a return on public funding of 1.41 to 1 for families who live in supportive housing. This study only looked at the adults and was very narrow in the scope of public funding that was reviewed. The biggest savings and revenue generated in the first year of supportive housing was in net gain in wages, income and sales taxes, reduction in chemical dependency services and savings in incarceration costs.

This project is designed to end each family's homelessness upon their first entry into emergency shelter. All programming is designed to address the issues that families with multiple episodes of homelessness face. The overall goal is to interrupt the generational cycle of homelessness.

Thank you for the opportunity to make this application for funding. I look forward to meeting with the St. Louis County HRA Board to answer any questions and provide additional information as needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Klun", written in a cursive style.

Rick Klun
Executive Director

HRA BOARD LETTER NO. 13-06

DATE: April 2, 2013

RE: Deferred Loan Program for
Replacing Failed Subsurface
Septic Treatment Systems

FROM: Barbara Hayden, Director
Planning and Community Development
HRA Executive Director

ACTION REQUESTED:

The St. Louis County Housing and Redevelopment Authority Board is requested to authorize \$75,000 in funding to match a grant received by the St. Louis County Environmental Services Department. The combined funding will expand the deferred loan program established in 2012 that assists low- and moderate-income households to replace failed subsurface septic treatment systems (SSTS).

BACKGROUND INFORMATION:

The St. Louis County Environmental Services Department applied for and received a grant of \$101,034 from the Minnesota Board of Water and Soil Resources (BWSR) Clean Water Fund. The funding will assist approximately nine low- and moderate-income homeowners to replace failing SSTS.

The St. Louis County HRA is requested to provide \$75,000 in matching funding. The match amount of approximately 40 percent of the total project was required to make the BWSR application competitive. Environmental Services will contract with Arrowhead Economic Opportunity Agency (AEOA) to administer the deferred loan program. AEOA currently administers other state and county-funded residential improvement programs.

This deferred loan program began in 2012. Two homeowners have been assisted to date and five more projects are in process to be completed in summer 2013. Environmental Services and AEOA have sent informational packets to an additional 30 homeowners to start the application process for this new funding.

The HRA has the statutory authority, under Minn. Stat. 469.012 Subd. 6, to develop and administer housing rehabilitation loan and grant programs to assist low- and moderate-income property owners located anywhere within its boundaries.

RECOMMENDATION:

It is recommended that the St. Louis County HRA Board authorize \$75,000 in matching funds and authorize the HRA Executive Director and County Attorney to execute a memorandum of understanding with the St. Louis County Environmental Services Department and all documents related thereto.

**Deferred Loan Program for Replacing Failed Subsurface
Septic Treatment Systems**

HRA RESOLUTION NO.

WHEREAS, The St. Louis County Environmental Services Department has been awarded a \$101,034 grant from the Minnesota Board of Water and Soil Resources (BWSR) Clean Water Fund for the deferred loan program to assist low- and moderate-income homeowners to replace failed subsurface septic treatment systems (SSTS); and

WHEREAS, The St. Louis County HRA funding will provide required matching subsidy to the BWSR grant and benefit home owners in the St. Louis County HRA area of operation; and

WHEREAS, The St. Louis County HRA has the authority to provide funding for housing rehabilitation programs pursuant to Minn. Stat. 469.012, Subd. 6 and has funding available for such projects;

THEREFORE, BE IT RESOLVED, The St. Louis County Housing and Redevelopment Authority authorizes \$75,000 in matching funds;

RESOLVED FURTHER, That the HRA Executive Director and County Attorney are authorized to execute a memorandum of understanding with the St. Louis County Environmental Services Department on behalf of the St. Louis County HRA, along with all the necessary documents related thereto;

RESOLVED FURTHER, That funds will be paid from HRA Fund 250, Agency 251001 to the St. Louis County Deferred Septic Loan Program Fund 616, Agency 616999.

HRA BOARD MEMO NO. 13-01

DATE: April 2, 2013 **RE:** Minnesota Housing Finance Agency
Minnesota City Participation Program

FROM: Barbara Hayden, Director
Planning and Community Development
HRA Executive Director

In January 2013 the St. Louis County Housing and Redevelopment Authority Board authorized participation in the Minnesota Housing Finance Agency (MHFA) Minnesota City Participation Program (MCPPI). The program is a pool of low-interest mortgage funding MHFA creates through the issuance of bonds on behalf of participating jurisdictions. Attached is the St. Louis County HRA 2013 MCPPI allocation and marketing materials.

The bond proceeds supply funding for home mortgage loans available to low- and moderate-income first-time home buyers. The program is administered entirely by the MHFA, and St. Louis County citizens access funding through MHFA-approved mortgage originators throughout the county.

The MCPPI mortgage rate for a 30-year, fixed-rate mortgage is set competitive to current market rates. Closing costs and down payment requirements are comparable to other quality mortgage products. Because MHFA uses the New Issue Bond Program, there are no costs for jurisdictions participating in the program.

Attachments



**Ready to become a homeowner?
Thinking about moving or refinancing?
We can help.**

Minnesota Housing Start Up and Step Up loans can help you buy your first home, refinance, or purchase a new home. A statewide network of approved lenders offers safe and affordable home loans.

