



Community Planning and Economic Development Department

News Release

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Minneapolis City Goals: A Safe Place to Call Home ▫ Jobs & Economic Vitality ▫ Eco-Focused ▫ Livable Communities, Healthy Lives ▫ Many People, One Minneapolis ▫ A City That Works

Minneapolis' mortgage assistance program helps neighborhoods recover from foreclosure challenges

*Nearly 350 homes purchased since 2008 and more funding available;
Nearly 60% of the buyers moved to the city from elsewhere*

February 7, 2012 (MINNEAPOLIS) –Since 2008, the City of Minneapolis has helped nearly [350 home buyers purchase homes in neighborhoods](#) stressed by foreclosure through its Minneapolis Advantage Program. The forgivable loan program assists with down payment and closing costs, and helps rebuild neighborhoods, stabilize communities and promote sustainable home ownership.

The success of this program has spurred additional investment from partners who also want to help with recovery. The City's investment of \$1.2 million in the program has leveraged an additional \$3.2 million from Wells Fargo, Minnesota Housing, Federal Home Loan Bank Des Moines and through the U.S. Department of Housing and Urban Development Neighborhood Stabilization Program.

"When the recession hit Minneapolis, we took action. Minneapolis Advantage has helped hundreds of people become homeowners in our city and has helped neighborhoods that were hit especially hard by the foreclosure crisis get on the path to recovery," said **Minneapolis Mayor R.T. Rybak**. There's much more work to do, but homeowner by homeowner and neighborhood by neighborhood, we're growing Minneapolis again — and that benefits everyone."

“I have met many new homeowners—recipients of the loan program—that have moved in to the communities I represent,” said **Council Member Elizabeth Glidden** (Ward 8). “This financial assistance enables a buyer to purchase a house, and that helps to rebuild the neighborhoods.”

“We have extraordinary partners in Minneapolis that have given the City additional funds based on our record of successful efforts and outcomes to rebuild homes and attract new homeowners to these great properties,” said **Tom Streitz**, Director of Housing at the City’s Department of Community Planning and Economic Development.

Minneapolis Advantage Program Performance

- All homes had to be foreclosed, vacant, or in a high foreclosure-impacted neighborhood.
- Loan recipients purchased homes in 30 Minneapolis neighborhoods.
- [Nearly 350 homes have been purchased.](#)
- Nearly 60% of the home buyers moved to Minneapolis from elsewhere.
- 89% of the recipients are first time home buyers.
- 48% of the home buyers are between the ages of 31-50.
- Average household size is two.
- 49% of the homes’ purchase prices are less than \$100,000; 39% of purchase prices are between \$100,000-\$150,000.

Funding Available in 2012

Approximately \$400,000, or around 25 loans, is available to help potential buyers purchase a foreclosed home in eligible neighborhoods. Based on income eligibility requirements, buyers within 80% of the area median income (approximately \$64,000 for a four-member household) can receive up to \$20,000 and buyers within 120% of the area median income (approximately \$100,700 for a four-member household) can receive up to \$10,000. These funds can be used to pay for closing costs and down payment assistance. For more information, call the Greater Metropolitan Housing Corporation, program administrator, at (612) 588-3033 or see

www.minneapolismn.gov/cped/housing/cped_minneapolis_advantage_nsp_mortgage_assistance.

Interested in purchasing a foreclosed home? Check out www.ownahomemn.org for a listing of foreclosed homes that have been renovated and are on the market; www.livemsp.org provides a

directory of home buyer incentive programs and resources by neighborhood; www.hocmn.org offers resources and education to home buyers.

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