

all ayes and no one opposed. Congratulations were given. Mr. Hess asked for nominations for Vice Chair, Commissioner Spinelli nominated Commissioner Layman, Mr. Hess said they will accept the nomination on his contingent if he accepts it. Chairman Deak nominated Commissioner Spinelli and Commissioner Spinelli accepted, Mr. Hess asked if there were any other nominations, there were none, Mr. Hess asked all in favor of Commissioner Spinelli, all answered aye, none opposed. Congratulations were given.

III. Approval of Agenda

Motion: Commissioner Spinelli motioned to approve the agenda.
Second: Chairman Deak seconded the motion and approved.
DISCUSSION: There was no discussion.

IV. Approval of Minutes

Motion: Commissioner Spinelli moved to approve January and February minutes.
SECOND: Chairman Kassik-Michelsohn seconded the motion and Chairman Deak approved.
DISCUSSION: There was no discussion
VOTE:

V. Conflict of Interest Declarations

There were no conflicts of interests.

VI. Introductions

Mr. Hess stated there are no introductions other than Jay Jackson from the Mayor's office who will be conducting the Ethics training today.

VII General Public Comments

No general public comments.

VIII. New Business

A. Mr. Hess stated at the February 28th Assembly Meeting three individuals were nominated by the Mayor, they were confirmed by the Assembly on the 28th to serve as the three public members on the Housing and Neighborhood Development Commission Oversight Sub Committee on Homelessness and they are, John Pendrey with the Veteran's Administration, Catherine Stone with Alaska Housing Finance Corporation, Public Housing Office and Trevor Storrs with 4A's and The Anchorage Coalition To End Homelessness. We also need to complete the sub committee so we can start moving forward with the updating of the ten year plan. We need two Commissioners to serve on the Commission. Dewayne Harris and Gabriel Layman will be the two Commissioners and Commissioner Karen Kassik-Michelsohn will observe.

B. Ethics Training for Commissioners by Jay Jackson was completed. A Power Point hand out for the Ethics Training was given to each of the Commissioners and was reviewed. One of the things that she stated was the overall impression you should get is that the general rule is, you should not benefit personally or in terms of your business and your position on a board or commission, and there should not seem to be a perception that you are personally benefiting or a business you own or are involved with. The reason for this is that you are in a position of trust.

C. Public Hearing for the Draft 2011 Consolidated Annual Performance & Evaluation Report (CAPER), 2011 Action Plan Amendment #1 and 2012 Action Plan Amendment #1P

Carrie Longoria, with the Municipal Department of Health and Human Services (DHHS), was asked to speak on the Consolidated Action Performance Plan (CAPER) for 2011. She explained the city receives HUD dollars every year and outlines in our Annual Report how the monies will be spent using CDBG, HOME, and ESG funds. This report is for 2011 projects and the status of projects that were outlined in the 2011 Action Plan. Aside for projects that is oversee by the Community Safety and Development (CSD) Program other projects are included in the plan, such as Anchorage Community Mental Health Services, Inc. and RurAL CAP's new Substance Abuse and Mental Health Services funded project. For the technical issues we have a 15 day public comment period. , CSD is responsible for making sure that our local HUD office who then gives it to the larger HUD office so they will know what in our community we are doing and that is why it is so important. Chair Deak asked if there were any comments, there were none and Ms Longoria said thank you.

Chairman Deak suggested that we go through the Substantial Amendments and then we will get to the public hearing. Mr. Hess said that there are copies of the amendments in the Commissioner's packets. Lynda Meyer of the DHHS, Senior Services Coordinator, for the Aging and Disability Resource Center Program Manager and the ESG Program Manager for our Emergency Outreach Services. I am here this evening to provide information regarding the Substantial Amendment to FY2011 Action Plan for the Emergency Solutions grants funds as well as the 2012 Amendment. As you know the Emergency Shelter Grant and been changed to Emergency Solutions Grant. HUD decided to do two allocations in 2011. The first allocation of funding was under the ESG (Shelter) and another under ESG (Solutions) grant. This money is what comes under the second allocation. The first was \$82,511.00, it was broken out for homeless prevention,

essential services and maintenance and operation for the Emergency Shelter Grant. Our proposal is that we continue to use those funds as outlined in the 2011 Action Plan. The second allocation is a total of \$46,412.00 for 2011 Emergency Solutions Grant. We have made a proposal that we will increase up to 7.5% our administrative cost which is allowed under the second allocation and split the money evenly between homelessness prevention and rapid re-housing which is in line with what HUD is requesting communities to do.

