

## PUBLIC NOTICE

Chair  
ERIC SCHERTZING

Vice-Chair  
DEB NOLAN

Appointed Members  
**REBECCA BAHAR-COOK, Treasurer**  
**BRIAN MCGRAIN, Secretary**  
**DEBBIE DE LEON**

### **Ingham County Land Bank Fast Track Authority**

422 Adams Street, Lansing Michigan 48906 517.267.5221 Fax 517.267.5224

**THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY WILL MEET ON MONDAY, OCTOBER 3, 2011 AT 5:00 P.M., IN THE PERSONNEL CONFERENCE ROOM (D&E), HUMAN SERVICES BUILDING, 5303 S. CEDAR, LANSING**

#### Agenda

Call to Order

Approval of Minutes – August 1, 2011

Additions to the Agenda

Limited Public Comment – 3 minutes per person

1. Priorities, Policies and Procedures
  - a. Priorities Concerning the Disposition of Properties
  - b. Factors in Determining Consideration Due Upon Transfers
2. Resolution to Amend the 2011 Budget, Approve the 2012 Budget and Request Funding from Ingham County
3. Resolution to Approve the Program Administrative Guidelines for Land Contract Sales
4. Property maintenance, renovation & development
  - a. Property Update
  - b. OCOF
  - c. PROP
  - d. General legal update- Counsel
5. Community Development
  - a. Community Gardens
  - b. Lansing Urban Farm Project
  - c. Marketing-Chris Kolbe
6. Accounts Payable & Monthly Statement
  - a. Accounts Payable Approval – August 2011
  - b. Monthly Statement – July 2011 & August 2011
7. Old Business
  - a. Set Strategic Planning Date

Announcements

Public Comment – 3 minutes per person

Adjournment

**PLEASE TURN OFF CELL PHONES OR OTHER ELECTRONIC DEVICES OR SET TO MUTE OR VIBRATE TO AVOID DISRUPTION DURING THE MEETING**

**INGHAM COUNTY LAND BANK  
FAST TRACK AUTHORITY**

August 1, 2011  
Minutes

Members Present: Eric Schertzing, Comm. Bahar-Cook, Comm. Nolan and Comm. McGrain

Members Absent: Comm. DeLeon

Others Present: Mary Ruttan, Tim Perrone, Joe Bonsall, Melissa Lott, Joan Nelson, Jennie Grau, Linda Anderson, George Berghorn

The meeting was called to order by Chairperson Schertzing at 5:02 p.m. Conference Room D & E of the Human Services Building, 5303 S. Cedar, Lansing.

Approval of the June 13, 2011 Minutes

Comm. McGrain requested the phrase "regardless of what comes out of it" be removed from the last sentence of section 6.

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. MCGRAIN, TO APPROVE THE JULY 11, 2011 MINUTES AS AMENDED. MOTION CARRIED UNANIMOUSLY.

Additions to the Agenda:

Comm. Nolan requested "Old Business" be added as a discussion item to all future agendas.

Limited Public Comment:

Linda Anderson addressed the board on behalf of the Lansing Urban Farm Project. Ms. Anderson distributed a brochure highlighting the Project. They have developed the Urbandale Farm on four vacant lots owned by the Land Bank in the Urbandale Neighborhood. She stated the Project has three-part mission: 1) Making fresh affordable produce available to neighborhood residents; 2) Developing programs that integrate food and farming into larger community building efforts; and 3) Allowing for economic environmental and cultural sustainability.

Joan Nelson and Jennie Grau of the Allen Neighborhood Center and George Berghorn of Lansing Community College updated the board on progress made by the Restoration

Works program at 1512 and 1501 E Kalamazoo Street; both homes are owned by the Land Bank. They also presented two proposals to the board: 1) establishing a revolving fund where the proceeds of the sale of the two homes would be used to finance additional projects; and 2) Assist in the acquisition of an additional Restoration Works house near the flood plain to be used as a demonstration project for weatherization and flood-proofing.

1. Priorities, Policies and Procedures

1a. Policies Governing the Acquisition of Properties

Executive Director Ruttan presented Section 1 of the Authority's Priorities, Policies and Procedures – Policies Governing the Acquisition of Properties for discussion and review. Comm. Bahar-Cook inquired if an additional sub-section covering the acquisition of properties for inclusion in the various Neighborhood Stabilization Programs would be beneficial. Chairperson Schertzing stated the Authority follows policies set at the federal and state level for those programs. He also added those policies underwent a formal public review/vetting process prior to being adopted.

2. 2011 Budget Review

Executive Director Ruttan presented a mid-year update on the 2011 Annual Budget. Comm. McGrain inquired as to the lack of revenue from NSP1 sale proceeds. Executive Director Ruttan stated we have approximately \$220,000 in pending NSP1 sales and that she expects we will have no trouble meeting our NSP1 sale proceeds budget. Comm. McGrain also inquired as to the status of construction expenses being nearly double the annual budgeted amount. Executive Director Ruttan explained budget adjustments would be presented at the October meeting.

3. 2010 Audit

Comm. McGrain disclosed that Rehmann Robson also performs audit functions for CEDAM, his employer. Comm. McGrain inquired if the net operating loss of approximately \$500,000 for 2010 was expected. Joseph Bonsall explained the loss was due to an outstanding receivable from the Ingham County Brownfield Authority totaling \$1,400,000, as detailed on the preceding page of the audit report. It was also noted we have since received that money. Comm. McGrain expressed congratulations to staff on a stellar audit.

4. Property Maintenance, Renovation & Development

4a. Property Update

Chairperson Schertzing stated a detail of current listings and pending sales is included in the board packet. Executive Director Ruttan stated we had a break-in at our property on Hillcrest. It is believed they were looking for copper.

4b. OCOF-Articles of Incorporation & Bylaws

Chairperson Schertzing stated the OCOF Articles of Incorporation and Bylaws were included for reference. He further stated OCOF currently has a vacancy on its board which needs to be filled by appointment from this body.

