



Community Planning and Economic Development Department

# News Release

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*Minneapolis City Goals:* A Safe Place to Call Home □ Jobs & Economic Vitality □ Eco-Focused □  
Livable Communities, Healthy Lives □ Many People, One Minneapolis □ A City That Works

## **Home Tour Features Affordable Homes For-Sale and a New Finance Incentive**

*More than 40 homes on tour including NSP-funded  
rehab; \$1,500 available in closing cost assistance for  
purchasing homes featured*

May 11, 2011 (MINNEAPOLIS) – The City of Minneapolis and [LiveMSP](#) are sponsoring a tour on Saturday, May 14, 11 a.m. – 3 p.m. of affordable, for-sale properties in South and North Minneapolis neighborhoods impacted by foreclosure. The tour includes some of the homes rehabilitated with funding from the Neighborhood Stabilization Program (NSP) which has helped stabilize and support the revitalization of impacted neighborhoods. These targeted resources are used for demolition and renovation of foreclosed homes as well as incentive programs to help homebuyers purchase in these neighborhoods.

Homes just came on-line this year. To date, 17 NSP homes have sold and over 75 are expected to be on the market in the next year. Housing trends indicate this strategic investment is paying off. People are purchasing, and the Estimated Market Value of homes in some of these communities is rising. Median sale prices have increased since the foreclosure crisis hit in 2008-2009. In the past year, the Camden community saw an increase of 30% in its median sales price. North increased 28%; Phillips increased 25%; Powderhorn increased 15% (source: Minneapolis Area Association of Realtors).

“What this means for homebuyers is that it’s a great investment to buy now in these neighborhoods,” said Council President **Barbara A. Johnson** (Ward 4). Property values are increasing, the homes have been beautifully rehabbed, and the City’s finance tools make these homes affordable,” she added.

“The rising market value is also great news for homeowners in these challenged neighborhoods,” said Council Member **Elizabeth Glidden** (Ward 8). “It is exciting to see that these neighborhoods are rebounding; the increasing values signal a stronger, healthier housing market,” she added.

The City announced today that it is offering a \$1,500 incentive to homebuyers purchasing homes on the tour for closing cost or down payment assistance. This program is in addition to the other incentives and assistance the City of Minneapolis offers:

- [CityLiving](#): Low interest mortgage financing, including down payment and closing cost assistance.
- [Take Credit!](#): A 20% federal income tax credit that can be used toward the amount of taxes owed.
- [Minneapolis Advantage Program NSP](#): Financial assistance (\$10,000 - \$20,000) for homeowners purchasing in areas challenged by foreclosure.

“With NSP dollars and other funds, we’ve been able to purchase homes before investors through a national program, called First Look, piloted in Minneapolis, partner with non-profit community developers to rehab homes, and offer incentive programs that allow them to get back into the hands of homeowners,” said **Tom Streitz**, Director, Housing Policy and Development, City of Minneapolis. “Once an NSP home is rehabbed and sold, the value of having a homeowner back on the block is good for everyone as it can increase the value of the surrounding homes,” he added.

Tour-goers can pick up a tour map and a listing of the various incentives and assistance the City of Minneapolis offers at 4048 Fifth Ave. S. on the South side or 3835 Fremont Ave. N. on the North side. Information can also be found online at [LiveMSP.org](#).

South Minneapolis neighborhoods on the tour include Bryant, Central, Powderhorn Park, and Phillips. North Minneapolis neighborhoods on the tour include Cleveland, Folwell, Harrison, Hawthorne, Jordan, Lind-Bohanon, Near-North, Victory, Webber-Camden, and Willard-Hay.

For more information on the tour, see [www.livemsp.org](http://www.livemsp.org).

### **More on NSP**

The City has received \$32.9 million in federal foreclosure recovery funding. With all \$14 million in NSP1 funds fully committed, phase two is now underway. In 2009, the City received \$15.5 million in phase two funding through federal American Recovery and Reinvestment Act as part a joint application with Brooklyn Park and Hennepin County and \$3.4 million in a third round, authorized under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The recovery plans are focused around purchasing, redeveloping, and rehabilitating foreclosed properties.

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