James Boehm stated that part of the 2012 Action plan amendment includes some results of some adjustments for our HUD funding. We got an additional \$5,000.00 in the Community Development Block Grant Program and we got cut approximately \$300,000.00 in our Home Investment Partnership Program. So for the 2012 Action Plan amendment we're using \$5,000.00 to go towards Project Management and because of the cut some of the project we were going to fund in 2012, we're taking that money and re-programming it and it will be used in the 2013 Action Plan. The substantial amendments have a thirty day comment period. Chairman Deak, you said you are going to re-program funds, is it because the need is not there? Mr. Boehm said Larry Stokes will explain that. Mr. Stokes said that the AnCHOR Program for the 2011 program, HUD and congress withheld the entitlement until September and we were unable to get an executed contract for the 2011 program year for AnCHOR, therefore we lost the whole year of AnChor activities. So carry that forward and now we have a whole year of AnCHOR activities to do and we're going to do that in 2012 using 2011 monies. Now we don't need to do a RFP for a new AnCHOR program because we have an AnCHOR program in place. So we will wait till the 2013 Action Plan to allocate those 2012 HOME funds from the AnCHOR RFP.

Public Hearing for the Draft 2011 Consolidated Annual Performance & Evaluation Report (Caper), 2011 Action Plan #1 and 2012 Action Plan Amendment #1.

Chairman Deak opened the Public Hearing for both issues, the CAPER and both of the Amendments.

Susan Bomalaski Executive Director of Catholic Social Services, I appreciate the opportunity to be here today. The first comments I will address is the CAPER which is here and I just wanted to comment that we appreciate the opportunity to have our projects included in there including some nice pictures and we had projects in three areas. One was the Community Development Block Grant fund, CDBG that funded renovations to our Food Pantry so it increased our seating capacity and our flow through so we serve about 18,000 people a year in our Food Pantry so that was tremendously helpful and I would invite anybody actually on the Commission to come and see that renovation if you were interested in doing that. We worked quite closely with staff, James on that and we appreciate that. Then we had a Tenant Based Rental Assistance project going on, it's in its third year that is our Rapid Housing Program out of our shelter that works in our housing hard to house chronically homeless individuals, so far we've housed 21 individuals with about 250 years of homelessness so that's been a successful partnership with Alaska Housing Finance Corporation Special Needs Housing Grant which provides the match to

that in the form of Intensive Case Management. And then Brother Francis Shelter also receives some of the Emergency Shelter Grant funds at that time that Lynda was referring to for shelter operations so we appreciate those and the opportunity to put information about our program in the CAPER.

I had comments now on the Substantial Amendments both to the 2011 Action plan and the 2012 Action Plan. We've had conversations with Lynda and Carrie on the addition of the funds in the Rapid Housing area to what we have going and as Lynda said the Homeless Prevention Rapid Re-housing Program through the recovery act fund came to the community and we had a couple of models that went on with that. The last model being research that Carrie had done that showed that what's most effective for homeless families is a rental subsidy and intense case management and a three month rental subsidy, in this case we can extend it actually up to six months where you most often use a sliding rental subsidy to help people really get stabilized in housing. So, the funds that are being proposed here through the Substantial Amendment would augment and leverage other funding that we get through multiple funding sources including Alaska Housing Finance Corporation's Basic Homeless Assistance Program (BHAP), the Continuum of Care's Rapid Re-housing Program and the grant that we just got in October, the Supportive Services for Veterans Families grant which is through the VA (Veterans Administration). So all of those are using the same model, intense case management and rental subsidies and what these funds enable us to do is take literally, homeless families which is another definition that are either doubled up or living in a shelter and at this time we are on a cold alert and thanks to the Muni for raising the cold alert temperature so that people that may be in the churches, maybe at McKinnel, maybe Clare House, they may be working with Homeless Family Services program through Safe Harbor Inn and it allows us a lot more flexibility to serve those families. So if we run out of funds over here we can use funds here so it really enables the whole community to come together. We formed a partnership with eight agencies in the community where we pooled prevention funds also homeless prevention funds these are Rapid Re-housing but there's a nice model going on in the community where people specialize in different areas so we're in support of these Substantial Amendments. We're working with the Municipality on wording and how exactly those funds can best be used but that's the essence of it. We give that flexibility to provide the rental subsidy for homeless families with children. I think that's all I have to say other than also the emergency funds that support the shelters do help us at Brother Francis Shelter, it's pretty expensive to keep the lights on there and other things, that really helps us with the maintenance and operation. So thank you and if anyone has any questions I will be happy to answer them

Chairman Deak asked for questions, there were none. He thanked Ms Bomalaski and said the next person is Barb Worley.

