

History

Since the 1960's, the percentage of owner-occupied housing units in the city has declined.

Traditionally, this changing percentage was largely attributed to more rental units being constructed in one decade than single family homes.

In 2002, the City received a grant from the Michigan Economic Development Corporation to prepare a HyettPalma Plan for the revitalization of the downtown. An important feature of the Plan, released in 2003, is having a stable residential base in and around the downtown.

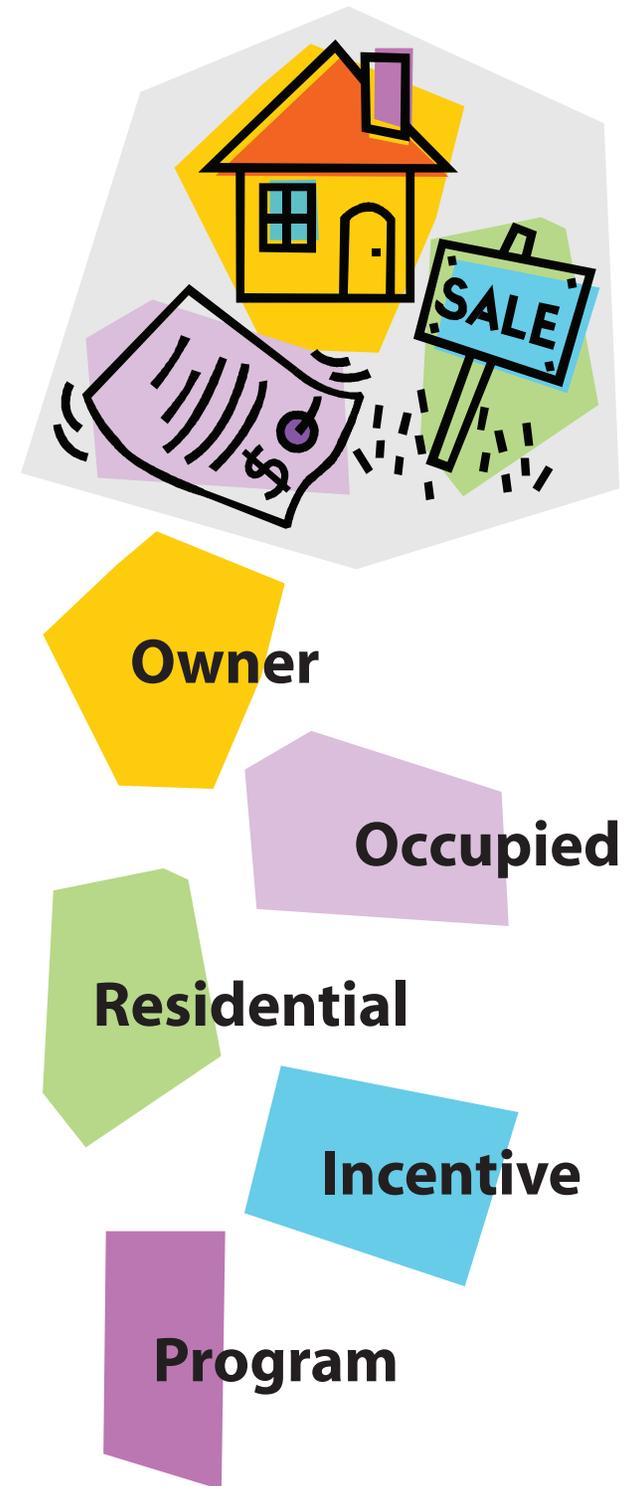
In 2005, the City Commission allocated \$100,000 for the purpose of increasing the amount of owner-occupied housing in the city, by providing an incentive to purchase and convert rentals back to single family owner-occupied homes.



City of Mt. Pleasant
Economic Development
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Program Implementation

The goal of the Owner Occupied Residential Incentive Program is to reduce the number of rental units in a target area of the city and encourage neighborhood stability by increasing the number of owner occupied properties.

Applicants will need to contact a mortgage lender of their choice for pre-qualification of a home loan prior to making application at the City.

Applicants will be accepted on a first come, first served basis. Funds will be reserved for up to 60 days following delivery of a Purchase Agreement to the City and will be distributed at closing as follows:

- 5% of the purchase price up to \$10,000 per applicant for the purchase of a licensed "family" rental.
- 8% of the purchase price up to \$16,000 per applicant for the purchase of a licensed "rooming and boarding" rental.

Following the City's receipt of the lender's pre-approval letter, the applicant will find an existing rental property for sale in the target area. The applicant and their realtor will handle all negotiations related to the purchase of the property.

Existing duplexes may qualify, provided at least 50% of the property is converted to an owner-occupied state. Funding will be based

on the percentage of floor area in the rental portion of the duplex to the overall building area. Mixed residential, commercial and office structures may not be included in this program.

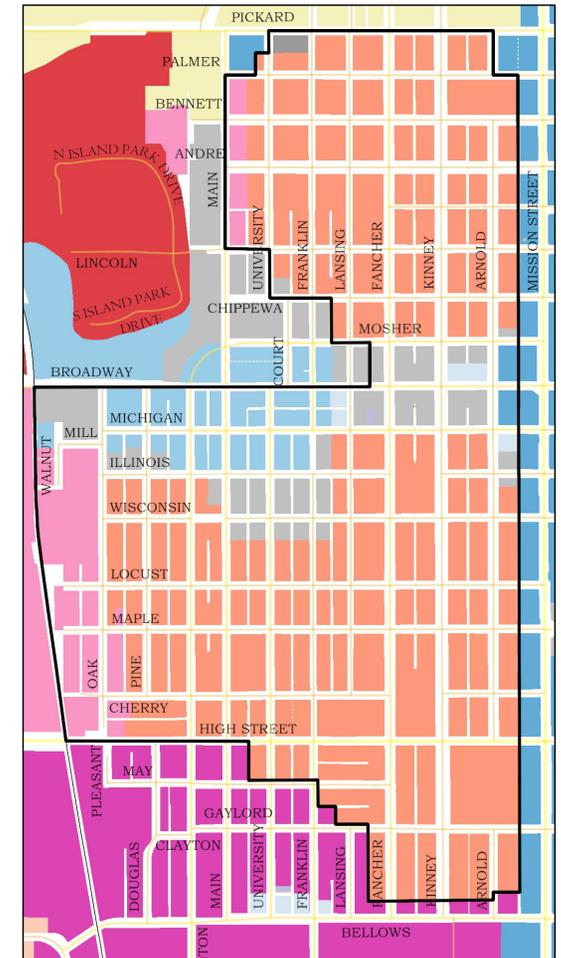
The City will be notified of the acceptance of the Purchase Agreement by receipt of a copy of the document, along with notification of the closing date.

Prior to closing, the City will prepare a check for up to the program limit, along with a document in which the purchaser agrees to:

- Surrender the property's rental license.
- Eliminate any nonconforming uses, such as a rooming dwelling or multi-unit structure.
- Own and occupy the property for at least 5 years, or sell to another owner-occupant.

Please do not call City Hall for assistance in locating a property or assistance in listing a property. Instead, please contact your local Central Michigan Association Realtor Member.

Target Area



Owner Occupied Residential Incentive Program

The target area chosen for the Owner Occupied Residential Incentive Program (outlined above) was based on the goals stated in the HyettPalma Plan for downtown to increase the quality of the housing stock and the mixture of owner and rental housing in that area.