

FREE LOT HOUSING PROGRAM

(Rev. 06/15/15)

OBJECTIVE:

The City of Halstad offers platted City lots to qualifying individuals for the purpose of owner occupied housing on the property.

ELIGIBILITY:

- A. Any person or family with head of household age 19 or over with an independent means of financial support who is either a resident or non-resident of Halstad.
- B. Only one free lot per eligible family is allowed.
- C. Speculation housing by special agreement.

REQUIREMENTS:

- A. The City will transfer title to a lot within six (6) months, when one of the following criteria is met:
 - a) Closing of a construction loan, with a grant to the City of second mortgage with a provision that the house will be completed and occupied within six (6) months and all other terms will be complied with;
 - b) Assignment of loan shall follow the following path, when conditions merit:
Bank-Contractor-Mortgage;
 - c) Moving a house on the premises and signing a fixture agreement.
- B. The recipient, having met all other requirements of the housing program, shall be relieved of paying City taxes associated with the free lot for a period of 5 years. Commencement of payment of special assessments, if any, shall be deferred for a period of 2 years. However, the recipient must apply for relief of City tax each year.
- C. The recipient must make available to the council all blueprints associated with the new house, which must have an assessed value of at least \$125,000. The council will give approval if the blueprint designs can be built upon a free lot.

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Mayor Lori DeLong
Clerk-Treasurer Veronica Dye

Councilmember Darin Johnson
Councilmember Brandon Mickelson
Councilmember Shane Carlson

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D. Recipient must occupy the premises for three (3) years after completion and keep applicable real estate taxes current during this period of time.

E. At the time a lot is given to a party, a \$7,500 value will be given to the lot and one-third of that value will be forgiven each year.

F. The recipient will be required to sign a mortgage that will be satisfied when all the conditions of the program have been met.

G. All lot recipients will be responsible for preparing the lot for proper grading and drainage, according to City guidelines.

H. The City of Halstad, assumes no liability for any consequences resulting from the recipients non-use of drainage and grading guidelines.

I. The drainage and grading guidelines are available from the Utilities Superintendent at the City of Halstad.

NOTE:

FHA approval has been certified for all lots of the FREE LOT subdivisions and documentation is on file with the Red River State Bank, Halstad, MN.

For more information, please call the city of Halstad at 218-456-2128.