I'm from NeighborWorks Anchorage, I'm the Director of Lending and Home Ownership and we would like to make a comment on the 2012 Action Plan Amendment #1. We have been operating the AnCHOR Program on behalf of the Municipality for the past decade

and I'd like to give some information about the last few years of the program and the production and the impact it's had on our community but I'd like to highlight a few of those things during the 2008 contract and the subsequent years through 2011. We created seventy two new home owners using these funds during those three years and fourteen of those families were Habitat for Humanity homeowners. We project that the 2011 funds that we have now received will create an additional fifteen to sixteen new homeowners. The taxable value on the homes that were purchased according to this years Muni Website is about \$12,186,000.00 and the AnCHOR Program has leveraged other funding such as first mortgages in the amount of about \$10,000,000.00 and this is through our five lender partners. Due to the delays in the federal budget as Larry had been talking about earlier, we received the amendment to sign on the 26 of September and we didn't receive it back until the 22nd of December, the fully executed contract so that only left us with about nine days to deploy the funds, so we requested an extension and the extension was granted and we got that on the 25th of January. So on the 26th of January we announced that we would start accepting applications and we opened that application period on the 15th of February and that's been about three weeks. As of today fifteen households have been accepted into the program and four of those families are currently under contract to purchase homes. And then we have a wait list, and there are six folks that are eligible and will be put on that wait list so the activity clearly demonstrates that there is a need and a demand for the program. Supporting home ownership in these times benefits the community and Anchorage residents. And interest rates right now are at an all time low which helps increase the home buyers buying power so we can reach those homeowners with lower incomes right now especially with these types of programs, whereas in a higher interest rate era they may not be able to purchase at all. And AnCHOR is a very popular and effective program and it utilizes the HUD funding in a way that benefits individuals and families as well as our community. And your continued support of the program would be greatly appreciated. And you will see on the back page we did put a picture of a family that purchased using the AnCHOR funds in 2005 and she was actually a recipient of AnCHOR funds and she was a disabled single mom and purchased a new condo and she has been successfully making her payment for the last six years. So these are the folks, the face of the folks that this program helps.

Chairman Deak asked if there were any questions. Chairman Spinelli asked if she had said there were five lender partners, her answer was yes the lender partners operate the First Mortgage Program and they are tied to the AnCHOR funds and they would be First National Alaska, Denali Federal Credit Union was a partner in the past, this year they elected not to participate, Residential Mortgage, Alaska USA Federal Credit Union and Homestate Mortgage. Commissioner Spinelli asked if the people sign up for the program before they meet with these lenders. Ms Worley replied that because there is such a demand for the program we want to make sure that before we set funds aside for folks or put them on a list to go shopping that we have folks that are qualified to move forward with purchasing. So we counsel with them to see the affordability we send them to the lender partner to get prequalified for the first mortgage to make sure they can move forward and how much that first mortgage might be so then they know a price range when they are going shopping. We also require them to attend the Alaska Housing Home Choice Class and at the back end we require them to come to the Post Purchase Class within a year of

when they close. So they are getting that front end support and being educated, learning how to be responsible home owners and on the back side they're getting support through the post purchase and then they can call us should they have questions or concerns on a one-on-one basis.

Commissioner Spinelli said, so NeighborWorks is the first stop and Ms Worley replied yes typically. Chairman Deak asked if there were others. Commissioner Evans asked if the classes educate the homeowners who to call if they are having maintenance problems such as a problem with their furnace or do they call her office, Ms. Worley's. Ms Worley said that it is a combination. We are a counseling agency so we counsel with them about those types of things. In the Home Choice Class through Alaska Housing they talk about home maintenance and repair and then in the Post Purchase Class we give them resources on how, maybe through the Minor Repair Program, which is another program we administer for the Municipality or maybe Weatherization Program. So we give them resources in the classes and then if they do call us we have that information and can again redirect them to who might be able to assist them. But we want to train folks to have an emergency savings plan so they are able to repair and maintain their homes. In the real world sometimes that doesn't work and it's an emergency then we have to help find them resources.

