

Housing Rehabilitation Loan Program Guidelines

PURPOSE

The Housing Rehabilitation Loan Program is designed for low and moderate-income homeowners to address safety and public health code violations, as well as provide funds for necessary house repairs.

PROGRAM ASSISTANCE

The Housing Rehabilitation Loan Program pays for 100% of total housing rehabilitation project costs, with 75% to 50% of total project costs reimbursed by the applicant – based on the most recent United States Department of Housing and Urban Development Income Guidelines – and secured by a Deed of Trust and Promissory Note with a term of sixty (60) months.

ELIGIBILITY CRITERIA

1. Applicants must own and reside, in the said property.
2. Applicants must provide a tax statement and have a title that is free of **all** liens, **excluding a mortgage lien**, and no known legal claims as to ownership of the property.
3. The property must be a residential structure.
4. Applicants cannot owe back taxes on the property nor have outstanding adverse judgments, encumbrances, or liens with the City of Kirksville for the duration of the loan.
5. The Current balance of the existing Deed of Trust lien cannot exceed 90% of the represented value of the property.
6. All City obligations in the applicant's name and/or for the rehabilitated property should be current at the time of application and for the duration of the loan – including, but not limited to, unpaid utility bills.
7. Property will be eligible only if the owner signs an agreement to repay the full loan amount if the property rehabilitated is sold, rented, transferred, or abandoned within five (5) years of the contract completion date.
8. Applicant must have adjusted gross income at or below 80% of the area median income (designated as "Low" income) according to the most recent United States Department of Housing and Urban Development Income Guidelines.
9. Applicants at or below 80% of the area median income according to the most recent United States Department of Housing and Urban Development Income Guidelines are responsible for reimbursing 75% of the total housing rehabilitation project costs.
10. Applicants at or below 50% of the area median income according to the most recent United States Department of Housing and Urban Development Income Guidelines are responsible for reimbursing 65% of the total housing rehabilitation projects costs.

11. Applicants at or below 30% of the area median income according to the most recent United States Department of Housing and Urban Development Income Guidelines are responsible for reimbursing 50% of the total housing rehabilitation project costs.

PROGRAM REQUIREMENTS

Applicants will be required to complete an application provided by the City. The following Program guidelines also apply:

1. Program funds can be utilized for exterior or interior rehabilitation, with an emphasis on roof repair, including soffit, fascia, gutters, etc., along with meeting state and local fire, safety, and building codes.
2. Applicant must provide proof that all property taxes are current on all properties in applicant's name and that the subject property is properly insured.
3. Applicant shall agree to comply with the Property Maintenance Code of the Kirksville, Missouri Code of Ordinances.

APPLICATION AND SELECTION PROCESS

1. This is a voluntary program. All interested persons must apply before any action can take place.
2. Applicants who qualify will be taken on a first-come, first-serve basis.
3. A complete house inspection will be made by City staff. A work write-up will be prepared, as well as a cost estimate. All items on the work write-up, as well as other pertinent information, will be discussed with the owner and contractor before a contract is signed, and any allowable revisions may be made at that time.
4. Applications will be reviewed by the City's Affordable Housing Board, which will make a recommendation for approval or denial to the City Council.
5. Final approval is contingent upon the completion of a Title Search verifying ownership and the property being free of any encumbrances.
6. If the City Council determines an application for a loan cannot be approved, a written statement of the reasons for the determination will be sent to the applicant.

RIGHTS RESERVED

The City of Kirksville reserves the right to reject any and all applications up to the limit of closing. The specific Program policies and procedures herein are subject to revision or amendment by the City of Kirksville. The City may discontinue this Program at any time, subject to the availability of Program funding.

