

Grantee: Nashville-Davidson, TN

Grant: B-08-MN-47-0004

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-47-0004

Obligation Date:**Grantee Name:**

Nashville-Davidson, TN

Award Date:**Grant Amount:**

\$4,051,398.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Submitted - Await for Review

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

This document serves as Nashville-Davidson's application to receive NSP funds. It describes the proposed programs that will be funded, the areas that have the greatest need of assistance, the areas that will receive assistance, and additional information as required by HUD. Based on a formula devised by HUD, Nashville-Davidson will receive \$4,051,398 of NSP funds. The funds will be allocated to the following uses: Acquisition-Rehabilitation for Sale to Homebuyers \$2,633,408.70 Acquisition-Rehabilitation for Rental \$1,012,849.50 Administration \$405,139.80 The Nashville-Davidson Metropolitan Development Housing Agency (MDHA) will act as the lead agency for administering NSP funds for Nashville-Davidson.

Recovery Needs:

A. Areas of Greatest Need

Provide summary needs data identifying the geographic areas of greatest need in the grantees jurisdiction.

MDHA analyzed and mapped data sources provided by HUD to determine the areas of greatest need within its jurisdiction:

MAP #1: HUD Estimated Foreclosure/Abandonment Risk Score: To assist communities in identifying neighborhoods that face a high risk of foreclosure and abandonment, HUD created a data model* that ranks each Census Block Group and assigns a risk factor on a scale of one to ten, with a rank one indicating relatively low risk and ten indicating the greatest risk.

MAP #2: Federal Reserve Home Mortgage Disclosure Act (HMDA): HUD also provided data at the Census Tract level on the percent of all loans made between 2004 and 2006 that are considered to be high cost.

MAP #3: Estimated Foreclosure Rate: This map shows Census Tracts with high foreclosure rates based on the data collected by HUD for all foreclosure starts from January 2007 through June 2008 divided by total mortgages during that time period.

MAP #4: Estimated Number of Foreclosures: This map illustrates total estimated foreclosure counts by Census Tract using data from the Mortgage Bankers Association National Delinquency Survey as of June 2008. HUD calculated the approximate number of foreclosure starts for all of 2007 and the first six months of 2008.

* For more information on the data model used by HUD please see <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>

B. Distribution and Uses of Funds

Provide a narrative describing how the distribution and uses of the grantees NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.

MDHA will target NSP funds to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures as demonstrated by the following Tables:

TABLE #1: HUD Estimated Foreclosure/Abandonment Risk Score 7-10: After analyzing HUD Risk Score Data, NSP funds will be targeted in Census Block Groups with a score of 7-10 (total count 188).

TABLE #2: Federal Reserve Home Mortgage Disclosure Act (HMDA): After analyzing the HMDA data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated High Cost Loan Rate of 31-70% (total count 62).

TABLE #3: Estimated Foreclosure Rate: After analyzing the Foreclosure Rate data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated Foreclosure Rate of 3-9% (total count 89).

TABLE #4: Estimated Number of Foreclosures: After analyzing the Foreclosure Count data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated Foreclosure Count of 91-195 (total count 21).

As MDHA moves forward with program implementation for the NSP funds, local community housing and development professionals will be asked to review and confirm these areas of greatest needs as well as help project areas likely to face a significant rise in the rate of home foreclosures. MDHA will also utilize any additional data made available next spring to help identify areas likely to face a significant rise in the rate of home foreclosures.

C. Definitions and Descriptions

For the purposes of the NSP program, MDHA will adopt and use the following definitions.

Blighted Structure:

Adapted from State of Tennessee Code 13-20-201 definition of blighted area.

Buildings or improvements that, by reason of dilapidation, obsolescence, overcrowding, lack of ventilation, light and sanitary facilities, deleterious land use, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

Affordable Rents

For the purposes of the NSP program, MDHA will utilize the definition of low-HOME rents from the HOME Investment Partnerships program.

Continued Affordability

For the purposes of the NSP program, MDHA will utilize deed restrictions to enforce the period of affordability for assisted properties. The length of affordability will resemble those for the HOME Investment Partnerships program and are expected to range from 5-30 years depending on the amount of NSP investment.

