

2011 MCASA UPDATE

**A PROJECT OF MODEL CITIES COMMUNITY DEVELOPMENT CORPORATION
AND AURORA ST. ANTHONY NEIGHBORHOOD DEVELOPMENT CORPORATION**

This year marks seven years since two community development corporations put their heads together and decided to do something to help low and moderate income families who were facing credit barriers and/or debt issues to become a home owner. A dream these families never thought would materialize.

Dr. Beverley Oliver Hawkins, Model Cities CEO, and Nieeta Presley, Executive Director of Aurora St. Anthony Neighborhood Development Corporation had a vision and they partnered to create MCASA Homes. The vision was to provide affordable homes under either a lease-to-purchase or contract-for-deed option until prospective owners qualify for a mortgage. Additionally, MCASA is improving blighted blocks by acquiring homes, often vacant and rundown foreclosed properties, fixing them up and selling them to first-time home buyers who are committed to going through counseling and classes.

By December 2011, MCASA had sold 12 houses to families burdened with unfavorable credit scores and debt issues. "If you take a willing family," says Brenda Bailey, Director of Real Estate Development, "partner them with a certified financial pre-purchase counselor and a staff person who is insistent that they can do it, then the result is a homeowner."

Take Tawana Reliford, for example, who closed on her house in October.



One of the MCASA houses

Tawana Reliford story

Excerpts from Minneapolis Star Tribune article by: LYNN UNDERWOOD • 612-673-7619
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A wrong phone number started Tawana Reliford down the long, steep road to owning her own home. The single mother and her six children were renting a comfortable house in West St. Paul. The landlord wasn't able to make payments, and the home was in foreclosure. Reliford had 30 days to find a new place to live. "I saw an ad for a four-bedroom home, so I called," Reliford said. "I dialed the wrong number, and someone from MCASA answered the phone. She asked if I wanted to own a home someday." A year after that fortuitous phone call, Reliford had obtained a mortgage and now

owns a completely rehabbed stucco four-bedroom home in St. Paul's Aurora St. Anthony neighborhood. "I never thought about buying a house," said Reliford, who grew up in the Chicago housing projects. "No one else in my family has owned a home. But then it started to hit me that it was possible."

It was possible with Reliford's steadfast resolve, an attentive group of MCASA staffers who walked Reliford through the application process so she could move into the St. Paul home under the rent-to-own option.

Tawana story continues



Tawana Reliford, center in black. Clockwise from the left are her children Jasmine Reliford, 16, Albert Reliford, 15, fiancé Rashon Hassell, and children Shanique Reliford, 20, and Rashon Hassell, 5.
(Renee Jones Schneider, Star Tribune)

“This was such a big accomplishment for me and it shows my kids that anything is possible.”

She worked with Model Cities’ pre-purchase counselor who helped her raise her credit score so she could apply for a loan. She spent a Saturday at Model Cities’ Home Stretch first-time homebuyer workshop. Reliford was also referred to first-time-homebuyer financial assistance programs. “My two oldest daughters went with me to the closing,” she recalled. “We all cried at the end.” Best of all, her monthly payment is less than what she paid to rent the last house for her family. “This was such a big accomplishment for me and it shows my kids that anything is possible,” she said.

Inside the freshly renovated home, Reliford points out a refrigerator that makes ice, wood floors, central air conditioning and so many kitchen cabinets she hasn’t filled them all yet. Reliford has invited her extended family over for the holidays. “I like entertaining even more because it’s easy to make dinner in the kitchen and I have lots of counter space for cakes and pies,” she said. But her mother, who has passed away, won’t be there. “I wish my mother would have been alive to see me buy a home,” Reliford said with tears in her eyes. “She would have been proud of me.”

Financing/Development Costs

MCASA’s portfolio includes six newly constructed and eight rehabbed single family houses. Houses in the MCASA Homes program are also available through a conventional sale model for those who already qualify for purchase. In this scenario, the purchaser must still meet all the income guidelines and other criteria associated with the funding source.

Moving forward, MCASA plans to continue these activities and acquire additional houses. These houses are

planned to be available by mid-year 2013.

The average development cost for an MCASA house is \$222,000. These remodeled homes include a newly remodeled kitchen with new energy efficient appliances, flooring and painting, new roof, new garage, and new windows when needed.

The MCASA Homes program is funded with foundation and public funds, which provide gap financing so families

earning 80% of the area median income can purchase the homes at an affordable price. Financing has been provided by Minnesota Housing Finance Agency, City of St. Paul, House of Hope, F.R. Bigelow Foundation, St. Paul Foundation, Otto Bremer Foundation, Greater Metropolitan Housing Corporation, Family Housing Fund and Metropolitan Council.