ADDITIONAL INFORMATION

1. This is a reimbursement-only loan payable directly to a pre-approved contractor and for approved work only.
2. Successive owner of property will be responsible for repayment of loan upon death of applicant.
3. Default in repayments under the Housing Rehabilitation Loan Program subject the applicant and/or successors to payment of outstanding loan balance within 60 days of default.
4. Contractor chosen to do demolition work must be pre-approved by the Community and Economic Development Department and hold a current City of Kirksville Business License as a contractor.
5. Payments will be made to contractor within 10 business days upon presentation of an invoice for services and verification of work performed.
6. Requests for payments to a non-approved contractor or for non-approved work will not be honored.

CITY OF KIRKSVILLE
HOUSING REHABILITATION LOAN PROGRAM
APPLICATION FORM

Office Use Only:

Application Number: _____

Application Date: _____

1. APPLICANT INFORMATION

NAME: _____ DATE: _____

HOME ADDRESS: _____

HOME PHONE: _____ WORK PHONE: _____

2. PROJECT INFORMATION

PROJECT ADDRESS: _____

APPROXIMATE AGE OF HOME: _____

OWNER OF RECORD: _____

THE FOLLOWING MAJOR DEFECTS EXIST ON MY HOUSE. PLACE AN "X" IN THE BOXES THAT APPLY.

Foundation		Attic/wall insulation		Storm windows	
Basement walls		Floors		Toilet/bathtub/sink	
Gutters		Siding		Electrical wiring	
Peeling paint		Heating system/gas lines		Ceiling	
Doors		Roof/soffit		Windows	
Kitchen sink/countertop		Chimney/flue		Handicap accessibility	
Other (list):					

3. MORTGAGE INFORMATION

IS THERE A CURRENT MORTGAGE ON THE PROPERTY: YES _____ NO _____

ARE THERE ANY OTHER LOANS, LIENS, AND/OR DEED RESTRICTIONS ON THE PROPERTY?

YES _____ NO _____

If YES, please list: _____

4. INCOME INFORMATION

PLEASE ANSWER YES OR NO TO THE FOLLOWING QUESTIONS:

	Yes	No
Does any member of your household receive or expect to receive income from a pension or annuity?		
Is any member of your household employed full-time, part-time or seasonally?		
Does any member of your household now receive or expect to receive unemployment?		
Does any member of your household receive or expect to receive Social Security?		
Does any member of your household receive income from assets including interest on checking, savings and dividends from CD's, stocks or bonds or from rental property?		

LIST NAME, ADDRESS, AND PHONE NUMBER OF TWO RELATIVES OR FRIENDS WHO ARE ABLE TO CONTACT YOU:

- | | |
|----------------|----------------|
| 1. NAME: _____ | 2. NAME: _____ |
| ADDRESS: _____ | ADDRESS: _____ |
| PHONE: _____ | PHONE: _____ |

LIST BELOW ALL PERSONS WHO ARE OR WILL BE LIVING IN THE UNIT.

	Full Name & Relationship	Sex	Date of Birth
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

5. OTHER REQUIRED DOCUMENTATION

- a. Property deed with legal description of property.
- b. Proof that all property taxes are paid and current.
- c. Proof of property and liability insurance.
- d. Current Federal signed tax return, W-2's and/or Social Security printout for household.

I/We certify that all information set forth in this application is a true representation of the facts pertaining to the subject property for the purpose of obtaining funding under the City of Kirksville Housing Rehabilitation Program. I understand and acknowledge that any willful misrepresentation of the information contained in this application could result in disqualification from the Program, requiring any funds already disbursed to be repaid in full to the City of Kirksville.

The Applicant further certifies that he/she has read and understands the Housing Rehabilitation Program Guidelines. If a determination is made by the City staff that Program funds have not been used for eligible Program activities, the Applicant agrees that the proceeds shall be returned in full, to the City and acknowledges that, with respect to such proceeds so returned, he/she shall have no further interest, right, or claim. It is understood that all City funding commitments are contingent upon the availability of Program funds.

Signature of Owner: _____ Date: _____

Signature of Owner: _____ Date: _____

CITY USE ONLY

Application Received by: _____ Date: _____

Verification date: _____

Eligible _____

Ineligible _____

Reason for Ineligibility: _____