MOVED BY COMM. MCGRAIN, SUPPORTED BY COMM. BAHAR-COOOK, TO APPOINT DICK BAKER TO THE BOARD OF DIRECTORS OF THE ONE CHURCH ONE FAMILY NON-PROFIT. MOTION CARRIED UNANIMOUSLY.

4c. PROP Program

Chairperson Schertzing stated some statistics on the PROP Program are included in the meeting packet. Our summer intern has worked hard to get the program up and running and it is expected the new sales/marketing person will take over the program. Comm. Nolan asked what qualifications were required for participation in the program. Chairperson Schertzing stated an applicant would need to demonstrate an ability to make the required down payment, finance the necessary repairs and satisfy the land contract obligations.

4d. General Legal Update – Counsel

Tim Perrone stated he had been contacted by the investigator for the Maiz civil rights claim requesting a meeting in Grand Rapids on July 29, 2011. He has asked for that meeting to be re-scheduled for an August date in Lansing.

5. Accounts Payable & Monthly Statement

5a. Accounts payable approval – July 2011

MOVED BY COMM. BAHAR-COOK, SUPPORTED BY COMM. NOLAN TO APPROVE THE ACCOUNTS PAYABLE FOR JULY 2011. MOTION CARRIED UNANIMOUSLY.

5b. Monthly Statement – June 2011

The June 2011 monthly financial statement was received and placed on file.

Announcements:

Chairperson Schertzing stated the Land Bank would be having a Realtor Open House on September 14, a bus tour of Land Bank homes on September 16 and the fall Home Showcase on September 18.

Executive Director Ruttan stated a new Land Bank advertising campaign would begin in October. The campaign will feature advertisements at Celebration Cinema and on Facebook and Google.

Comm. Nolan congratulated Chairperson Schertzing on a successful public auction and commended staff for their hard work.

Limited Public Comment:

Melissa Lott, Americorps Member working on the Land Bank's Garden Program, distributed handouts and presented a program update to the board. She stated we currently have 51 parcels being maintained by community gardeners. This is up from 17 gardens in 2010. It is estimated that community gardens on Land Bank parcels are providing fresh produce to over 200 households in Ingham County.

The meeting adjourned at 7:00 p.m.

Respectfully submitted,

Joseph Bonsall

## **2. Priorities Concerning the Disposition of Properties**

The disposition of properties shall be based upon a combination of three different factors. The first factor involves the intended or planned use of the property. The second factor considers the nature and identity of the transferee of the property. The third factor addresses the impact of the property transfer on the short and long term neighborhood and community development plans. Within each factor is a ranking of priorities. The disposition of any given parcel will be based upon an assessment of the most efficient and effective way to maximize the aggregate policies and priorities. The Board and Staff of the LBA shall at all times retain flexibility in evaluating the appropriate balancing of the priorities for the use of property, priorities as to the nature of the transferee of properties, and priorities concerning neighborhood and community development.

### Priorities for Use of Property

1. Homeownership and affordable housing.
2. Neighborhood revitalization.
3. Return of the property to productive tax paying status.
4. Provision of financial resources for operating functions of the LBA.
5. Land assemblage for economic development.
6. Long term “banking” of properties for future strategic uses.

### Priorities as to the Nature of the Transferee

1. Qualified nonprofit corporations that will hold title to the property on a long-term basis (primarily rental properties) or hold title to the property for purposes of subsequent reconveyance to private third parties for homeownership.
2. Governmental entities.
3. Entities that are a partnership, limited liability corporation, or joint venture comprised of a private nonprofit corporations and a private for-profit entity.
4. Individuals who own and occupy residential property for purposes of the Side Lot Disposition Program.
5. Nonprofit institutions such as academic institutions and religious institutions.

Individuals and entities that were the prior owners of property at the time of the tax foreclosure which transferred title to the Treasurer shall be ineligible to be the transferee of such property from the Treasurer.

Priorities Concerning Neighborhood and Community Development

1. The preservation of existing stable and viable neighborhoods.
2. Neighborhoods in which a proposed disposition will assist in halting a slowly occurring decline or deterioration.
3. Neighborhoods which have recently experienced or are continuing to experience a rapid decline or deterioration.
4. Geographic areas which are predominantly non-viable for purposes of residential or commercial development.
5. Within and among each of the first four priorities shall be a concurrent priority for targeted geographic areas for which a qualified strategic development plan has been approved.

Neighborhood Community Development plans work within the local community staff and their adopted master plan.

### **3. Factors in Determining Consideration Due Upon Transfers**

The following factors shall constitute general guidelines for determination of the consideration to be received by the LBA for the transfer of properties. In each and every transfer of real property the LBA shall require good and valuable consideration in an amount determined by the LBA in its sole discretion. The LBA will consider both the fair market value of the property and the Property Costs in its determination of consideration for each property. "Property Costs" shall mean the aggregate costs and expenses of the LBA attributable to the specific property in question, including costs of acquisition, maintenance, repair, demolition, marketing of the property and indirect costs of the operations of the LBA allocable to the property.

The consideration to be provided by the transferee to the LBA may take the form of cash, deferred financing, performance of contractual obligations, imposition of restrictive covenants, or other obligations and responsibilities of the transferee, or any combination thereof.

1. Transfers to Nonprofit entities for affordable housing.
  - (a) Transfers of property to nonprofit entities for the development, operation or maintenance of affordable housing shall require consideration not less than the Property Costs.
  - (b) Consideration shall be established at a level between the Property Costs and fair market value of the property. To the extent that the consideration exceeds the Property Costs, such amount shall be reflected by a combination of contractual obligations to develop, maintain, or preserve the property for specified affordable housing purposes. Such amount may be secured by subordinate financing in which amortization of the obligation occurs by virtue of annual performance of the required conditions.
  - (c) The dominant priority in determining the amount of and method of payment of the consideration shall be to facilitate the development of affordable housing and simultaneously to ensure that the property is dedicated over an appropriate period of time for affordable housing.
2. Transfers to Governmental Entities.
  - (a) To the extent that transfers of property to governmental entities are designed to be held by such governmental entities in perpetuity for governmental purposes, the aggregate consideration for the transfer shall be based upon deed restrictions upon the use of the property.
  - (b) To the extent that transfers of property to governmental entities are anticipated as conduit transfers by such governmental entities to third parties, the consideration shall consist of not less than Property Costs, to be paid in cash.



