

MCASA Homes

MCASA Homes Selected As an EMHI Pilot Project

Emerging markets refers to those persons or groups who are underrepresented in homeownership compared to non-Hispanic whites. Four general categories of emerging markets in Minnesota include: African American and recent African immigrants, American Indians, Asian and Pacific Islanders, and Latinos. In the housing industry, these groups are considered “emerging markets.” Emerging markets comprise a growing segment of the housing market, especially first-time homebuyers.

To address this disparity, Minnesota Housing along with 50 other private, non-profit and public partners, developed a business plan to create 40,000 new emerging market homeowners by the year 2012. The Business Plan was presented to the community in June 2005.

A major component of this plan was the designation of EMHI pilot projects. Pilot projects are recognized as important research and development tools.

In order to qualify as an EMHI pilot project, a project must be innovative and have the potential for wider replication. It must address gaps in the home mortgage process and result in homeownership for more emerging markets households. Another key characteristic of the EMHI pilot project is its involvement of community partners.



MCASA Homes Model

In October MCASA was designated as an EMHI pilot due to its innovative model of addressing homeownership gaps among African American households. As an EMHI pilot, MCASA will participate in opportunities to evaluate the EMHI initiative, share best practices, and participate in mutual dialogue among pilot project participants.

For more information on the EMHI business plan, please visit EMHI's web site at www.emhimn.org.



MCASA Eastside

MCASA, LLC has entered into a formal partnership agreement with East Side Neighborhood Development Company (ESNDC) to develop five to seven single family homes in Payne/Phalen neighborhood.

Phayne/Lake Community partners provided funding for predevelopment.

East Side Neighborhood Development Company has an ongoing mission to find and make accessible affordable housing to the people of St. Paul's Eastside in an effort to promote community growth.



MCASA Homes

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NEIGHBORHOOD DEVELOPMENT
CORPORATION
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MCASA Home Ownership Support Services

MCASA Homes targets families who do not qualify for conventional mortgage financing, primarily due to excessive debt. Consequently, these families require support services (e.g., home ownership training, housing counseling and debt counseling) in order to stabilize their finances and prepare them for home ownership.

MCASA, LLC. works with Cornerstone Community Realty Services, Inc. to provide home ownership counseling to MCASA Homes participants. And, a consultant provides case management services. Participants are provided information in areas such as understanding the home-buying process and mortgage financ-

ing, financial literacy; debt reduction and management; and predatory lending and foreclosure prevention. These topics are covered in monthly group sessions or by home ownership counselors working one-on-one with Purchasers.

New Purchasers Move into Phase II Homes

Three new home participants have moved into their new MCASA Phase II Homes located at 707 Fuller, 741 Fuller Avenue, and 895 Central Avenue in the Summit-University neighborhood in St. Paul. Sia Hamilton, Britannica Steel, and Tamara Mattison are all excited to make that first step towards homeownership.

The three new MCASA participants joined Model Cities and Aurora St. Anthony Staff, and about 40 other supporters

on January 18th for a dedication ceremony to celebrate another successful completion of the construction of three more MCASA homes. The following week, Sia, Britannica, and Tamara moved into their new homes and have put their individual touch to make it their own.



Pictured from left are MCASA President Dr. Beverley Oliver Hawkins, MCASA purchasers Tamara Mattison, Britannica Steele, and Sia Hamilton, and MCASA Vice President Nieeta Presley.

Comparative Value of Assets (per house)

	Phase I	Phase II
Construction Costs (avg.)	\$181,435	\$201,650
Selling Price	\$150,000	\$160,000
Appraisal Price	\$205,000	\$215,000

During Phase II we unexpectedly encountered old foundations on two parcels which had to be removed. The result was an increase to the construction costs. Gap financing to make these homes affordable was provided by private and public funders. Without these contributions to the project, it would have been impossible for six families to gain an invaluable asset and move toward home ownership for the first time in their life.

MCASA Contributors and Supporters—

City of St. Paul ♦ Family Housing Fund ♦ Greater Metropolitan Housing Corporation ♦ House of Hope Presbyterian Church ♦ LISC ♦ Metropolitan Council ♦ Minnesota Housing Finance Agency ♦ Otto Bremer Foundation ♦ Wells Fargo ♦ St. Paul Travelers Foundation ♦ Payne Lake Community Partners ♦ St. Paul Foundation