For properties that are sold to income-eligible homebuyers, the deed restriction will ensure that if the property is sold within the affordability period, the total NSP investment will be subject to recapture. MDHA is committed to utilize these funds in ways that effectively promote neighborhood stabilization. As such, for homebuyers of NSP assisted properties that sell after the term affordability period, half of the NSP assistance will be forgivable (not subject to recapture).

For rental properties that are acquired by non-profit agencies, the deed restriction will ensure that all units are rented to households earning less than 50 percent of median area income. The deed restriction will remain in effect for no less than 20 years.

Rehabilitation Standards

For the purposes of the NSP program, MDHA will utilize the same rehabilitation standards used for its HOME-funded Owner-Occupied Rehabilitation Program. These standards are based upon local housing codes and comply with the International Building Code.

D. LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

MDHA will receive \$4,051,398 in NSP funds. Twenty-five percent of these funds (\$1,012,849.50) will be reserved for the acquisition and rehabilitation of properties that will be rented to households earning less than 50% of area median income. MDHA expects to utilize the expertise of Davidson Countys Continuum of Care network of housing and service providers. MDHA will use these funds to create affordable rental housing opportunities and anticipates partnering with non-profit agencies to operate these rental units, including agencies that serve specific at-risk populations.

MDHA will use ten percent of the available funds (\$405,139.80) for administrative purposes. The remaining sixty-five percent (\$2,633,408.70) will be used to acquire and rehabilitate vacatadfreclosed residential properties for resale to households earning less than 120% of area median income.

NSP Income Limits - Davidson County, TN

FY 2008 Income Limits for 50% of HUD Area Median Income

1 person household 2 person household 3 person household 4 person household 5 person household 6 person household 7 person household 8 person household
\$22,100 \$25,300 \$28,450 \$31,600 \$34,150 \$36,650 \$39,200 \$41,700

FY 2008 Income Limits for 120% of HUD Area Median Income

1 person household 2 person household 3 person household 4 person household 5 person household 6 person household 7 person household 8 person household
\$53,100 \$60,650 \$68,250 \$75,850 \$81,900 \$87,950 \$94,050 \$100,100

E. Acquisitions & Relocation

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units. If so, include the number of low- and moderate-income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities, the number of NSP affordable housing units made available to low-, moderate-, and middle-income households reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion), and the number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

At this time, MDHA does not intend to use NSP funds to demolish or convert any residential properties. All properties assisted with NSP funds will remain residential.

F. Public Comment

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

MDHA published public notice for the NSP Program following the Meeting Notice Policies and Procedures included in the adopted Citizen Participation Plan included in the Nashville-Davidson County Consolidated Plan 2005-2010.

Public notice ads announcing the availability of the NSP Substantial Amendment for review and comment were placed in the minority newspaper the Tennessee Tribune on November 6, 2008, the minority newspaper El Crucero (ad translated in Spanish) and the daily newspaper the Tennessean on November 7, 2008.

MDHA posted a copy of the draft amendment on its website at: <http://www.nashville.gov/mdha/> and made hard copies available as per requests. A separate email address NSPcomments@nashville-mdha.org was created to make submitting public comments easier. Mailed in and phone comments were also accepted. All written comments received by MDHA during the public comment period were considered before submitting a final amendment to HUD.

MDHA has received the following public comments on the NSP Substantial Amendment to date:

Public Comments received from:

Coralee Holloway, 1814 Shelby Avenue, Nashville, TN 37206.