The difference between the Property Costs and the fair market value may be included in consideration depending upon the relationship between the anticipated uses and the governing priorities of the LBA.

3. Side Lot Disposition Program.

The pricing policies applicable to the Side Lot Disposition Program shall be as set forth in the policies and procedures applicable to the Side Lot Disposition Program.

4. Transfers of Property at Open Market Conditions.

- (a) Property that is transferred on the open real estate market, whether through auction or negotiated transfers, without restrictions as to future use shall be based upon consideration equal to the fair market value of the property. Such consideration shall be paid in full at the time of the transfer.

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO AMEND THE 2011 BUDGET AND APPROVE THE 2012 BUDGET  
OF THE INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY AND REQUEST  
FUNDING FROM INGHAM COUNTY**

**RESOLUTION #11-012**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, (“the Act”) establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into an intergovernmental agreement under the Act, with an effective date of October 21, 2005; and

**WHEREAS**, the County Board of Commissioners has appointed a Board of Directors consisting of five members, including the Ingham County Treasurer (ex officio) as Chair of the Board of Directors; and

**WHEREAS**, from time to time a need exists to amend an adopted budget, as is true for the 2011 budget; and

**WHEREAS**, Section 10.4 of the Bylaws require the Board of Directors to adopt annually a budget for all operations, income, expense and assets; and

**WHEREAS**, Ingham County has provided funding for the last three years in the amount of \$250,000 annually to cover the costs of increased tax foreclosures;

**THEREFORE BE IT RESOLVED**, that the Authority approves the 2011 amended budget, the 2012 proposed budget and requests funding from Ingham County.

YEAS:

NAYS:

ABSENT:

## Ingham County Land Bank 2011 Budget

	APPROVED	AMENDED
<b>Revenue</b>		
Start up funding Ingham County	250,000.00	250,000.00
Commercial Sales	1,000,000.00	250,000.00
Renovation Sales	1,400,000.00	2,000,000.00
Sales-Side Lot	15,000.00	24,000.00
Interest Income	65,000.00	90,000.00
Developer Fee Income	200,000.00	160,000.00
Specific Tax	18,000.00	16,000.00
Brownfield	2,500,000.00	1,450,000.00
HOME Funding	600,000.00	70,000.00
NSP1	1,000,000.00	900,000.00
NSP1 Sale Proceeds	560,000.00	400,000.00
Rental Income	30,000.00	30,000.00
NSP2 MSHDA Adm. Fee Revenue	180,000.00	95,000.00
NSP2	5,500,000.00	7,500,000.00
Youth Build Revenue	60,000.00	132,000.00
Total Revenue	13,378,000.00	13,367,000.00
<b>Expenses</b>		
Acquisitions	100,000.00	0.00
Cost of Land Sold/Inventory	9,710,000.00	12,288,872.00
Administrative Costs	555,900.00	412,700.00
Total Expenses	10,365,900.00	12,701,572.00
 Net Revenue/Expense	 3,012,100.00	 665,428.00
 <b>Breakdown of Cost of Land Sold/Inventory</b>		
Construction - Rehab	1,200,000.00	2,800,000.00 ***
Current Years Taxes	200,000.00	25,000.00
Maintenance/lawn	400,000.00	130,000.00
Minimum Bid purchases	200,000.00	110,000.00
Brownfield Eligible Expense	500,000.00	400,000.00
NSP1 Expense	1,000,000.00	900,000.00
HOME Funding	600,000.00	70,000.00
Sale/Marketing Expense	50,000.00	20,000.00
NSP2 Expense	5,500,000.00	7,500,000.00
Youth Build Expense	60,000.00	132,000.00
Land Contract Default	0.00	201,872.00
Total of cost of Land Sold/Inventory	9,710,000.00	12,288,872.00
 <b>Administrative Costs</b>		
Administration	53,900.00	60,000.00
Data Information/Computers	10,000.00	700.00
Contract Services & Staffing	250,000.00	185,000.00
Maintenace Staff + Equipment	90,000.00	25,000.00
Interest Expense - loan	50,000.00	50,000.00
Legal	30,000.00	10,000.00
Media/Public Relations	12,000.00	20,000.00
Insurance	0.00	25,000.00
Consultants	50,000.00	27,000.00
County Administration Charge	10,000.00	10,000.00
	555,900.00	412,700.00

\*\*\* Increase due to reclassificaiton of Brownfield Inventory to expense and increased sales.

