

SEND & Neighborhood Stabilization Program (NSP)

Frequently Asked Questions

Who is SEND?

South East Neighborhood Development (SEND) is a non-profit community development corporation, which has served the southeast side of Indianapolis for more than twenty-five years.

What is SEND's mission?

Created by residents, SEND's mission is to revitalize the neighborhood and enhance the quality-of-life for its diverse population by creating and maintaining quality affordable housing and fostering economic growth through business attraction and retention.

What does SEND do?

SEND accomplishes its mission through five areas of activity:

1. Creating and maintaining quality affordable housing which enhances the historic fabric of the neighborhood and empowers low-income residents through the creation of community and family assets.
2. Expanding and creating opportunities for neighborhood businesses to grow and prosper.
3. Partnering with other organizations to create and implement programs which enable residents to develop the capacity to succeed in a changing society, with a special emphasis on youth.
4. Beautifying and enhancing public areas and facilities, as well as upgrading the efficiency of the neighborhood's infrastructure.
5. Serving as an advocate for the interests of the entire community.

What are SEND's boundaries?

SEND's boundaries are Madison Avenue on the west, Washington Street on the north, Keystone Avenue and Pleasant Run on the East, and Raymond Street on the south.

What does NSP stand for?

NSP stands for Neighborhood Stabilization Program.

Where does NSP funding come from?

NSP was approved under the Housing and Economic Recovery Act of 2008 (HERA). NSP uses Federal tax dollars allocated to state and local governments through the United States Department of Housing and Urban Development (HUD).

What is the purpose of NSP?

The purpose of NSP is to provide funding for entities to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight. NSP provides funds for SEND to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

Why did SEND receive NSP funding?

SEND was awarded NSP funding through a competitive bid process by the State of Indiana and the City of Indianapolis for the specific purpose of buying, building, rehabbing and selling homes in targeted areas most affected by foreclosures, neglect and abandonment.

What is NSP funding for?

SEND can use NSP to:

- Purchase and redevelop foreclosed upon homes and residential properties;
- Provide down payment assistance for low- and moderate-income homebuyers;
- Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;
- Demolish blighted structures; and
- Redevelop demolished or vacant properties.

What is NSP funding not for?

SEND cannot use NSP for:

- Home owner repair assistance (assistance for home repairs is available through SEND under a different program),
- Foreclosure assistance or avoidance, and
- Other rental assistance.

How does NSP work?

SEND will use NSP funds to buy, rehab, or build homes and make them available to eligible buyers. The NSP funds are passed along to the buyer through a reduction in the sales price of the home in the form of a forgivable loan. Funds are also available for down payment assistance.

This seems too good to be true. What’s the catch?

Eligible buyers must stay in the home for a given period of time (known as the “affordability period”). The length of the affordability period is dependent upon the amount of subsidy the buyer uses. If a buyer wishes to sell the home before the affordability period ends they must repay a prorated amount of the subsidy or sell to another qualifying buyer.

What is an “eligible buyer”?

An eligible buyer is a household (comprised of one or more people) that qualifies for a home loan and has a combined household income at or below the specified NSP limits (outlined in the following chart).

Indianapolis NSP Income Limits* (120% Area Median Income)

1 person household	2 person household	3 person household	4 person household	5 person household	6 person household
\$57,200	\$65,400	\$73,550	\$81,700	\$88,250	\$94,800

** Income limits may be lower if NSP funding is combined with other Federal program funds.*

What if I have credit issues?

SEND actively works with families that struggle with credit. SEND refers families who know or thinking they might have credit issues to the Indianapolis Neighborhood Housing Partnership (INHP) for help. INHP helps families repair credit and get back on the path to financial success.

What are SEND home prices?

SEND has homes starting at \$45,000. The end price of a home depends upon inputs like location, subsidy, size, and finishes.

When will homes using NSP be available?

SEND has homes available for purchase today. NSP funded homes will be available starting in December, 2009.

Who do I contact to begin the process or view available homes?

If you are interested in buying a SEND home please contact:

Bryan Conn

Housing Programs Manager
Southeast Neighborhood Development
317-634-5079 Ext. 109

bryan@sendcdc.org

<http://www.sendcdc.org/hrforsale.html>

What other assistance is available?

Affordable Housing: SEND has funding available through HUD, in addition to NSP, to make homes affordable to low-income buyers.

Housing Tax Credit: A tax credit of up to \$8,000 is available for qualified first-time home buyers purchasing a principal residence on or after January 1, 2009 and before December 1, 2009.

Home Repair: SEND has funding available through HUD to assist existing homeowners with necessary repairs (i.e. roofing, windows, siding, electrical, plumbing, heating). Participants must meet income guidelines, own and occupy the home, and live within SEND's geographic boundaries to be eligible. You must also hold the title to the house and property taxes must be current.

Homes for Rent: Home ownership is a core community value; however, a need will always exist for high-quality, affordable rental homes. SEND offers a number of excellent rental options, as well as programs to connect landlords with tenants.

Habitat for Humanity: SEND supports Habitat for Humanity by providing free or low-cost land and buyer subsidies. Those buyers that are not eligible for a SEND home are encouraged to pursue a home through Habitat for Humanity.

What is the Homebuyer's Club?

The Homebuyer's Club assists neighborhood residents who are committed to buying a home but have income or credit issues that currently prevent them from purchasing a home. The Club connects potential buyers with programs to deal with credit issues, plan mortgage and home budgets, participate in homebuyer/homeowner training, assist with down payment and home loan options, avoid predatory lenders, and other individual needs for buying a home.

Where do I get more information?

SEND

317-634-5079

www.sendcdc.org

Department of Housing and Urban Development

www.hud.gov/nsp

317-226-6303

DRAFT