Chairman asked if there more questions. Commissioner Layman. Your delinquency and default rates, the overall success rates do you have those handy? Ms Worley said that she did not have them on the AnCHOR Program and that Larry Stokes would have them because the Municipality services these loans. I can give you the default rate on our portfolio, we have about 500 loans currently and our delinquency rate is less than 3%. Commissioner Layman asked, do we know if that's similar to what we see in the AnCHOR Program. Mr. Stokes replied that he didn't have the exact figures for that and it would take some research to come up with the foreclosure rate and said that we have only repossessed two or three since 1999 and the resale turnaround has been very successful. Mr. Hess told Mr. Stokes if he could get that rate he would e-mail it to the commissioner. Commissioner Evans asked Ms. Worley, do they have so many years to go back to you and ask you questions or is it ongoing? Ms. Worley answered that they are customers for life and said that she still works with customers that she has had since 1998 and that there is no set time limit, we would never turn someone away saying it's been too long.

Commissioner Layman said as we have conducted public hearings over the past several months specifically to try to gather information from the community about need, we're hearing that affordable rental housing, Rental housing portfolio in the community is the biggest need. We need more affordable rental units and obviously HOME can help satisfy that need. Knowing that you folks are involved on both sides, home ownership and rentals, what's your perspective of how we as a community evaluate those two different needs and allocate funding accordingly? Ms. Worley stated well I can understand and

appreciate your question, with this recent funding if we can create fifteen or sixteen new homeowners that are currently renting, we're moving them out of those rental properties into home ownership freeing up those rental units so we are helping move that pipeline. Whereas I'm not sure if this amount of money were used towards tenant based rental, I'm not sure how many people that would impact for how long but if we get about fifteen or sixteen people for life and we've now moved them out of that rental, it seems like it's a pretty big impact on the community.

Chairman Deak, my question is you seem very specific on the dates on when the contract was received what is my interest in those is what happened in 2011 with all those people I supposed were lined up, are those the ones who are the recipients or will be the recipients of this current albeit a year late allocation and then what happens to the people who think they are going to get into this in 2012? Because if the funding is delayed a year or it's completely moved away from this program, then all I see is a gap I need to understand that. Ms. Worley replied that is what we see as a gap. The folks in 2011 did not purchase homes; these folks that are applying now were not able to purchase homes without using these funds so they have waited. On some of these folks, I'm going to say off the top of my head as I recall four or five of them have come through Cook Inlet's IDA Program so they have their closing costs through that program. So they're below 60% median income and so folks typically in this market that we're seeing that are under 60% would not be able to purchase without a program like this or purchase property that might meet their needs. So the folks that are on the waiting list would likely not be able to purchase or would have to find other resources or possibility wait until another round of funding would come along.

Chairman Deak responded, so what this means is what Gabe was eluding to is the need is there. You have apparently more than the funding is allowing you to accommodate, I don't know how much more, maybe you can let us know and right now you just have so much money and that what you deal with, is that a fair statement? So how many people are ready? Ms. Worley answered, there are six folks waiting and we have additional appointments coming and on those new appointments coming in I don't know where their qualifications will lie. Chairman Deak then asked, since this is 2011 funds are you now signing to complete this by the end of 2012? Ms. Worley replied actually what has happened is we give people sixty days to go shop and to identify a property and then an additional ninety days to close, but typically we've already got a third of these folks who have already identified a property so they're likely to close in the next sixty days or so my guess is these funds would be gone by the first part of June. Commissioner Newgent said to get a clarification, the 2011 waiting list was cut off because you only go out to the lenders when you know you have the money, correct? Ms. Worley replied, right, they weren't on a waiting list for 2011 all year but they had come to us, received their pre-purchase counseling and they may have been going through the IDA Program, they had taken their Home Choice Class, they were saving money, they were waiting to purchase but they weren't on a list yet. So when we made the announcement that we were accepting applications, they were ready to go and were at our door.

Chairman Deak asked if there were any other questions or closing statements. Ms. Worley said no, I just want to thank you for the opportunity and thank you for the opportunity for the funding for our customers and our community.

Chairman Deak stated we have numerous people signed up who indicated that they do not wish to testify and a few people signed up who indicated neither yes or no, so here is your opportunity to come forward and testify on the CAPER, the amendments for both years , please come forward and state your name for the record. Seeing no one Chairman Deak closed the public record.