**Ingham County Land Bank  
2012 Proposed Budget**

	Proposed		
<b>Revenue</b>			
	Start up funding Ingham County	250,000.00	
1	Commercial Sales	1,000,000.00	
2	Land Bank Renovation Sales	650,000.00	
3	Sales-Side Lot	30,000.00	
4	Interest Income	120,000.00	
5	Developer Fee Income	160,000.00	
6	Specific Tax	30,000.00	
7	Brownfield	700,000.00	
8	HOME Grant Revenue	600,000.00	
9	HOME Sale Proceeds	275,000.00	
10	NSP1 Grant Revenue	500,000.00	
11	NSP1 Sale Proceeds	150,000.00	
12	Rental Income	50,000.00	
13	NSP2 Grant Revenue	4,500,000.00	
14	Property Rehab Ownership Program Revenue	300,000.00	
	<b>Total Revenue</b>	<b>9,315,000.00</b>	
<b>Expenses</b>			
	Cost of Land Sold Expense	7,495,000.00	
	Administrative Expenses	578,500.00	
	<b>Total Expenses</b>	<b>8,073,500.00</b>	
	<b>Net Revenue/Expense</b>	<b>1,241,500.00</b>	
<b>Cost of Land Sold Expense</b>			
	Non-Program Acquisitions	100,000.00	
	Tax Foreclosure Acquisitions	200,000.00	
1	Land Bank Rehab Costs	560,000.00	
	Land Bank Current Year Taxes	50,000.00	
2	Lawn/Snow/Maintenance	120,000.00	(153,000 before Garden Project)
	Real Estate Commissions	15,000.00	
	Brownfield Expense	700,000.00	
	Home Grant Expenses	600,000.00	
	NSP1 Grant Expenses	500,000.00	
	NSP2 Grant Expenses	4,500,000.00	
	Property Rehab Ownership Proformance Exp	150,000.00	
	<b>Total Cost of Land Sold Expense</b>	<b>7,495,000.00</b>	
<b>Administrative Expense</b>			
	Office Supplies	12,000.00	
	Audit Fee	10,000.00	
	Communication	4,000.00	
	Security	400.00	
	Membership Fees	1,500.00	
	Office Rent	7,800.00	
	Office Utilities	3,000.00	
	Postage	2,500.00	
	Media/Public Relations	15,000.00	
	Consultants	50,000.00	
	Computer Software Upgrade/Annual fee	11,000.00	
	Travel/Mileage	5,000.00	
	Prof. Training/Conferences	1,500.00	
	Payroll Expense	287,100.00	

Ingham County Land Bank  
2012 Proposed Budget

Administrative Expense (continued)		
Interest Expense	50,000.00	
County Allocation	10,000.00	
Vehicle Expense	25,000.00	
Americorp	8,000.00	
Equipment Small Purchase	5,000.00	
Housing Counseling	5,000.00	
Interior Staging	5,000.00	
Bank Fee	200.00	
Job Creation	500.00	
Insurance	25,000.00	
Garden Project Expense	34,000.00	
	578,500.00	

2012 Budget  
Worksheet

	Revenues				
1	Commerical Sales				
	112 E. Main	410,000.00			
	Keystone	400,000.00			
	E. Michigan	60,000.00			
	Mason Project	149,000.00			
2	LB Renovation Sales				
	4 @ 50,000	200,000.00			
	10 condo's @ 45,000	450,000.00			
3	Side Lot Sales				
	15 @ 2,000	30,000.00			
	20 \$1.00 Transfers				
4	Interest Income				
	2010	87,000.00			
	10 Condo's 250	30,000.00			
5	Developer Fees				
	NSP1 20% Fee	92,000.00			
	HOME 12%	68,000.00			
6	Specific Tax				
	2010	17,000.00			
	2011 523,600 T/V	13,000.00			
7	Brownfield				
	County Plan	400,000.00			
	Lansing Only Plan	300,000.00			
8	Home Grant Revenue				
	4 @ average 142,500	600,000.00			
9	HOME Sale Proceeds				
	4 @ Avg 55,000	275,000.00			
10	NSP1 Grant Revenue				
	2 Funded Properties	500,000.00			
11	NSP1 Sale Proceeds				
	2 @ Avg. 75,000	150,000.00			
12	Rental Income				
	3 @ 650/mo	23,400.00			
	4 @ 550/mo	26,400.00			
13	NSP2 Grant Revenue				
	375,000mo to meet spend req.	4,500,000.00			
14	PROP				
	15 @ 20,000	300,000.00			

2012 Budget  
Worksheet

	Cost of Land Sold Expense				
1	Lank Bank Rehab Costs				
	4 @ 40,000	160,000.00			
	10 condo's @ 40,000	400,000.00			
2	Lawn/Snow/Maintenance				
	318 @ 40.00/mo	152,640.00			
	Less Garden Project	-33,600.00			
		119,040.00			

INGHAM COUNTY LAND BANK AUTHORITY

**RESOLUTION TO APPROVE THE PROGRAM ADMINISTRATIVE GUIDELINES FOR  
LAND CONTRACT SALES**

**RESOLUTION #11-013**

**WHEREAS**, the Land Bank Fast Track Act, 2003 PA 258, being MCL 124.751 *et seq.*, (“the Act”) establishes the State Land Bank Fast Track Authority; and

**WHEREAS**, the Act allows a foreclosing governmental unit, such as the Ingham County Treasurer, to enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act, and for the creation of a County Land Bank Fast Track Authority (the “Authority”) to exercise those functions; and

**WHEREAS**, the Ingham County Treasurer, with Ingham County Board of Commissioners approval, has entered into such an intergovernmental agreement under the Act; and

**WHEREAS**, Section 4.08(d) of the Intergovernmental Agreement requires the Board to adopt policies to implement day-to-day operations of the County Authority; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority has approved the general Priorities, Policies and Procedures; and

**WHEREAS**, the Ingham County Land Bank Fast Track Authority has approved the Administrative Rules that facilitate the implementation of the Priorities, Policies and Procedures;

**THEREFORE BE IT RESOLVED**, that the Authority approves the administrative program guidelines (Exhibit 1) for Land Contract Sales as approved by the Land Bank attorney.

Aye:   Nay:   Absent:



## **Ingham County Land Bank**

### **Program Administrative Guidelines For Land Contract Sales October 3, 2011**

#### **Purpose**

The land-contract program is designed to provide a financing option to qualified applicants who wish to purchase an Ingham County Land Bank home but who may not otherwise qualify for a conforming or government-insured mortgage.

#### **Maximum Contract Amount** TBD

#### **Maximum Contract to Sales Price**

The maximum contract amount shall not exceed 90% of the purchase price.

#### **Interest Rate** TBD

#### **Contract Terms**

Adjusted according to funding availability and property type.

#### **Payments**

Monthly payments are fully amortized and include required escrows for property taxes and home owner's insurance.

