



City of Oshkosh  
Department of Community Development

# Oshkosh Neighborhood News

JANUARY, 2016

## Home Buying 101

Is 2016 the year you will buy a new home? Owning a home at some point in your life is a good decision. Mortgage payments help to increase the equity in your house, as opposed to rent checks. Plus, rent usually increases with inflation, while mortgage payments are generally more stable. But owning a home is also a long term decision, so there are several things you have to carefully consider in deciding whether you're prepared to take the plunge.

### Costs

There are lots of costs associated with buying a home. One of the first considerations to keep in mind are the physical aspects of the house you aspire to own. Maybe you already have a rough idea of the size of house you'll need. With that in mind, decide how many bedrooms, bathrooms and other features you want. This will give you an idea of how much your house will cost, both in total price and monthly payment (including homeowners insurance). Don't forget to factor in the money you'll need for a down payment, closing costs, fees (such as fees for an attorney, appraisal, inspection, etc.), as well as the amount you'll need to cover the costs of remodeling or purchasing furniture. You can find mortgage calculators online that may help with your planning. Also, as a homeowner, you'll

have to pay things like real estate taxes, school taxes and other taxes that will affect your monthly payments. Plus, you'll need to budget for any HOA fees, unexpected repair costs, lawn care, snow removal, pest control and a potential host of other things that pop up from time to time. So in your budgeting, you need to consider your current income against these costs and a mortgage payment.

### Getting Prepared

When you've decided what you want and are ready to buy a home, you need to get approval from a lender to get a loan. But before you can do that, you have to have an idea of how much you can afford. Your credit will also be a major factor in the loan process.

### Credit

A good credit score makes you less of a risk to creditors, so you should always check your credit before applying for a mortgage of any kind. Knowing how you will look to a lender is key. If you have negative marks on your credit, do the work to repair them before you apply. By law, you're allowed to receive one free copy of your credit report per year. Scores range from approximately 300 to 850; generally, the higher your score, the better you'll qualify for a loan.

### Getting Pre-Approved

A pre-approval means a lender has approved you for a loan at a specified amount based on your income, assets, debt, and credit. It's the first step to take before shopping for a home. Your lender will provide a letter of pre-approval, verifying the loan amount you've been approved to borrow. Most sellers will require pre-approval to validate the sales contract on a home. Pre-approvals can usually be done within 24 hours.

### House-Hunting

A home is more than just a collection of rooms. Several similar properties may represent totally different designs, commuting distances, lot sizes, tax costs and dimensions—inside and out. It's important to have in mind the things you want in a home before you start looking. Consider price, location, size, amenities, and type. Also think several years down the road. If you think you'll need a larger home, or a larger yard or to be closer to school for the kids, maybe now is the time to consider all of that instead of having to move again in a few years.

### Where to look

Once you know what you want, start looking. It's important to target your search with basic criteria like location, proximity to schools and work, and other features. *Cont. pg. 2*



*“Owning a home at some point in your life is a good decision. Mortgage payments help to increase equity in your home and are generally more stable than rent.”*

## Home Buying, Cont.

Once you have an idea of what you want, contact a local realtor who can suggest properties. Be sure to do the research and obtain the services of an experienced realtor who knows the area well. They may also have developed solid relationships with lenders that may prove useful. You can also check area real estate listings online and select several houses to visit.

### **Making an Offer**

Once your loan has been pre-approved and you've found a home, you need to make an offer to the seller, and if accepted, secure a contract to purchase the property. Usually there's a bit of haggling involved between the buyer and seller, so sellers may price their homes a bit higher. As a general rule, it's good to start about five percent below the asking price. Once you've made

an offer, it doesn't necessarily mean it's final. The seller can make a counter offer and you can counter again. Once you've agreed on a price, you'll make an earnest money deposit, which is money that goes in escrow as a sign of good faith that you intend to purchase the property.

### **Inspection and Appraisal**

A home inspection safeguards you against unforeseen problems that could pop up down the road. A typical home inspection includes testing electrical and plumbing systems and appliances, and evaluating the home's roof and exterior structure and foundation.

A similar but separate process is the appraisal. An appraiser will determine how much the house is really worth by comparing it to other similar homes on a number of features like lot size, square footage, etc. Your lender will order

an appraisal of the home you intend to buy. You don't have to be present. Your realtor or the seller can let the appraiser into the home. The lender normally sends a copy of the appraisal to the buyer.