IX. Reports

A. Staff Report

Mr. Hess handed out packets to the commissioners and said in your packets in the very back behind the minutes and the substantial amendments he had talked to the commission a couple of time about the McDowell Group which is doing the Anchorage housing market analysis. The consultants will be in anchorage March 19th and 20th making presentations, all of these meeting are open to the public so I hope members of the commission will be able to attend, also I should have the final document by March 12th or 13th and I will e-mail it to the commission and deliver one to Margaret so you would have it before the meetings in case you have questions at these presentations. And I also included the Mayor's Kitchen Cabinet, the next three meetings here in this room from 1:30p.m. to 3:00p.m. are April 12th, May 10th and June 14th and those are also open to the public. Chairman Deak added that he was part of that advisory group that worked with the McDowell Group for the Housing Marketing Analysis and thinks that the outcome of that is worth for us to study and understand so I encourage you all to be at one of these.

Mr. Hess stated that he will set up a meeting with our team at Health and Human Services with the Chair and Vice Chair, one of the things that we are committed to doing is moving forward with working closer with the Chair and Vice Chair on the agenda development. Back to the Chair's point regarding this McDowell study, I know the commission has expressed interest in looking at affordable housing and community development moving forward. We've got to schedule time where the commission can actually get down to the stuff you want to talk about.

Commissioner Layman said along those lines Andre and I attended a meeting recently the United Way Round Table, you were there as well Darrel. It would be interesting once they had some opportunities to meet and develop an agenda to have a representative of the United Way Round Table come and speak with the HAND Commission to make sure we are coordinating with what's going on in the community. Mr. Hess said that he has the Power Point for their presentation which he will get to the commission. He said he also has the Power Point presentation that the Housing and Neighborhood Task Force that Sheila Selkregg and Carol Gore presented to the assembly in 2009 and he said he will get both of those documents to the commission in the very near future.

Chairman Deak asked if there were any more staff reports. Carrie Longoria said she would like to comment on the Housing Marketing Analysis that was being conducted by the McDowell Group and United Way. That is what the Municipality needs to put into its Consolidated Plan, that's that five year plan. This is the plan that will outline what the priorities are for the community. Affordable housing, what does that mean? She said that we have to define it in our Con Plan in order to be the recipient of over three million dollars a year so we can make these really important awards. Which bring us to talk about the Con Plan, you might recall about two months ago we introduced to you the Community Questionnaire; we probably have about 350 responses now. Because we have received an unbelievable amount of response that's very, very detailed about what type of affordable housing we should have and this is from service agencies, NeighborWorks, as example, they're the ones that are in the field that are saying "this is what kind of affordable housing that we need and these are the subpopulations that we should be directing those resources for". We will have a lot of rich information that we can marry with these other efforts that are going on in the community. The last presentation we did was for the SART groups and which is the Sexual Assault Response Team where they do medical examinations. That group had not been reached out to and as many of you know we have the highest rate of sexual assault in the United States. Anchorage has been rated the 5th highest city in the country and Fairbanks has often been number one. So that gives that sector of the community an opportunity to say we need to have some transitional or emergency housing for rape victims. No other Staff comments.

B. Commissioner's Comments

Commissioner Layman apologized for being late. Commissioner Spinelli, my only comment is on the AnCHOR Program, I really like the idea of using funds to leverage private funds to more units, more housing units and I think it's a really intelligent use of funds.

X. Adjournment

Chairman Deak made the motion to adjourn, Commissioner Newgent seconded the motion. Meeting adjourned at 5:16 p.m.

2012 Action Plan Amendment #1 Comments of NeighborWorks® Anchorage Before the Hand Commission-March 7, 2012

NeighborWorks® Anchorage would like to provide information in support of our disagreement with the 2012 Action Plan Amendment #1 as written, which cancels the planned 2012 AnCHOR RFP. The AnCHOR program provides down payment assistance to qualified borrowers resulting in an increased number of Anchorage area homeowners. Homeownership in general, leads to healthier families, fosters the next generation of America's leaders, creates local jobs, and forms the foundation for a strong economy. NeighborWorks® Anchorage has operated the AnCHOR program on behalf of the Municipality for the past decade. HUD (Housing and Urban Development) provides HOME funds to the Municipality and these funds can be utilized for housing. The citizens of Anchorage value homeownership and have supported use of a portion of the annual funds for the AnCHOR down payment assistance program. History has consistently shown that the demand for the down payment assistance funding has always exceeded the program funding amount. There has always been a wait list and we have had to turn potential homeowners away, because without the funds, they would not be able to purchase a home.