#### **Income Criteria**

Applicant must demonstrate the ability to make proposed land contract payments. Employment and/or income must be documented and proven to be stable. A minimum of 2 year work/income history is required. Verification of work/income is also required. Income restrictions are applicable to certain properties and all income of adult members of the household must be considered.

#### **Bankruptcies and Foreclosures**

Eligible applicants must not have an open or pending Bankruptcy or Foreclosure.

#### **Collections, Charge Offs and/or Judgments**

On a case-by-case basis, applicants with open collections, charge offs and/or judgments may be eligible if it can be documented that said derogatory items may be satisfied within the period of land-contract term. Detailed action must be noted in applicant's action plan created with the housing counselor. Excessive derogatory balances and/or open judgments with no ability of applicant to satisfy such open balances prior to end of contract term may be cause for declination.

**Previous Housing Payments**

A verification of rent-history is required. Late payments made within the past 12 months may be cause for declination at discretion of Land Bank.

**Credit History/Credit Scores**

Although there is no minimum qualifying credit score to be eligible for a land contract, the applicant's credit history will be reviewed and used as part of the qualification process. Explanation from applicant is required for any derogatory item appearing in the applicant's tri-merge credit report. Applicant's action plan must provide detailed steps applicant will take to repair their credit to insure applicant may be mortgage ready at the end of the land-contract term. An explanation for recent and/or excessive credit inquires may be required.

**Non-Traditional Credit**

Applicants who have no traditional credit appearing in a credit report may be eligible to submit alternative credit payment histories for consideration, including but not limited to auto insurance payments, telephone or utility payments, storage unit payments or another type of installment-type payment history where there is a minimum of a 12 month payment history to be used for consideration.

**Maximum Qualifying Ratios**

Total debt-to-income (DTI) ratios up to 41% of gross monthly income (or back-end up to 45% with major compensating factors).

**Eligible Properties**

Selected properties for sale by the Land Bank.

**Owner Occupancy**

Purchaser must sign the owner occupancy covenant.

**Minimum Purchaser Contribution**

All purchasers participating in the land-contract program will be required to contribute a minimum of 10% of the purchase price as a down payment of their own funds, or from a gift from a family member. Purchaser contribution/down payment may not be financed. Lack of required down payment and/or financial capacity needed for required repairs may be cause for denial.

**Prepayment Penalty**

The land-contract program does not have a prepayment penalty. Purchaser may pay the land-contract in full at any time. Purchaser must request pay off balance due at time of pay off.

**Assumption**

Purchaser may not assign the land contract and the land-contract is not assumable.

**Subordinate Lien Policy**

Subordinate liens are not allowed to follow the land contract.

**Cause for Acceleration of Purchase Price**

The land contract contains an acceleration clause, which will call the entire purchase price due and payable upon certain events, including the following: in the event of default under the land contract terms; in the event the purchaser ceases to occupy the property as their principal place of residence; or in the event of any sale, transfer, lease or encumbrance of the property without the prior written consent of the Ingham County Land Bank.

**Home Buyer Education**

All purchasers will be required to undergo home buyer education provided by Center for Financial Health or any other HUD-approved housing counseling agency. A minimum of eight (8) hours of pre-purchase education will be required.

**Housing Counseling**

All purchasers will be required to meet with a certified Housing Counselor from the Center for Financial Health to develop a financial application and to complete a mortgage readiness action plan. Included in the action plan will be steps the purchaser must follow to become mortgage ready by the end of the land contract term. Ongoing counseling and financial literacy workshops on topics such as money management and credit may also be required according to the individual purchaser's action plan.

**Other Terms**

All Ingham County Land Bank Fast Track Authority Policies and Procedures apply.

Ingham County Land Bank Check Register  
 August 1, 2011 - August 31, 2011

Check Date	Bank/Check #	Name	Amount
8/3/2011	GEN 6370	CONSUMERS ENERGY	48.37
8/3/2011	GEN 6371	BOARD OF WATER & LIGHT	394.97
8/3/2011	GEN 6372	BOARD OF WATER & LIGHT	546.66
8/3/2011	GEN 6373	BOARD OF WATER & LIGHT	516.16
8/3/2011	GEN 6374	BOARD OF WATER & LIGHT	565.64
8/3/2011	GEN 6375	BOARD OF WATER & LIGHT	180.96
8/3/2011	GEN 6376	EDEN GLEN CONDO ASSOCIATION	6,960.00
8/3/2011	GEN 6377	SARITA WILLIAMS	400.00
8/3/2011	GEN 6378	DBI BUSINESS INTERIORS	408.38
8/3/2011	GEN 6379	LANSING CITY TREASURER	379.24
8/3/2011	GEN 6380	CITY PULSE	176.13
8/3/2011	GEN 6381	MARTINEZ CONSULTING GROUP	2,025.00
8/3/2011	GEN 6382	SUPREME RENTAL INC	128.35
8/3/2011	GEN 6383	AIR QUALITY CONTROL AGENCY	314.00
8/3/2011	GEN 6384	DISCOUNT ONE HOUR SIGNS, INC	7,165.00
8/3/2011	GEN 6385	RIZZI DESIGNS	2,302.10
8/3/2011	GEN 6386	INGHAM COUNTY HEALTH DEPARTMENT	1,447.50
8/3/2011	GEN 6387	OLD TOWN COMMERCIAL ASSOCIATION	250.00
8/3/2011	GEN 6388	OETZEL-HARTMAN GROUP	7,000.00
8/3/2011	GEN 6389	GANNON GROUP, PC	1,800.00
8/3/2011	GEN 6390	MOLENAAR & ASSOCIATES, INC	300.00
8/3/2011	GEN 6391	HOOPER CONSULTING GROUP, LLC	20,324.13
8/3/2011	GEN 6392	TRITERRA	3,600.00
8/3/2011	GEN 6393	ETC	1,735.00
8/3/2011	GEN 6394	THERMAL INSPECTION SERVICE LLC	2,800.00
8/3/2011	GEN 6395	KEBS, INC.	4,000.00
8/3/2011	GEN 6396	MARK'S LOCK SHOP INC	980.00
8/3/2011	GEN 6397	TONY MARTINEZ	8,820.00
8/3/2011	GEN 6398	J. F. SHEWCHUCK CONSTRUCTION	7,550.00
8/3/2011	GEN 6399	MICHIGAN PLUMBING	525.00
8/3/2011	GEN 6400	DICK CORTRIGHT	565.00
8/3/2011	GEN 6401	J & M HAULING	7,675.00
8/3/2011	GEN 6402	INGHAM COUNTY TREASURER	1,253.03
8/3/2011	GEN 6403	TURN KEY HOME IMPROVEMENT	17,966.00
8/3/2011	GEN 6404	LJ TRUMBLE BUILDERS	57,477.00
8/3/2011	GEN 6405	CHARLES L THERRIAN BUILDER	15,795.00
8/3/2011	GEN 6406	EUGENE TOWNSEND, BUILDER	13,374.73
8/3/2011	GEN 6407	NORSHORE BUILDING INC	6,021.00
8/3/2011	GEN 6408	FIRST CONTRACTING INC	34,978.00
8/3/2011	GEN 6409	MINT CITY DEMOLITION, LLC	4,980.00
8/3/2011	GEN 6410	KEHREN CONSTRUCTION, LLC	5,515.00
8/3/2011	GEN 6411	AD'VANTAGE CLEANING	1,517.96
8/3/2011	GEN 6412	SUE E BETCHER	50.00
8/3/2011	GEN 6413	MELISSA LOTT	375.00
8/3/2011	GEN 6414	WISEMAN TREE EXPERTS	890.00
8/3/2011	GEN 6415	LAWN KINGS DISCOUNT LAWN & SNOW	1,767.50
8/3/2011	GEN 6416	INTEGRITY LAWN MAINTENANCE	1,040.00

