

Project Descriptions and Justification for Funding Recommendations

<p>Mountain Housing Opportunities (MHO) Owner Occupied Rehabilitation</p>	<p>MHO submitted an application to continue the Rural Housing Rehab Program. The program will benefit 2 very low income homeowners outside of the city limits of Asheville. Priority is given to elderly persons, disabled persons, and for those persons with children in the home. A note and deed of trust is secured for every rehab.</p>
<p>Mountain Housing Opportunities (MHO) Down Payment Assistance</p>	<p>MHO submitted an application to assist 10 low/moderate income households in purchasing homes located within Buncombe County through down payment assistance. Income eligible homebuyers will receive up to \$20,000 in deferred loan funds to assist in the purchase of a home located within Buncombe County.</p>
<p>Mountain Housing Opportunities (MHO) Self-Help Program Land Acquisition</p>	<p>MHO submitted an application for these HOME funds to be used to acquire land for the purpose of building affordable housing.</p>
<p>Mountain Housing Opportunities (MHO) Self-Help Program</p>	<p>MHO submitted this application for HOME funds to cover the cost of on-site construction supervision during the months of July-October 2009. This project will result in 9 new units and 1 rehabilitated unit.</p>

Note:

Buncombe County's allocation as a member government within the Asheville-Buncombe Housing Consortium is estimated to be \$342,000. If there are high quality applications from other participating governments that will require Buncombe County to be held to its allocated amount, then the priority projects will be the following:

- MHO - Self-Help Home Ownership Program in the amount of \$12,000 HOME funds.
- MHO- Self-Help Home Ownership Program in the amount of \$20,000 HOME funds.
- MHO- Down Payment Assistance in the amount of \$210,000.
- MHO-Owner Occupied Rehabilitation in the amount of \$100,000 HOME funds

Rural Rehabilitation activities are also funded through the CDBG Scattered Site Program. MHO is capable of rehabilitating additional homes through the HOME Program.

MHO's Direct Homebuyers Assistance program helps low-to-moderate income homebuyers overcome the existing financial barrier, while ensuring that borrowers have both affordable and sustainable first mortgage products. MHO program guidelines necessitate that all applicants complete an in-person homebuyer education course so that they are aware of their budget and knowledgeable about the loan product for which they are applying. Borrowers must have demonstrated stability in their employment and their finances.

The MHO self-help homeownership program builds attractive, affordable housing by using the USDA mutual self-help method. First time homeowners work together in small groups to help each other build their own homes. Under MHO supervision, participating families provide 65% of the labor involved in building their houses. The target client group is residents of Buncombe County whose income is less than 80% of AMI and who do not currently own adequate housing.

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