### **Closing**

Closing on a home means that the sale is complete, and all the terms and conditions of the purchase agreement have been met. At this point, the seller gives the buyer title to the property. There are fees and expenses associated with closing. On average, they range from three percent to five percent of the total loan amount. For example, for a loan of \$300,000, closing costs might run in the \$12,000 range. Closing costs can sometimes be rolled into the financing or even paid by the seller. Every situation is different. Check with your realtor for your options. *Article courtesy of Navy Federal Credit Union Home Center*



*“Reputation matters, history can shape the future, and positive identity can determine who is attracted to a place.” ~ David Boehlke*

## Local Incentives Improve Neighborhoods

The City of Oshkosh currently offers a variety of financial incentives for existing homeowners as well as first time homebuyers. Eligibility requirements may vary by geographic location and income. Following is a summary of programs including information on who to contact to learn more.

### **Owner Occupied Housing Rehabilitation**

This is a program offered through the City of Oshkosh and offers 0% interest, deferred payment loans to low to moderate income property owners within the City limits. Loans may be used for roofing, exterior work, plumbing, elec-

trical, furnaces, painting, and general repairs. Sorry, remodeling projects are not eligible through this program. Application are being accepted now and are due by March 15, 2016. For more information, please call Planning Services at 920-236-5059 or stop by the Planning Services office in City Hall, Room 204 Monday—Friday, 8:00—4:30.

### **Rental Rehabilitation**

This program is designed to improve rental housing within Oshkosh. Eligible properties located in specific neighborhoods can receive up to \$15,000 per structure plus an additional \$5,000 per unit, up to 4 units.

Priority consideration will be given to projects that enhance the exterior quality and positive characteristics of the property. This program is financed as a 10 year low or no interest loan. Additional incentives may be available for projects that reduce the number of units in a structure. For more information, please call Planning Services at 920-236-5059.

### **Great Neighborhoods**

The Great Neighborhoods Program provides residents the opportunity to originate projects that enhance quality of life in Oshkosh through strategic

(continued on pg. 3)

## Incentive Programs, Cont.

improvements to the public realm. Working in collaboration with City staff, residents initiate, plan, and implement projects and activities that further the pursuit of Healthy Neighborhoods of Choice in Oshkosh. The Great Neighborhoods Program is funded by the City's Capital Improvement Program and is intended to enhance the image, market, and physical conditions of Oshkosh neighborhoods. Call Planning Services at 920-236-5059 to learn more.

### **Sold on Oshkosh**

This program is designed to promote pride of place and homeownership within Oshkosh neighborhoods. Approved applicants interested in purchasing a home in specified Oshkosh neighborhoods are eligible to receive up to a \$5,000, 5 year forgivable loan.

Funds must be used at the time of closing toward down payment, closing costs, or principal reduction of the first mortgage balance. Borrower must provide a minimum of 1% down payment from their own funds. Additional restrictions apply. Please contact Planning Services at 920-236-5059 for more information.

### **Homeowner Development Program**

Offered through ADVOCAP, this program is available to income qualified first time homebuyers in Winnebago, Fond du Lac, and Green Lake counties. Participants are required to attend an 8 hour homebuyer education course as well as a financial readiness meeting to determine credit score and develop credit repair and/or savings plans, if necessary. Upon successful completion of program requirements,

participants are eligible for down payment assistance in the form of a 0% deferred second mortgage. For more information, contact ADVOCAP at 920-426-0150.

### **Housing and Financial Counseling Services**

FISC, a program of Goodwill of North Central Wisconsin, offers a wide variety of low cost financial and counseling services. Friendly and professional financial experts are available to provide confidential help. From pre-purchase homebuyer education, to foreclosure prevention and debt management counseling, FISC is a one-stop shop to get and keep your financial life on track. Explore all that FISC has to offer by visiting [www.fisc-cccs.org](http://www.fisc-cccs.org) or by calling 800-336-8161.

## The Many Benefits of Historic Property Ownership

Since the early 1980's, the City of Oshkosh Landmarks Commission has been fostering the protection, enhancement, and perpetuation of historic improvements in the City. Our local Landmarks Commission recognizes structures, districts, sites, and objects significant to our City's history and culture.

### **Economic Benefits**

Perhaps the most important benefit of local historic preservation is the positive economic impact such activities have on the community. A well-supported local preservation program tends to improve a community's economic basis by returning vacant buildings to use, stimulating investment in existing properties, attracting new businesses, adding jobs, attracting new residents, and increasing community pride. Well maintained historic properties that lie within historic districts have been shown to hold and increase their value at higher rates than those that are not in historic districts

### **Environmental Sustainability**

Historic buildings were constructed to last and historic preservation enhances "green" development and sustainability by continued use of existing resources. Most historic homes are built from brick, plaster, concrete, and timber.

These materials are also considered to be the least energy consumptive—especially when compared to plastic, steel, vinyl, and aluminum—materials used in new construction. Preserving historic buildings conserves significant energy over the life of the building, by avoiding the energy consumption involved with demolition and new construction.