Paul Johnson, The Housing Fund, 305 11th Avenue South, Nashville, TN 37203.
John Stern, Neighborhoods Resource Center, P.O. Box 100941, Nashville, TN 37224

1. The set-aside within the NSP program for affordable rental housing targeted to the very low income population addresses an unmet need in Davidson County. The 20-year affordability period and the rent limits set at the Low HOME rents will insure that these units remain affordable over time.
 2. Consider providing more flexibility in the 25% set aside for the less than 50% MFI requirement. The plan states this will be seen for rental opportunities mostly through Continuum of Care partners. Whereas this makes sense given the limitations of NSP on making profits, the plan could open up the 25% set aside to homeownership opportunities as well for households less than 50% MFI. It doesn't have to be either or, and providing the maximum level of flexibility given the uncertainties of implementing NSP, would seem to give MDHA more leeway in meeting HUD obligation and spending requirements. There are some (albeit relatively few) downpayment services being provided now to homebuyers less than 50% to purchase existing homes in the lower cost East and North Nashville neighborhoods highlighted in the NSP plan.
 3. Although this can probably be addressed after HUD approval of the plan, the NSP funds need to be leveraged and targeted as much as possible to make any kind of neighborhood impact. Establishing financing mechanisms seem to be one way NSP rules promote leveraging, and that approach also ensures that funds continue to be available for reuse in Nashville's hardest hit communities. Creating a loan pool capitalized with NSP funds could attract further financial investments in that pool of funds.
 4. Careful attention needs to be paid to the purchase price of the foreclosed assets to ensure those acquisitions aren't depressing property values in targeted neighborhoods.
 5. With the movement locally to start up a shared equity housing program, NSP funds used as a financing mechanism with other leveraged resources should be explored for its capacity to implement the SE program. Whereas the limited number of units that can be redeveloped and sold under NSP will not have a great impact on our local foreclosure problem, they could have a big impact in getting a longer term affordable housing solution, such as shared equity, started.
 6. MDHA is commended for the quick turnaround in putting together this plan and the expertise and competency to implement it. Most communities are not that fortunate.
 7. The physical environment includes the individual properties themselves, but also requires attention to the overall condition of neighborhoods- including the public infrastructure needed to support it.
 8. The social environment will require a sustained initiative to maintain and/or develop human organizational structures that work in support of the individual and collective health of the neighborhood (s). Neighborhood Groups whose membership represents and take action on the self-identified needs of their community.
 9. The economic environment is probably the most damaging and at the same time, most opportunistic component of this initiative. While we know that today's business models are clearly unsustainable, the idea of a new wave of economic realities bring with it great opportunities for new community and entrepreneurial development.
- G. NSP Information by Activity

ACTIVITY #1: ACQUISITION AND REHABILITATION OF HOMEOWNER HOUSING

- (1) Activity Name: Acquisition-Rehabilitation for Sale to Homebuyers
- (2) Activity Type: NSP eligible use: 2301(c)(3)(B) 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. CDBG eligible activity: 24 CFR 570.201(a) Acquisition and 570.202 Rehabilitation
- (3) National Objective: Low-Mod-Middle Income Housing (LMMH) Provides or improves residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.
- (4) Projected Start Date: December 1, 2008
- (5) Projected End Date: July 30, 2013
- (6) Responsible Organization: Metropolitan Development Housing Agency (MDHA)
701 South Sixth Street, Nashville, Tennessee 37206
Contact: Phil Ryan
Phone: 615-252-8412
Email: pryan@nashville-mdha.org
- (7) Location Description: Areas with greatest need as depicted on Maps 1-4
- (8) Activity Description: MDHA will purchase and rehabilitate foreclosed homes and properties in target areas. Homes will be bought at a minimum discount of fifteen percent from the appraised value. Units will be sold to homebuyers whose household income is at or below 120% of the area median income. It is not expected that the activity will benefit households earning less than 50% of the area median income. Affordability periods, secured by forgivable second mortgages at 0%, will range from 5-30 years. Each NSP-assisted homebuyer will receive and complete at least eight hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. The homeownership counseling will be treated as an activity delivery cost of the homeownership assistance activity itself.

(9) Total Budget: NSP Funds: \$2,633,408.70

(10) Performance Measures Acquisition & Rehabilitation

At or below 50% income 0 units

51 to 80% income 5 units

80 to 100% income 20 units

100 to 120% income 10 units

Demolition 0 units

ACTIVITY #2: ACQUISITION AND REHABILITATION OF RENTAL HOUSING

(1) Activity Name: Acquisition-Rehabilitation for Rental Housing

(2) Activity Type: NSP eligible use: 2301(c)(3)(B) 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. CDBG eligible activity: 24 CFR 570.201(a) Acquisition and 570.202 Rehabilitation

(3) National Objective: Low-Mod-Middle Income Housing (LMMH) Provides or improves residential structures that will be occupied by a household whose income is at or below 120 percent of area median income.

