

# REQUEST FOR BOARD ACTION

## HENDERSON COUNTY

### BOARD OF COMMISSIONERS

**MEETING DATE:** 5 November 2007

**SUBJECT:** Waiver of loan provision

**ATTACHMENT(S):** Letter recommending waiver

#### **SUMMARY OF REQUEST:**

A recipient of Community Development Block Grant – Scattered Site Housing assistance from Henderson County, Shirley Owens, seeks a waiver of the provision in the terms of the documentation of her assistance which provides that should she ever re-finance any loan for which the real estate (which is the subject of the assistance) is collateral, she would owe repayment of the assistance amount. The administrator of the program under which Henderson County participates has reviewed the request, and recommends granting the waiver, as shown by the attachment.

Granting this waiver would allow Ms. Owens to re-finance her current first mortgage, lowering her interest rate from 12.75% to 7.5%.

County staff will be present and prepared if requested to give further information on this matter.

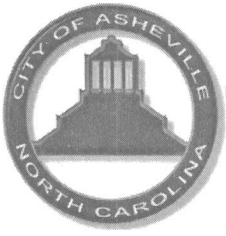
#### **BOARD ACTION REQUESTED:**

Consideration of the loan provision waiver.

#### **RECOMMENDED MOTION:**

If the Board is so inclined, the following motion is suggested:

***I move that the Board grant the waiver of the loan provision as requested, and that the Chairman, the County Manager and the County Attorney execute any documents necessary to carry out this waiver.***



# City of Asheville, NC

Planning and Development



October 9, 2007

Charles Russell Burrell, County Attorney  
100 North King Street  
Hendersonville, North Carolina 28792

Re: Shirley Owens  
904 First Ave West  
Hendersonville, NC 28735

As the administrator of the HOME program, which falls under the Community Development Division of the CITY OF ASHEVILLE, it is our purpose, to provide decent, safe, and sanitary housing. In this pursuit we also promote long term housing for clients.

I recommend that the clause in the contract that would trigger repayment through "The date the debt evidence by the First Loan is refinanced" be forgiven to allow the client to refinance for better terms. This would allow the client to stay in a unit that she owns, refinance from 12.75 % down to around 7.5% which would make the new monthly payments affordable to the borrower.

With this recommendation there should be no predatory lending, and Loan to Value ratio should not reduced.

Thanks,

Anthony Goodson Jr.  
Housing Development Analyst  
City of Asheville