### **Community Culture and Pride**

Well-maintained and preserved historic buildings communicate Oshkosh's appreciation for the historic residences and businesses that helped shape our community and make us an attractive destination for heritage tourism. Plus, these homes and buildings display a variety of architectural styles and craftsmanship that are no longer available. Historic preservation has the power to set Oshkosh apart as a desirable "community of choice."

### **Historic Plaque Program**

In order to recognize historically significant properties in Oshkosh, the Landmarks Commission has developed an Historic Plaque Program. Eligible structures should generally be 50 years or older and should retain sufficient architectural detail of a specific architectural style. Contact Planning Services at 920-236-5059 to learn more.

### **Financial Incentives**

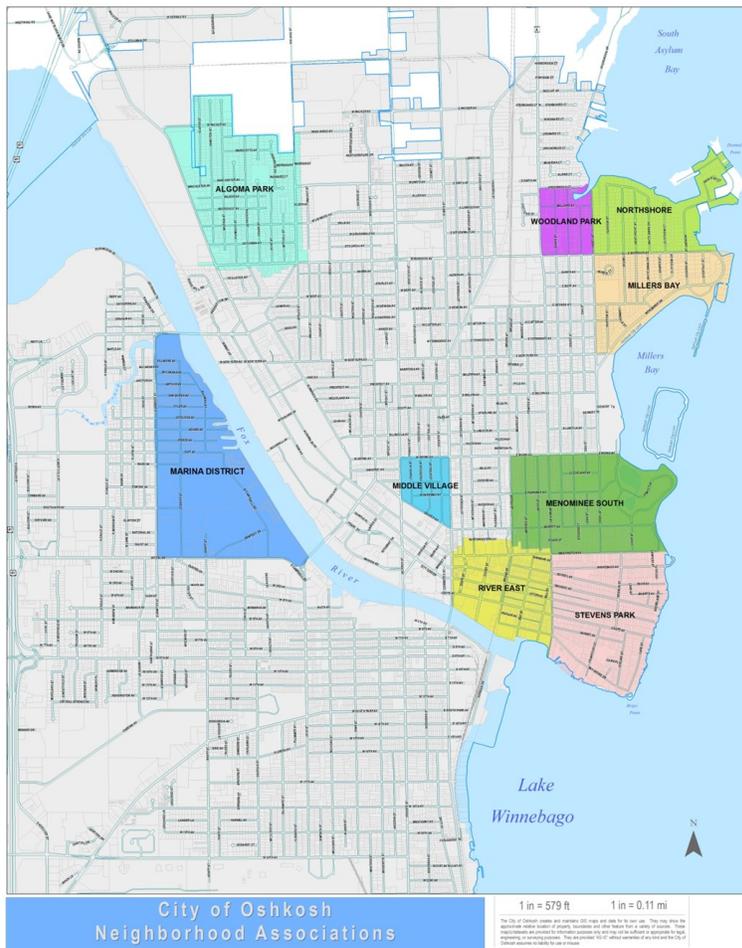
Owners of historic buildings in Wisconsin may participate in federal and state income tax credit programs for rehabilitation. Two programs are available to owners of properties that are either listed in (or determined to be eligible for listing in) the National Register of Historic Places.

### **Tax Credits for Historic Homes**

The Homeowners Tax Credit Program returns 25% of the cost of approved rehabilitation (of eligible historic homes) as a Wisconsin income tax credit. The Wisconsin Historical Society's Division of Historic Preservation and Public History administers the program. To learn more, please call 608-264-6493. For general information, you may call Planning Services at 920-236-5059.

### **Tax Credits for Income Producing Buildings**

Owners of historic income producing buildings may be eligible for two income tax credits that can help pay for their building's rehabilitation. Federal and state programs are available that may return 20% of the cost of rehabilitating historic buildings as an income tax credit. That's 40% when taken together! Call 608-264-6493 to learn more.



## Upcoming Events

EVENT	LOCATION	TIME / DATE	COST
<b>Oshkosh Winter Farmers Market</b>	<b>Multi-Purpose Room Merrill Middle School (use rear doors)</b>	<b>Saturday, January 23 9:00 am—12:30 pm</b>	<b>Free Admission</b>
<b>WHBA Home and Outdoor Living Show</b>	<b>Sunnyview Expo Center</b>	<b>Fri., Jan. 22—Sun. Jan. 24 Fri: 3:00 pm—8:00 pm Sat-Sun: 10:00 a—4:00 p</b>	<b>\$5.00 Admission</b>
<b>Oshkosh Chamber Business Expo</b>	<b>Oshkosh Convention Center</b>	<b>Thursday, January 28 10:00 am</b>	<b>\$5.00 Admission</b>
<b>Free Fridays</b>	<b>Time Community Theater 445 N Main Street</b>	<b>Every Friday. Doors open at 6:30, show starts at 7:00</b>	<b>Free admission on Fridays, \$3 on Saturdays. Cash only.</b>