Check Date	Bank/Check #	Name	Amount	Page 2
8/3/2011	GEN 6417	AMO INSPECTIONS & APPRAISALS	1,730.00	
8/3/2011	GEN 6418	DENNIS GRAHAM	154.35	
8/3/2011	GEN 6419	ROXANNE CASE	253.29	
8/3/2011	GEN 6420	DAWN VAN HALST	45.25	
8/3/2011	GEN 6421	KARL FOFANA	638.31	
8/3/2011	GEN 6422	JOSEPH G BONSALE	720.70	
8/3/2011	GEN 6423	MICHIGAN BUILDING AND RESTORATION	22,011.47	
8/17/2011	GEN 6424	CONSUMERS ENERGY	193.89	
8/17/2011	GEN 6425	CONSUMERS ENERGY	230.83	
8/17/2011	GEN 6426	CONSUMERS ENERGY	317.50	
8/17/2011	GEN 6427	CONSUMERS ENERGY	268.89	
8/17/2011	GEN 6428	CONSUMERS ENERGY	196.97	
8/17/2011	GEN 6429	BOARD OF WATER & LIGHT	322.93	
8/17/2011	GEN 6430	BOARD OF WATER & LIGHT	531.94	
8/17/2011	GEN 6431	BOARD OF WATER & LIGHT	841.60	
8/17/2011	GEN 6432	BOARD OF WATER & LIGHT	340.83	
8/17/2011	GEN 6433	BOARD OF WATER & LIGHT	430.62	
8/17/2011	GEN 6434	BOARD OF WATER & LIGHT	102.60	
8/17/2011	GEN 6435	PAM BLAIR	120.00	
8/17/2011	GEN 6436	H.C. BERGER COMPANY	180.94	
8/17/2011	GEN 6437	HASSELBRING CLARK CO	164.33	
8/17/2011	GEN 6438	COHL, STOKER & TOSKEY, P.C.	932.00	
8/17/2011	GEN 6439	INGHAM COUNTY HEALTH DEPARTMENT	1,447.50	
8/17/2011	GEN 6440	LANDLORDS OF MID-MICHIGAN	90.00	
8/17/2011	GEN 6441	DISCOUNT ONE HOUR SIGNS, INC	1,500.00	
8/17/2011	GEN 6442	TOSHIBA FINANCIAL SERVICES	410.61	
8/17/2011	GEN 6443	SPRINT	252.62	
8/17/2011	GEN 6444	CITY PULSE	934.92	
8/17/2011	GEN 6445	DBI BUSINESS INTERIORS	170.69	
8/17/2011	GEN 6446	GREATER LANSING HOUSING COALITION	4,304.91	
8/17/2011	GEN 6447	MARK'S LOCK SHOP INC	225.00	
8/17/2011	GEN 6448	AMERICAN RENTALS INC.	88.00	
8/17/2011	GEN 6449	RBK BUILDING MATERIALS	5,799.40	
8/17/2011	GEN 6450	HAZEN LUMBER, INC.	1,217.45	
8/17/2011	GEN 6451	ORACLE RESIDENTIAL SERVICES LLC	825.00	
8/17/2011	GEN 6452	OETZEL-HARTMAN GROUP	10,800.00	
8/17/2011	GEN 6453	KEBS, INC.	2,800.00	
8/17/2011	GEN 6454	ETC	4,225.00	
8/17/2011	GEN 6455	THERMAL INSPECTION SERVICE LLC	2,300.00	
8/17/2011	GEN 6456	TONY MARTINEZ	5,040.00	
8/17/2011	GEN 6457	J. F. SHEWCHUCK CONSTRUCTION	5,960.00	
8/17/2011	GEN 6458	J & M HAULING	3,475.00	
8/17/2011	GEN 6459	AD'VANTAGE CLEANING	687.28	
8/17/2011	GEN 6460	ROOTER EXPRESS	175.00	
8/17/2011	GEN 6461	HOLT ELECTRIC & SON	818.00	
8/17/2011	GEN 6462	EUGENE TOWNSEND, BUILDER	10,198.27	
8/17/2011	GEN 6463	PROGRESSIVE REMODELING	11,695.00	
8/17/2011	GEN 6464	NORSHORE BUILDING INC	1,546.00	
8/17/2011	GEN 6465	TURN KEY HOME IMPROVEMENT	29,791.00	
8/17/2011	GEN 6466	ELIEFF BROTHERS ROOFING INC	4,656.00	

