



Named after police code 14 – signifying a return to normal operations – Project 14 is a pilot project designed to encourage police officers to purchase homes and live in the City of Detroit. By providing homeownership opportunities for public safety officers in Detroit, Project 14 seeks to reduce crime, strengthen relationships between public safety officials and the community, and revitalize Detroit’s neighborhoods.

Why Project 14 is Important

- ✓ Having police officers live where they serve will help serve as a deterrent to crime and will increase public safety in Detroit neighborhoods.
- ✓ Increased interactions between police officers and the residents they serve will further strengthen police and community relations.
- ✓ Project 14 takes two challenges facing Detroit – public safety and vacant homes – and turns them into an opportunity for neighborhood revitalization.
- ✓ Having more police officers live in Detroit will increase the tax base, and keep more of Detroiters’ tax dollars in the City.
- ✓ Project 14 leverages federal resources to attract new residents at no cost to the City of Detroit.
- ✓ This initiative can serve as a catalyst to encourage other corporations, organizations, and individuals to live where they work.

How Project 14 Works:

Detroit police officers interested purchasing a home through Project 14 will apply through the Detroit Land Bank Authority (DLBA). Working with the DLBA, police officers will select a home (including renovations and features) from an approved list of available homes obtained using Neighborhood Stabilization Program (NSP) funds. Police officers will receive homeownership counseling from a certified, nonprofit counseling agency and assistance from the DLBA in securing a home mortgage. The DLBA will use NSP funds to secure a contractor to renovate the home. Upon completion of renovations, police officers can move into their new home.

Where Will The Homes Be Located?

The City of Detroit and Detroit Land Bank Authority has an inventory of quality homes throughout the city, including homes in the East English Village and Boston Edison neighborhoods, for the pilot phase of Project 14.

Project 14 Home Features

- High quality renovation work and restoration of grand architectural features
- Modern floor plans
- A minimum of two (2) baths
- Off-street parking with garage and driveway restorations
- Central air conditioning and modern energy efficient furnace
- Ceiling fans
- Appliance package including oven, range hood, dishwasher, garbage disposal and refrigerator
- Hard-wired smoke alarms

How Much Will the Homes Cost?

Based on current market conditions in Detroit, we expect that the renovated homes will likely appraise for \$40,000-\$80,000 in the target areas listed above.

The sale price to the homebuyer is based on the completed appraisal of the renovations, features and upgrades selected by the buyer.



The required homebuyer cash investment is \$1,000.

All upgrades (meaning options chosen by the buyer that are over and above the standard renovation package) selected by the buyer must be paid from buyer's own cash in addition to the \$1,000 buyer down payment.

The monthly housing payment (principal, interest, taxes and insurance) will most likely range between \$500 and \$1,000 dollars depending on the size of the home and mortgage amount.

Who Qualifies?

While Project 14 is designed to encourage Detroit Police officers to become homeowners in Detroit, any qualifying individual may apply to become a homeowner through the Neighborhood Stabilization Program. Qualified homebuyers must have an income of no more than 120% Area Median Income; maintain good credit; provide \$1,000 cash down-payment; and must live in the home.

Detroit Metro and Wayne County, Michigan								
FY 2010 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
NSP2 Household Maximum Income at 120% of AMI	\$58,680	\$67,080	\$75,480	\$83,760	\$90,480	\$97,200	\$103,920	\$110,640

Range of Affordability	Household Income cannot exceed 120% of Area Median Income*. Affordable from entry level to professional level employees.
Homebuyer Education and Credit Counseling	Minimum of eight (8) hours required Additional credit counseling offered to help buyers become mortgage ready
Purchase Price	Based on appraisal of renovated home
Home Mortgage Financing	1) Buyer may get their own financing so long as it meets MSHDA and HUD required affordability terms and does not have predatory lending terms 2) MSHDA will offer mortgages through qualified lenders at favorable terms 3) No Adjustable Rate Mortgages Allowed 4) Maximum of 30 year repayment terms 5) Interest Rates must be fair and affordable to avoid price gouging
Housing-To-Income Affordability Ratio:	Maximum 33% based on gross household income
Debt -To-Income Affordability Ratio:	Maximum 42% based on gross household income. MSHDA will consider compensating factors of financial responsibility
Buyer Investment	Buyer must invest at least \$1,000 towards purchase price
Down Payment and Closing Cost Assistance:	Detroit Land Bank via MSHDA using NSP2 funds will provide a second mortgage to cover up to 20% of home value and closing costs. This eliminates the need for Private Mortgage Insurance and will make the mortgage more affordable.

For more information on this project please contact Juanita R. Jones at 313-974-6869.

