

HOUSING: AN UNMET NEED IN MISSOURI

COALITION FOR THE MISSOURI HOUSING TRUST FUND • LEGISLATIVE BRIEFING
SENATE DISTRICT 15
SENATOR: Eric Schmitt (R)

The **Missouri Housing Trust Fund (MHTF)** is currently the **only** mechanism the State of Missouri has to assist in prevention of home foreclosures and rental evictions. The trust fund, administered by the Missouri Housing Development Commission, is funded by a \$3 filing fee assessed on real estate transactions. The recent real estate downturn has negatively impacted the trust fund at a time when Missouri citizens need this assistance the most.

The Problem: Currently, there are more than \$15 million in grant requests, but only \$4 million in the trust fund. If trust fund balances are not bolstered, our ability to help Missouri citizens will be severely impacted. Prior to the real estate bubble burst and foreclosure crisis, applications for assistance far exceeded the funding available.

Bill Proposal: This bill adds an additional \$7 to the filing fee, of which \$6 would support organizations focused on foreclosure prevention, rental assistance, and construction of affordable housing. The remaining \$1 would be directed to county governments for use to update their computer systems to handle recording. This is **NOT A TAX** – it is simply an increase in the flat fee charged when a real estate transaction is recorded. This fee has not increased since 1994.

The Trust Fund Makes A Difference: In 2007:

- 9,013 Missouri households received assistance to prevent eviction and foreclose
- 275 received assistance with first month's rent and deposit to obtain affordable housing
- 1,520 households were assisted through the use of operating funds

Despite these efforts, funds were available to fulfill **only 34%** of program requests.

YOUR DISTRICT AT-A-GLANCE

Amount requested:

\$405,395

Amount funded:

\$0

Amount of unfunded request(s):

\$405,395

Unfunded agencies:

Rebuilding Together, St. Louis
Epworth Children & Family Services
(total # of unfunded agencies: 2)

Housing related requests in your district for 2009:

Homeless Prevention: 0

Match Funds: 1

Construction/Rehab: 0

Rental Assistance: 0

Home Repair: 1



Coalition for the Missouri Housing Trust Fund

*Ensuring Access to Affordable Housing
for Missourians*

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