Check Date	Bank/Check #	Name	Amount	Page 3
8/17/2011	GEN 6467	LJ TRUMBLE BUILDERS	30,044.00	
8/17/2011	GEN 6468	DON PLANTZ CONCRETE	6,620.00	
8/17/2011	GEN 6469	MINT CITY DEMOLITION, LLC	3,016.00	
8/17/2011	GEN 6470	WISEMAN TREE EXPERTS	270.00	
8/17/2011	GEN 6471	DICK CORTRIGHT	6,045.50	
8/17/2011	GEN 6472	SCHAFFER'S INC	655.00	
8/17/2011	GEN 6473	SCHUMACHER'S FOUR SEASONS	6,745.00	
8/17/2011	GEN 6474	EARTH TONES LANDSCAPING INC	2,777.50	
8/17/2011	GEN 6475	MICHAEL L THOMPSON	500.00	
8/17/2011	GEN 6476	SOIL AND PLANT TISSUE TESTING LABO	150.00	
8/17/2011	GEN 6477	MELISSA LOTT	375.00	
8/17/2011	GEN 6478	LINDA SCHONBERG	29.98	
8/17/2011	GEN 6479	MARY RUTTAN	883.46	
8/17/2011	GEN 6480	BRENT RACE	83.25	
8/17/2011	GEN 6481	DENNIS GRAHAM	232.58	
8/17/2011	GEN 6482	AUSTIN-FULLER HEATING & COOLING IN	3,150.00	
8/17/2011	GEN 6483	TYLER HEATING & COOLING	2,600.00	
8/17/2011	GEN 6484	JOSEPH E ROBIADEK	394.05	
8/17/2011	GEN 6485	HOME DEPOT CREDIT SERVICES	1,328.69	
8/17/2011	GEN 6486	AMO INSPECTIONS & APPRAISALS	1,660.00	
8/17/2011	GEN 6487	INGHAM COUNTY HOUSING COMMISSIOI	9,634.56	
8/19/2011	GEN 6488	CAPITAL FUND TITLE SERVICES, LLC	775.10	
8/23/2011	GEN 6491	MARK'S LOCK SHOP INC	240.00	
8/23/2011	GEN 6492	GREATER LANSING HOUSING COALITION	2,256.50	
8/23/2011	GEN 6494	ORACLE RESIDENTIAL SERVICES LLC	600.00	
8/23/2011	GEN 6499	MARTY LEJEUNE	97.20	
8/24/2011	GEN 6489	BOARD OF WATER & LIGHT	344.98	
8/24/2011	GEN 6490	CITY PULSE	46.35	
8/24/2011	GEN 6493	DBI BUSINESS INTERIORS	494.42	
8/24/2011	GEN 6495	KEBS, INC.	3,200.00	
8/24/2011	GEN 6496	THERMAL INSPECTION SERVICE LLC	3,200.00	
8/24/2011	GEN 6497	TRITERRA	2,850.00	
8/24/2011	GEN 6498	ETC	4,150.00	
8/24/2011	GEN 6500	DAWN VAN HALST	80.00	
8/31/2011	GEN 6501	BOARD OF WATER & LIGHT	605.50	
8/31/2011	GEN 6502	DBI BUSINESS INTERIORS	95.98	
8/31/2011	GEN 6503	CITY PULSE	46.35	
8/31/2011	GEN 6504	CENTER FOR FINANCIAL HEALTH	300.00	
8/31/2011	GEN 6505	THERMAL INSPECTION SERVICE LLC	800.00	
8/31/2011	GEN 6506	KEBS, INC.	2,800.00	
8/31/2011	GEN 6507	TONY MARTINEZ	2,520.00	
8/31/2011	GEN 6508	J. F. SHEWCHUCK CONSTRUCTION	4,970.00	
8/31/2011	GEN 6509	MICHAEL L THOMPSON	500.00	
8/31/2011	GEN 6510	CHARLES L THERRIAN BUILDER	24,513.00	
8/31/2011	GEN 6511	LJ TRUMBLE BUILDERS	38,661.00	
8/31/2011	GEN 6512	GRACE AT HOME	4,700.00	
8/31/2011	GEN 6513	NORSHORE BUILDING INC	42,344.00	
8/31/2011	GEN 6514	FIRST CONTRACTING INC	40,146.25	
8/31/2011	GEN 6515	TURN KEY HOME IMPROVEMENT	25,274.00	
			680,849.90	

INGHAM COUNTY LAND BANK AUTHORITY  
 STATEMENT OF NET ASSETS  
 STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
 JULY 31, 2011

Assets	
Cash	\$ 82,169.38
Accounts Receivable	11,771.85
Land Contract Receivable	1,422,984.48
Land Contract Interest Receivable	42,328.29
Land Contract Escrow	17,242.42
Acquisition Account Earnest Deposit	5,000.00
Notes Receivable	364,270.39
Specific Tax Receivable	3,414.87
OCOF Nonprofit Receivable	6,828.82
Ingham County Receivable	6,752.21
NSP1 Lansing City Receivable	27,310.49
NSP County Receivable	35,298.32
MSHDA Receivable	101,627.00
Youth Build Receivable	777.00
Inventory	<u>3,938,911.98</u>
Total Assets	\$6,066,687.50
Liabilities	
Notes Payable	
PNC Bank	3,590,000.00
Due to Ingham County	588,437.70
Due State of Michigan-Escheats	442.35
Rental Deposit	12,126.25
Land Contract Escrow	<u>13,395.83</u>
Total Liabilities	\$4,204,402.13
Retained Earnings	<u>\$1,705,078.08</u>
Total Net Assets	<u>\$ 157,207.29</u>

STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
JULY 31, 2011

Revenues

Property Sales	1,231,952.66
Brownfield Revenue	1,450,747.33
NSP1 Lansing City Revenue	637,345.73
NSP2 MSHDA Adm. Fee Revenue	40,207.99
NSP2 MSHDA Revenue	1,726,590.00
NSP County Revenue	4,124.53
Garden Project Revenue	40.00
Property Maintenance Revenue	1,500.00
Revenue Transfer	250,000.00
Home Revenue	72,799.13
Donations	20.00
Interest Income	87,218.20
Rental Income	12,250.00
Development Fee Income	135,975.59
Miscellaneous Income	151.00
Late Fee Revenue	428.03
	<hr/>
Total Revenue	\$5,651,350.19

Operating Expenses

Cost of Land Sold	2,550,632.12
Supplies	8,353.57
Audit Fee	8,500.00
Communication	2,688.43
Security	278.68
Memberships	1,015.00
Equipment-Small Purchase	2,045.67
Postage	852.85
Recording Fees	10.00
Media	12,061.67
Interior Staging	7,139.68
Renovation	8,468.87
Consultants	15,097.45
Bank Fees	260.84
Legal	5,955.48
Contractual Service	46,042.60
Software	600.39
Bicycle Share Program	3,181.13
Travel	5,971.80
Professional Training/Conference	890.00
Job Creation	375.00
Payroll Reimbursement	55,147.16



## Operating Expense Continued

Americorp Member	5,822.50
Employer Tax Liability	3,705.41
Payroll Service	320.46
Workers Compensation	2,431.77
Utilities	1,294.31
Building Maintenance	7,820.17
Lawn/Snow	1,035.00
Interest Expense	35,469.32
Land Contract Default	201,871.74
Garden Project	6,278.79
HOME Lansing City	4,088.11
NSP1 Lansing City	608,322.90
NSP Ingham County	4,495.94
NSP II	<u>1,875,618.09</u>

Total Expense \$ 5,494,142.90

Total Net Assets, end of period \$ 157,207.29

**INGHAM COUNTY LAND BANK AUTHORITY**  
**STATEMENT OF NET ASSETS**  
**STATEMENT OF REVENUES, EXPENSES & CHANGE IN NET ASSETS**  
**AUGUST 31, 2011**

Assets	
Cash	\$ 125,722.03
Accounts Receivable	12,455.85
Land Contract Receivable	1,526,138.65
Land Contract Interest Receivable	36,530.69
Land Contract Escrow	17,242.42
Acquisition Account Earnest Deposit	5,000.00
Notes Receivable	363,213.40
Specific Tax Receivable	1,374.40
OCOF Nonprofit Receivable	7,964.29
Ingham County Receivable-Brownfield	119,068.76
NSP1 Lansing City Receivable	.01
NSP County Receivable	35,298.32
MSHDA Receivable	99,216.00
Home Receivable	5,402.23
Youth Build Receivable	(21,173.95)
Inventory	<u>3,872,471.36</u>
Total Assets	\$6,205,924.46
Liabilities	
Accounts Payable	235,112.01
Notes Payable	
PNC Bank	3,690,000.00
Due to Ingham County	598,591.61
Rental Deposit	11,726.25
Good Faith Deposits	2,100.00
Land Contract Escrow	<u>16,441.83</u>
Total Liabilities	\$4,553,971.70
Retained Earnings	<u>\$1,705,078.08</u>
Total Net Assets	<u>\$ (53,125.32)</u>

STATE OF REVENUES, EXPENSES & CHANGE IN NET ASSETS  
AUGUST 31, 2011

Revenues

Property Sales	1,354,952.66
Brownfield Revenue	1,450,747.33
NSP1 Lansing City Revenue	721,560.12
NSP2 MSHDA Adm. Fee Revenue	40,207.99
NSP2 MSHDA Revenue	2,027,154.00
NSP2 Program Income	44,000.00
NSP County Revenue	4,124.53
Garden Project Revenue	40.00
Property Maintenance Revenue	1,500.00
Revenue Transfer	250,000.00
Home Revenue	78,201.36
Donations	20.00
Interest Income	89,089.29
Rental Income	22,450.00
Development Fee Income	157,459.88
Miscellaneous Income	155.23
Late Fee Revenue	<u>550.66</u>

Total Revenue \$6,242,213.05

Operating Expenses

Cost of Land Sold	2,712,639.80
Supplies	9,153.44
Audit Fee	8,500.00
Communication	2,789.21
Security	278.68
Memberships	1,105.00
Rent Expense	7,800.00
Equipment-Small Purchase	3,653.28
Postage	1,017.73
Recording Fees	10.00
Seller Concessions	2,019.77
Media	13,579.83
Housing Counseling	300.00
Interior Staging	7,568.09
Renovation	8,468.87
Consultants	17,787.45
Bank Fees	260.84
Legal	6,887.48
Contractual Service	52,797.80
Software	656.42
Bicycle Share Program	3,181.13
Travel	6,895.35

## Operating Expense Continued

Professional Training/Conference	1,150.70
Job Creation	375.00
Payroll Reimbursement	55,897.16
Americorp Member	7,270.00
Employer Tax Liability	4,226.84
Payroll Service	370.03
Workers Compensation	2,785.63
Utilities	1,506.88
Building Maintenance	8,475.94
Lawn/Snow	1,095.00
Interest Expense	35,469.32
Land Contract Default	201,871.74
Garden Project	9,718.79
HOME Lansing City	9,538.00
NSP1 Lansing City	709,454.39
NSP Ingham County	5,298.15
NSP II	2,329,484.53
NSP2 Program Income Expense	<u>44,000.10</u>
Total Expense	\$ 6,295,338.37
Total Net Assets, end of period	<u>\$ (53,125.32)</u>