

Sr. Schwendinger asked the question about credit cards in the explanation of the ARM that was provided to the Commissioners. Kris explained that one of the potential homeowners had never had a credit card or ever established credit so she didn't exist credit-wise. She explained how one little thing you do could affect the potential of getting a mortgage. Jeanne Digman, Mortgage Loan Officer with Dupaco, is willing to work with a couple of our candidates to do a 5/1 ARM. Kris explained that she contacted IFA to see if they allowed 5/1 ARM's. The IFA representative stated that as long as the Trust Fund Committee approved the ARM it was ok with them. Kris explained that these two candidates would really benefit from this opportunity. She stated that she has been working with these candidates for quite some time and feels they are worthy of this opportunity. John was concerned about closing costs in refinancing from an ARM to a fixed mortgage. Kris explained that the closing costs incurred in the refinancing could be added to their loan. Also, after five years, \$10,000 in equity would be established because \$10,000 is forgiven after five years. John would requested some statistics on how the loans work out over time, i.e. long-term data, anecdotal data, what kinds of changes these loans made in their lives. Kris stated that after a loan is completed, we send out a "Thank You" card and also a survey asking questions like "Do you think you would have been able to buy a home without the City's assistance"., etc. Kris stated that she will bring some testimonials to the next meeting. John Walsh motioned to approve the 5/1 ARM for Homebuyers. Sr. Schwendinger seconded. All in favor. Motion passed.

Information Sharing

There was some discussion on potentially developing a DREAMS 2 program. Jim and John discussed the creation of the initial DREAMS program. Kris asked Jim and John to get with her to discuss this program in more detail in order to set it up.

Adjournment

There being no further business to come before the Committee, Sr. Dorothy Schwendinger motioned to adjourn. Commissioner Walsh seconded. Meeting was adjourned at approximately 8:23 a.m.

Minutes taken by:



Brenda Henry
Housing & Community Development
Rehabilitation Programs Secretary

Respectfully submitted by:



Kris Neyen
Housing & Community Development
Rehabilitation Programs Supervisor