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**MAYOR EMANUEL ANNOUNCES PILOT PROGRAM TO SUPPORT AFFORDABLE  
HOMEOWNERSHIP IN CHICAGO'S NEIGHBORHOODS**

*Building Neighborhoods and Affordable Homes Program Will Support Purchase of New Homes Built on Vacant Lots in Englewood, Lawndale, Little Village, Humboldt Park/Garfield Park and Woodlawn*

Mayor Rahm Emanuel today announced a pilot program to help residents purchase newly-built affordable homes in Chicago neighborhoods where the housing market is still recovering. Through the Building Neighborhoods and Affordable Homes program, eligible residents can receive purchase price assistance to buy homes that were built through the City Lots for Working Families program, which provides vacant, City-owned lots to developers of affordable single-family homes for \$1 each.

"This pilot program is a win-win - it will double down on the investments we are making in Chicago's neighborhoods while turning vacant lots into new and affordable homes," Mayor Emanuel said. "Programs like this are part of the all-of-the-above approach we are taking to create economic development and support affordable housing across Chicago."

The program is designed to create high quality homes in historically divested communities where the housing market continues to recover from the Great Recession. While these areas are beginning to see market appreciation, they still experience property values that do not support new home construction.

The new program is designed to help neighborhood residents purchase a high quality new home while supporting and sharing in the neighborhood's growth and development.

Purchase price assistance ranging from \$40,000 to \$60,000 will be available for qualifying buyers to purchase a home to use as their primary residence for at least 10 years. Eligible homes are properties that have been built under the City Lots for Working Families program. City Lots offers city-owned lots for \$1 to developers that will build affordable single-family homes. The \$5 million pilot program is funded through the City's Affordable Housing Opportunity Fund, which receives fees from developers that are subject to the Affordable Requirements Ordinance.

The pilot program will include portions of Englewood, Lawndale, Little Village, Humboldt Park/Garfield Park and Woodlawn. The program builds on other major developments and investments in the targeted neighborhoods, including the Nelson Mandela Apartments in West

Humboldt Park and Englewood Square. Assistance is available for qualifying individuals or families who meet the income requirements and are able to independently qualify for private mortgages.

The assistance is structured as a forgivable grant over 10 years. If a buyer wants to sell before the 10 years are up, they must clear the restricted covenant on the deed. Options include paying back the purchase grant or selling to another qualifying buyer. The assistance amount is based on a survey of both the local market cost to build and average sale prices. The incentive is designed to address the gap between the cost to build and current market prices.

Since the 2011 the City of Chicago has been committed to create opportunities for homeownership for families around the city while also rehabbing and providing property tax relief to existing homeowners. Through programs such as TaxSmart and the Homebuyer Assistance Program, the Emanuel administration's homeownership programs have helped more than 3,400 Chicago individuals and families purchase homes throughout the city. In addition, the City has invested more than \$94 million to improve homes and help make it easier for Chicagoans to stay in their homes through initiatives such as Heat, Roof and Porch initiative and TIF-NIP repair programs.

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