(4) Projected Start Date: December 1, 2008

(5) Projected End Date: July 30, 2013

(6) Responsible Organization: Metropolitan Development Housing Agency (MDHA)

701 South Sixth Street, Nashville, Tennessee 37206

Contact: Phil Ryan

Phone: 615-252-8412

Email: pryan@nashville-mdha.org

(7) Location Description: Areas with greatest need as depicted on Maps 1-4

(8) Activity Description: MDHA will purchase foreclosed properties in target areas. Properties will be bought at a minimum discount of fifteen percent from the appraised value. MDHA will partner with non-profit agencies to redevelop the acquired property for use as supportive housing for target populations such as homeless or as rental units marketed at households earning less than 50% of the area median income. This activity will benefit households earning less than 50% of the area median income. MDHA will secure a deed restriction to ensure that all units are rented to households earning less than 50 percent of median area income. The deed restriction will remain in effect for no less than 20 years.

(9) Total Budget: NSP Funds: \$1,012,849.50

(10) Performance Measures Acquisition & Rehabilitation

At or below 50% income 10 units

Demolition 0 units

ACTIVITY #3: ADMINISTRATION OF NSP PROGRAM

(1) Activity Name: Administration of NSP Program

(2) Activity Type: CDBG eligible activity: 24 CFR 570.206 General Planning and Administration

(3) National Objective: Not Applicable for Administration

(4) Projected Start Date: December 1, 2008

(5) Projected End Date: July 30, 2013

(6) Responsible Organization: Metropolitan Development Housing Agency (MDHA)

701 South Sixth Street, Nashville, Tennessee 37206

Contact: Phil Ryan

Phone: 615-252-8412

Email: pryan@nashville-mdha.org

(7) Location Description: Not Applicable for Administration

(8) Activity Description: MDHA will pay for staff and other delivery costs to ensure the NSP program is run effectively and satisfies all federal requirements.

(9) Total Budget: NSP Funds: \$405,139.80

(10) Performance Measures Not Applicable for Administration

﻿TABLE #1: HUD Estimated Foreclosure/Abandonment Risk Score 7-10: After analyzing HUD Risk Score Data, NSP funds will be targeted in Census Block Groups with a score of 7-10 (total count 188). 011800 3 10
011800 4 10 011800 5 10 013700 1 10 013700 3 10 013700 4 10 013700 1 10 013700 2 10 013700 3 10 013700 4
10 013700 5 10 013800 1 10 0TABLE #2: Federal Reserve Home Mortgage Disclosure Act (HMDA): After analyzing
the HMDA data, NSP funds
will be targeted in Census Tracts with an estimated High Cost Loan Rate of 31-70% (total count 62).

019003 31%

016300 31%

010302 31%

010302 31%

015402 31%

019108 31%

010802 32%

019111 32%

015616 33%

017200 33%

017200 33%

012300 33%

013100 33%

017401 34%

019004 34%

015617 34%

015900 34%

010401 35%

015614 35%

010501 37%

019001 37%

015615 38%

015618 38%

015404 38%

010901 38%

010702 38%

015613 38%

015620 39%

011002 39%

010801 39%

013300 41%

016100 41%

016100 41%

015801 42%

016000 42%

019109 42%

014200 43%

014400 43%

010600 43%

011400 44%

010102 44%

Table 2 - Corresponds

with Map 2

CENSUS

TRACTS

COUNTS

1

TABLE #2: Federal Reserve Home Mortgage Disclosure Act (HMDA): After analyzing the HMDA data, NSP funds
will be targeted in Census Tracts with an estimated High Cost Loan Rate of 31-70% (total count 62).