2008 contract and subsequent amendments through 2011:

- Through the help from this program, 72 new homeowners now enjoy the benefits and responsibilities of homeownership. They have an investment in their home, their neighborhood, and their community. They pay taxes and support local services. Of our 72 new homeowner households, 14 families are Habitat for Humanity homeowners. In addition to their financial investment, they have invested their time and labor for the creation of their home.
- We project the 2011 funds will create an additional 15 to 16 new homeowners over the next few months increasing the homeownership rate to a total of 87
- The total taxable value on the homes purchased is \$12,186,598. Our new homeowners pay real estate taxes and help pay for the city's services.
- Total value in sales prices of the homes is \$12,907,120 with an average sales price of \$179,265.

- 47% are condos and 53% are single family homes.
- The average age of our typical borrower is 34.
- The HOME funds not only help make homeownership possible for the first time homebuyers; their purchase adds to our local economy by employing mortgage lenders, loan processors, NWA staff, title companies, Realtors, appraisers, and home inspectors because their services are required in order to complete the transaction. It also supports small business contractors who perform repairs on the homes in order to prepare them for sale.
- The AnCHOR program leverages other funding as \$10,146,048 in first mortgages has been made by our five lender partners.
- \$1,673,850 in AnCHOR funds have been loaned over the course the contract period.
- \$2,137,850 in total has been made available which includes \$464,000 in 2011 funds currently being deployed.

Due to delays in the federal budget process, the deployment of 2011 AnCHOR funding was postponed until this year. The process was cumbersome in that NeighborWorks® Anchorage received and signed the 2011 amendment # 3 on September 26, 2011 and returned it to the Department of Health and Human Services for signatures by the Director and the Municipal manager.

It wasn't until December 22, 2011 that NWA received the fully executed contract from the Municipality. The amendment was valid through December 31, 2011, which left just 10 days (during the holidays) to deploy the funds and meet the requirements of the contract. NWA requested an extension from the department staff. The extension was received by NWA for review and signature on January 11, 2012. NWA signed and returned to the department staff on January 11, 2012. NWA received a fully executed extension on January 25, 2012.

On January 26, 2012 NWA announced that we would start accepting applications on February 15, 2012.

As of today 15 households have been accepted into the program and 4 families are currently under purchase contracts. If the potential homeowners can successfully find homes, all of the funds will be deployed as soon as they close on their loans. A waiting list has been established and 6 appointments have been set for potential applicants who are ready to purchase, but are lacking down payment assistance.

This activity clearly demonstrates the need and demand for the program. With the commitment of at least half of the 2012 funds toward homeownership creation, another 8 to 9 Anchorage families could purchase a home this year and contribute to the benefits of homeownership.

Supporting homeownership in these troubling times benefits the community and Anchorage area residents. Interest rates are still at all-time lows, increasing the buyer power for working families. The typical AnCHOR borrower would receive an interest rate between 2.5 and 3.5% using Alaska Housing Finance Corporation's first time homebuyer interest rate reduction program.

The AnCHOR program is an effective and popular program. It utilizes the HUD pass-through funding in a way that benefits individuals and families as well as our community as

a whole. Your continued support of homeownership programs and the AnCHOR use of HUD funding would be greatly appreciated.



Rachel's Story

Rachel is a disabled mother of three, who came to us for help in purchasing a home for her and her family. Due to her disability and her limited income, she was receiving Section 8 rental assistance from Alaska Housing Finance Corporation. Rachel was able to use her voucher toward homeownership in a pilot program offered by Alaska Housing Finance Corporation. She was required to attend the 8 hour homeownership class, save at least \$1,000, get pre-qualified for a mortgage and meet with a NeighborWorks® Anchorage counselor, one-on-one, for pre-purchase counseling. Rachel began her quest for homeownership by attending the 8 hour class. She started saving money and met with our counselor and then pre-qualified for a first mortgage with one of our lender partners. The lender partner participated in the Home\$tart program, which is a matched savings program through the Federal Home Loan Bank of Seattle. This allowed Rachel to participate in the matched savings program. If she saved \$1,667, the grant match would be \$5,000 which she could use toward down payment and closing costs. Rachel initiated her housing search and found a new construction condo to purchase. In order for Rachel to qualify for a home in that price range we used several layers of financing which consisted of Home\$tart funds, HOME funds (AnCHOR funds administered by NeighborWorks® Anchorage), funds from the NeighborWorks® Anchorage revolving loan fund, a first mortgage from our lender partner, and the Section 8 voucher to subsidize her monthly payment. The monthly portion of the payment after the section 8 subsidy and the layered financing was \$504 which is 27% of her monthly income. This amount includes principal, interest, taxes, insurance and homeowner's association dues. The amount out-of-pocket for Rachel was \$1,667. Rachel has been successfully making her mortgage payments on time since her closing in November 2005.