- **Affordable monthly payments**
- **Low interest rates**
- **Downpayment and closing cost assistance**
- **Purchase and refinance options**



www.mnhousing.gov

**Minnesota City Participation Program
2013 Allocation**

MCCP Applicants, 2013	Dollar Amount
Alexandria	\$210,287
Anoka	\$5,437,084
Barnesville	\$100,000
Becker	\$533,368
Breckenridge	\$100,000
Carver	\$1,499,095
Chippewa	\$200,717
Chisago	\$877,754
Crow Wing	\$1,021,245
Dilworth	\$100,000
Fillmore	\$339,650
Freeborn	\$507,164
Fulda	\$100,000
Grant	\$100,000
HRDC: Beltrami, Clearwater, Hubbard, Lake of the Woods, & Mahnomon counties	\$1,365,192
Hennepin	\$12,617,031
Houston	\$308,156
Janesville	\$100,000
Kandiyohi	\$685,517
Little Falls	\$135,596
McLeod	\$593,899
Moorhead	\$626,891
Mower	\$639,342
North Mankato	\$218,523
NW MN Multi HRA	\$1,399,876
Ortonville	\$100,000
Otter Tail	\$931,694
Owatonna	\$416,213
Ramsey	\$3,653,060
Red Wing	\$267,449
Rice	\$1,053,341
St. Cloud	\$1,068,250
St. James	\$100,000
St. Louis	\$3,257,550
Scott	\$2,141,220
SE MN Multi- HRA	\$1,671,736
Sherburne	\$1,337,424
Stevens	\$158,676
Swift	\$157,504
Washington	\$3,916,684
Wells	\$100,000
Worthington	\$208,806
Wright	\$2,051,327
Total allocation	\$52,407,322

Mortgage Loan Programs

Start Up and Step Up



Minnesota Housing has been helping homebuyers finance homes for more than 40 years, partnering with a statewide network of approved lenders to offer safe and affordable home loans. We have partnered with

in your area to offer our first-time homebuyer and downpayment assistance loans, as well as a new program to help homeowners refinance or purchase a new home. Check out our new Start Up and Step Up loan programs.

Minnesota Housing Mortgage Loan Programs

Start Up

- Mortgage loan for first-time homebuyers
- Purchase only
- 640 minimum credit score
- Low, affordable interest rates
- Three downpayment and closing cost loan options available for eligible borrowers

Step Up

- Available to existing homeowners and non-first-time homebuyers
- Purchase and refinance options
- 640 minimum credit score
- Low, affordable interest rates
- Monthly Payment Loan downpayment and closing cost loan available for eligible borrowers

- To be eligible, you must qualify for a FHA, FHA Streamlined 203k, RD, VA, Conventional Fannie Mae HFA Preferred™, or Conventional Fannie Mae HFA Preferred Risk Sharing™ loan.
- To qualify for any Minnesota Housing mortgage loan, your combined household income must not exceed:

Current Income Limits			
Household	11-County Metro Area	Rochester MSA	Balance of State
1-2 Person	\$83,900	\$81,300	\$73,900
3+ Person	\$96,485	\$93,495	\$84,985

Income limits for larger households and downpayment and closing cost loans are available on the Minnesota Housing website under "Homebuyers". Lower income limits may apply with the use of downpayment and closing cost loans.

- The home you purchase or refinance must fall within the following limits:

Loan or Home Cost Limits		
Property Location:	11-county metro	Balance of state
	\$298,125	\$237,031

- continued on back -

Interest Rates

- Minnesota Housing offers affordable interest rates for our loan programs.
- Current interest rates can be found on our website at www.mnhousing.gov and are subject to change.

Downpayment and Closing Cost Loan Options

Eligible Minnesota Housing borrowers have access to three downpayment and closing cost loan options, with availability depending on the program selected. Additional eligibility requirements apply.

Requirements for all downpayment/closing cost loan options:

- Borrower must contribute \$1,000 or 1% of the purchase price, whichever is less
- Borrower(s) may receive only one Minnesota Housing downpayment and closing cost loan. Loans may be combined with other non-Minnesota Housing Community Seconds®.

Downpayment and Closing Cost Assistance Loans			
Key Features	Monthly Payment Loan	Deferred Payment Loan	HOME HELP Loan
Loan Amount	Up to 5% of the purchase price or \$5,000, whichever is greater	Up to 3% of the purchase price or \$3,000, whichever is greater	Up to \$10,000 (HOME HELP calculator available on website)
Loan Term	10-year term	Equal to first mortgage term	Equal to first mortgage term
Repayment	Fully amortized loan with monthly payments	Deferred payment repaid upon satisfaction of first mortgage	Deferred payment, 50% of the loan forgiven after sixth year of owner-occupancy. 50% repaid at end of loan term
Interest Rate	Equal to first mortgage rate	Interest-free	Interest-free
Income Limits	Start Up/Step Up income limits (<i>see website</i>)	Deferred Payment Loan income limits (<i>see website</i>)	HOME HELP Loan income limits (<i>see website</i>)
Post-Closing Liquid Asset Limit	None	Limited to \$8,000 or 8 months PITI, whichever is greater	Minimum reserves: Lesser of \$500 or 2 months PITI Maximum reserves: Greater of \$8,000 or 8 months PITI
Available With	Start Up and Step Up	Start Up	Start Up from a Minnesota Housing Lender approved to offer HOME HELP

Interested?

Contact our partner below to learn more about how they can help you apply for the Minnesota Housing Mortgage Loan you need!