010402 46%

017300 47%

010701 48%
012702 48%
014900 50%
012701 51%
011900 52%
011001 53%
013600 53%
010904 54%
012801 54%
012600 55%
010903 56%
012802 57%
011800 58%
011300 59%
013900 60%
014800 63%
013700 65%
014300 67%
013800 70%

213800 2 10 013900 1 10 013900 2 10 5

TABLE #3: Estimated Foreclosure Rate: After analyzing the Foreclosure Rate data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated Foreclosure Rate of 3-9% (total count 89).

015611 3%
012200 3%
015000 3%
015405 3%
015300 3%
010200 3%
010200 3%
010301 3%
011700 4%
010502 4%
010502 4%
015802 4%
019113 4%
011100 4%
015612 4%
015619 4%
015502 4%
019112 4%
011500 4%
017402 4%
011200 4%
016200 4%
019108 4%
019110 4%
013200 4%
015700 4%
011600 4%
015621 4%
016300 4%
010302 4%
010302 4%
017500 4%
015402 4%
019003 4%
019111 4%
010802 4%
015900 4%
012300 4%
015616 4%
017200 4%

017200 4%
019004 4%
017401 4%
013100 4%
015617 4%
015614 4%
010401 5%

Table 3 - Corresponds
with Map 3
CENSUS
TRACTS
RATE

1

TABLE #3: Estimated Foreclosure Rate: After analyzing the Foreclosure Rate data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated Foreclosure Rate of 3-9% (total count 89).

019001 5%
010501 5%
015404 5%
015613 5%
015618 5%
015615 5%
010901 5%
010801 5%
010702 5%
011002 5%
015620 5%
016000 5%
016100 5%
016100 5%
013300 5%
015801 5%
019109 6%
010600 6%
011400 6%
010102 6%
010402 6%
017300 6%
010701 6%
014200 6%
014400 6%
012702 6%
012701 7%
011900 7%
013600 7%
011001 7%
010904 7%
012801 7%
012600 7%
010903 7%
012802 7%
011800 8%
011300 8%
013900 8%
014800 8%
013700 8%
014300 9%
013800 9%

TABLE #4: Estimated Number of Foreclosures: After analyzing the Foreclosure Count data provided by HUD, NSP funds will be targeted in Census Tracts with an estimated Foreclosure Count of 91-195 (total count 21).

011300 61
010502 62
010200 62

010502 62
 015612 62
 010200 62
 010903 63
 012701 63
 015300 66
 015619 66
 010501 70
 015608 71
 019113 72
 012801 73
 015618 86
 015620 97
 015611 105
 015616 109
 010600 110
 010102 113
 015621 195
 CENSUS
 TRACTS
 COUNTS

Table 4 - Corresponds with Map 4

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$4,051,398.00
Total CDBG Program Funds Budgeted	N/A	\$4,051,398.00
Program Funds Drawdown	\$11,109.48	\$11,109.48
Obligated CDBG DR Funds	\$3,926,398.00	\$4,051,398.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$607,709.70	\$0.00
Limit on Admin/Planning	\$405,139.80	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

During the second quarter, NSP policies and processes for the Homeownership Program were finalized and submitted to MDHA's Board of Directors for approval.

HUD authority to Use Grant Funds was issued during this quarter. Environmental review clearance for the acquisition, rehabilitation, and resale of properties was also received. A RFP was issued to secure the services of qualified appraisal companies to assist with meeting the acquisition and discount requirements of NSP funded housing. Two companies were selected and contracts are being negotiated. As of the end of the second quarter no homes have been purchased or rehabilitated, however several have been identified.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition/Rehabilitation	\$0.00	\$0.00	\$0.00	\$0.00
2, Administration	\$0.00	\$0.00	\$0.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$0.00	\$11,109.48	\$4,051,398.00	\$11,109.48

Activities

Grantee Activity Number: 0001

Activity Title: Administration and Planning

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

12/01/2008

Projected End Date:

07/30/2013

National Objective:

N/A

Responsible Organization:

Nashville-Davidson Metropolitan Development and Housing

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$405,139.80
Total CDBG Program Funds Budgeted	N/A	\$405,139.80
Program Funds Drawdown	\$11,109.48	\$11,109.48
Obligated CDBG DR Funds	\$280,139.80	\$405,139.80
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

MDHA will pay for staff and other delivery costs to ensure the NSP program is administered effectively and all federal requirements are met.

