

Unity Community Development Corporation's HUD NSP proposed Activities

Eligible Activity	Correlated Eligible Activities from the CDBG Entitlement Regulations
<p>(A) NSP Residential Financing Program Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers</p>	<p>As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206. Also, the eligible activities listed below to the extent financing mechanisms are used to carry them out.</p>
<p>(B) . NSP Home Buyer Program Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties</p>	<ul style="list-style-type: none"> • 24 CFR 570.201(a) Acquisition (b) Disposition, (i) Relocation , and (n) Direct homeownership assistance (as modified below); • 570.202 eligible rehabilitation and preservation activities for homes and other residential properties (HUD notes that rehabilitation may include counseling for those seeking to take part in the activity).
<p>(C) NSP Land Bank Program Establish land banks for homes and residential properties that have been foreclosed upon</p>	<p>24 CFR 570.201(a) Acquisition and (b) Disposition.</p>
<p>(D) NSP Demolition Program - Demolish blighted structures</p>	<p>24 CFR 570.201(d) Clearance for blighted structures only</p>
<p>(E). NSP Redevelopment of - Demolished or Vacant Property Program Redevelop demolished or vacant properties as housing</p>	<ul style="list-style-type: none"> ✓ 24 CFR 570.201(a) Acquisition, (b) Disposition, (c) Public facilities and improvements, (e) Public services for housing counseling, but only to the extent that counseling beneficiaries are limited to prospective purchasers or tenants of the redeveloped properties, (i) Relocation, and (n) Direct homeownership assistance (as modified below). ✓ 24 CFR 570.202 Eligible rehabilitation and preservation activities for demolished or vacant properties. ✓ 24 CFR 570.204 Community based development organizations. ✓ HUD notes that any of the activities listed above may include required homebuyer

Unity CDC's proposed activities under the HUD NSP2 funding request

✓	Proposed Activity	AMOUNT PER ACTIVITY	# UNITS	PER UNIT COST
x	(A) NSP Residential Financing Program Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers	\$4,500,000	100	\$45,000
x	(B) NSP Home Buyer Program Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties	\$7,700,000 (\$3,150,000 down payment assistance)=> \$4,550,000 Less: \$4,900,000 income	70	\$110,000 Less: \$40,000 dp \$5,000 adm \$70,000 mort
	(C) NSP Land Bank Program Establish land banks for homes and residential properties that have been foreclosed upon			
	(D) NSP Demolition Program - Demolish blighted structures			
x	(E) NSP Redevelopment of - Demolished or Vacant Property Program Redevelop demolished or vacant properties as housing	\$4,050,000 (\$1,350,000 down payment assistance)=> \$2,700,000 Less: \$2,850,000 income	30	\$135,000 Less \$40,000 dp \$5,000 adm \$95,000 mort
	TOTAL COST	\$16,250,000	100	\$162,500

The **Unity CDC HUD NSP2** project would consist of several NSP Activities:

Activity A – NSP Residential Financing Program – provide down payment assistance to individuals purchasing foreclosed/abandoned/vacant properties. => Requesting \$4,500,000 for this activity.

Activity B – Home Buyer Program: 70 foreclosed properties located within Joliet, Illinois in the selected census tracts will be purchased from the banks, rehabbed and sold to 50-120% AMI population. This activity would include providing Home Buyers Education. Cost of activity \$7,700,000 less program down payment assistance applied of \$4,550,000, less mortgage obtained by buyer of \$4,900,000=> Requesting \$0 for this activity

Activity E – Redevelopment of demolished or vacant property – purchase and/or obtain through donation, 30 vacant lots to build new homes for sale to 50-120% AMI population. The City of Joliet has agreed to donate 10 vacant lots, 5 of which have already been deeded. This activity would include providing Home Buyers Education. Cost of activity \$4,050,000 less program down payment assistance applied of \$1,350,000, less mortgage obtained by buyer of \$2,850,000=> Requesting \$0 for this activity

Administrative/Developers Fee – Requesting \$500,000 for this activity (allowed up to 10% of NSP activities and 10% of program income)

The total being requested is **\$5,000,000**.