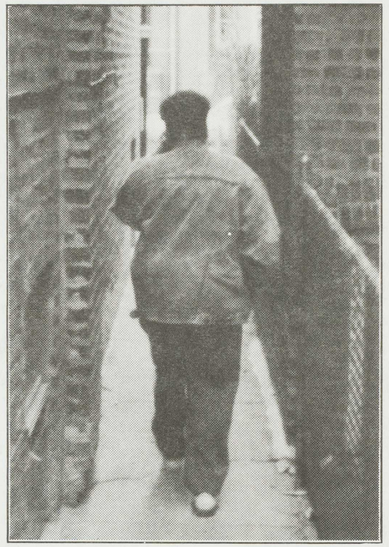

Lorna's house

Continued from Page 1

program, "from that point we had to do the work," she said.

As is the rule for Acorn Housing homesteaders, Lorna joined the group. She put in many hours of sweat equity work—on other homes as well as her own.

The results, she says, were worth it.

"I have three fairly large bedrooms, a full basement, a kitchen, living room, dining room, a nice-sized yard in the back, a two-car patch in the back where I can park," she said. "It's a beautiful house."

Her kids, ages 7, 16 and 18, think so, too.

"They were ecstatic," she said. In her apartment, Lorna recalled, "I only had two bedrooms, and the kids had no place to grow. A 7-year-old, he wants to play. This way, he has a back porch, a backyard to play in."

The 20-year, 3% mortgage Acorn Housing obtained on the home made it affordable for Lorna, who plans to keep it in the family as long as possible.

"My mother, father, sister and brother live upstairs. As long as we have family in the house, we can pass it on to them," she said.

Maintenance costs aren't terribly high, she said, adding that she pays $50 a month into an Acorn Housing maintenance fund, which she can tap as needed for emergency repairs.

"You always have Acorn there to help you. They just don't leave you by yourself when they're done."

Lorna, a computer operator at Cotter & Co., a distributing company, says with pride that her successful home rehab is part of a trend in her neighborhood.

"The other houses in the neighborhood are real nice. The neighborhood is up and coming. It's not going down, it's really coming up."

State trust fund OKs mortgage proposal

The state housing trust fund has approved a lending request from Acorn Housing Corp. that could significantly lower the minimum family income needed to afford one of the group's homes.

The request, if given final approval by the Illinois Housing Development Authority, could also mark the beginning of a steady supply of such funds.

The proposal targets 27 homes in Chicago, divided by Acorn Housing into three groups—homes acquired from the Federal Savings and Loan Insurance Corp., the Department of Housing and Urban Development, and private owners.

It calls for:

- Five-year, interest-free loans from the city Department of Housing, mostly for construction. Most of these would be loans of $5,000 per home, a total of $134,000 in city funds.
- Twenty-year, 6.5% loans borrowed from thrifts participating in the Federal Home Loan Bank Board's Affordable Home Finance Program. These loans would total $482,200.
- Twenty-year, 3% loans from the Illinois Housing Development Authority's new state housing trust fund, which would total $487,800.

Each of the loans would be made to Acorn Housing, which would then sign a lease-to-own agreement with participating homesteaders for one to three years after rehab is completed.

After this period, during which the homesteaders would be able to build up their credit ratings, they would buy their buildings on contract from Acorn Housing.

What's notable about the program is its low cost to homesteaders.

Downpayments are low—$1,000. The estimated annual income a family would need to afford participating is well below the Chicago area's median family income of $41,000, ranging from $12,000 to $22,500.

Under the plan, homesteaders can expect monthly mortgage payments of less than $300 for the single-family homes, most of them brick, averaging three bedrooms each.

Acorn to get donated home on S.E. Side

In an apparent sign of Acorn Housing's growing reputation as a force for change in Chicago, the organization will acquire—nearly for free—another abandoned home on the city's Southeast Side.

The home at 6352 S. Drexel was abandoned about seven years ago when its sole occupant died, said Acorn Housing Director Chris Brown. The owner's out-of-town relatives did't want it, so Housing Court officials, aware of Acorn Housing's efforts to reclaim abandoned property, recommended that the owner donate it to Acorn Housing, Chris said.

"The estate lawyer wanted nothing to do with it," Chris said.

After the deceased owner's heirs release title to the property, Acorn Housing's only acquisition cost will be back taxes and unpaid water bills. Then it will add the house to its growing list of homes targeted for rehabbing.

And rehabbing will be the easy part.

"The neighbors have done a good job of keeping it intact," Chris said.

Buy this home

7825 S. Ada: *This house is still available*

AHC CALENDAR

Recruiting meetings for potential home buyers:
March 20 and 27 at Ogden Park Fieldhouse, 67th and Racine, 7 p.m.
April 5, 11, 17, 19, 24 and 25 at sites to be announced.
(For information call Acorn at 939-7488.)

Land lease workshop:
March 22 at Acorn Housing Office, 410 S. Michigan, 4th Floor Annex, 7 p.m.

Budget workshop:
April 12 at Acorn Housing Office, 410 S. Michigan, 4th Floor Annex, 7 p.m.