Location Description:

Not Applicable for Administration

Activity Progress Narrative:

Minor administration costs were incurred relating to notices for the Appraisal RFP.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: 0002

Activity Title: Acquisition Rehabilitation for Sale to Homebuyers

Activity Category:

Acquisition - buyout of residential properties

Project Number:

BCKT

Projected Start Date:

12/07/2008

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Bucket Project

Projected End Date:

07/30/2013

Responsible Organization:

Nashville-Davidson Metropolitan Development and Housing

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$2,633,408.70
Total CDBG Program Funds Budgeted	N/A	\$2,633,408.70
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$2,633,408.70	\$2,633,408.70
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

MDHA will purchase and rehabilitate foreclosed homes and properties in target areas. Homes will be bought at a minimum discount of fifteen percent from the appraised value. Units will be sold to homebuyers whose household income is at or below 120% of the area median income. It is not expected that the activity will benefit households earning less than 50% of the area median income. Affordability periods, secured by forgivable second mortgages at 0%, will range from 5-30 years. Each NSP-assisted homebuyer will receive and complete at least eight hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. The homeownership counseling will be treated as an activity delivery cost of the homeownership assistance activity itself.

Location Description:

Areas with greatest need as depicted on Maps 1-4

Activity Progress Narrative:

On August 3, 2009, a Request for Proposal (RFP) for Appraisal services was solicited from appraisers to assist with determining the fair market value of acquired properties for rehab and resale. RFP's were evaluated, with two successful respondents, Southeastern Appraisal Co., and Norman Hall & Associates being selected. Contract negotiations with both companies are currently underway. On September 8, 2009, MDHA's Board of Directors approved the NSP Homeownership Guidelines. Potential foreclosed properties that meet MDHA's specifications are being identified daily thru searches on the MLS and RealTracs. The services of National Community Stabilization Trust are also being explored as a potential partner for help with acquisition. Acquisition and rehab of 5 single family homes is planned to be completed by the end of the third quarter. A list of interested potential buyers is being maintained by the NSP Coordinator. As MDHA builds its inventory of properties, potential buyers will be pre-qualified and matched to a property that meets their income thresholds on a first come -first serve basis.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/35
# of housing units	0	0	0	0/0	0/0	0/35

# of Households benefitting	0	0	0	0/5	0/30	0/35
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/35
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: 0003

Activity Title: Acquisition Rehabilitation for Rental Housing

Activity Category:

Acquisition - buyout of residential properties

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

12/01/2008

Projected End Date:

07/30/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Nashville-Davidson Metropolitan Development and Housing

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,012,849.50
Total CDBG Program Funds Budgeted	N/A	\$1,012,849.50
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$1,012,849.50	\$1,012,849.50
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

MDHA will purchase foreclosed properties in target areas. Properties will be bought at a minimum discount of fifteen percent from the appraised value. MDHA will partner with non-profit agencies to redevelop the acquired property for use as supportive housing for target populations such as homeless or as rental units marketed at households earning less than 50% of the area median income. This activity will benefit households earning less than 50% of the area median income. MDHA will secure a deed restriction to ensure that all units are rented to households earning less than 50 percent of median area income. The deed restriction will remain in effect for no less than 20 years.

Location Description:

Areas with greatest need as depicted on Maps 1-4

Activity Progress Narrative:

The finalized development agreements for the 50% set-aside awards to Park Center and Woodbine Community Organization (WCO) are being reviewed for execution. On August 5, 2009, the environmental clearance for WCO's purchase of 1429 12th Avenue S., a 44-unit apartment building was received. WCO is expected to close on their purchase at the beginning of the third quarter. Rehab will commence shortly after closing and is expected to be completed by the end of the third quarter. Park Center has yet to identify a property to purchase. However, they are working diligently with a Realtor and plans to name a property during the third quarter.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/10
# of housing units	0	0	0	0/0	0/0	0/10
# of Households benefitting	0	0	0	0/10	0/0	0/10
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/10

Total acquisition compensation to	0	0	0	0/0	0/0	0/0
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Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources
