

AHEAD REGIONAL HOUSING TRUST FUND

GUIDELINES for: Owner-Occupied Housing Rehabilitation Program

Purpose: The Purpose of the AHEAD Regional Housing Trust Fund is to provide financing to assist in improving the stock of affordable housing within the counties it serves.

The AHEAD RHTF will consider financial assistance in the form of partial funding or full funding depending on the project and borrower circumstances.

Eligible Projects: Projects eligible for AHEAD RHTF funds include those that improve the condition of existing housing through rehabilitation and/or repair, and contribute to maintaining affordable housing, in Davis, Jefferson, Keokuk, Mahaska, Van Buren or Wapello County. All projects households with incomes less than 80% of the HUD Mortgage Rate Based (MRB) income limit.

Application Procedure: Applications will be accepted by AHEAD RHTF on a continuous basis as long as funds are available. Completed applications will be reviewed for eligibility within 30 days of receipt. A visual inspection of your property may be done prior to final approval. Applicants will be formally notified of approval, contingency approval, or denial within 10 days of the final decision.

To apply: Application forms are available on-line (www.area15rpc.com/RHTF) or by calling 641-684-6551

Return applications to: AHEAD RHFT, PO Box 1110, Ottumwa, IA 52501

RHTF RESERVES THE RIGHT TO ACT AS SOLE JUDGE OF CONTENT OF APPLICATIONS AND MAY, AT ITS SOLE DISCRETION, REJECT ANY OR ALL APPLICATIONS.

THE AHEAD RHTF WILL NOT BE LIABLE FOR ANY COST INCURRED IN CONNECTION WITH PREPARATION AND SUBMITTAL OF ANY APPLICATION.

PROGRAM CRITERIA

- Eligible Existing Properties: Housing unit must be located in eligible participating city/county.
- The housing unit must have an **assessed dwelling value** of \$20,000 or greater.
- Applicants must hold fee-simple title or a 99 year lease. Real-estate contracts are ineligible.
- Applicants must occupy the property and maintain the improvements for the life of the loan.
- Homeowners **below 30%** median income are required to have at least **25% equity** in the home.
- Homeowners **above 30%** median income are required to have at least **10% equity** in the home.
- Taxes and insurance must be current at application and be kept current for the life of the loan.
- Funding limits are set at: \$12,000 for owner-occupied housing rehabilitation
- The AHEAD RHTF will finance projects through loans. (See Page 2 for income guidelines)
 - The type of loan and interest, if any, will be based on the borrower's income.
 - Payments will be deferred or amortized based upon household income levels.
- Loan will be repaid by owner if occupancy or ownership conditions change during the loan term.
- Amortized loans with a monthly repayment schedule will have a term of between 5 and 12 years depending on loan amount.
- A mortgage will be required as security.
- AHEAD RHTF will be listed as a "loss payee" on homeowner's insurance policy for life of the loan. Proof of insurance must be provided to the RHTF on an annual basis for the life of the loan.
- Applicants will be required to obtain at least one itemized quote for the proposed improvements to the property. Monies from the trust fund will be paid jointly to the borrower and the qualified contractor. On some occasions, the AHEAD RHTF may require bids.

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GUIDELINES for: Owner-occupied Housing Rehabilitation Program and URGENT Repair Program

PROGRAM CRITERIA (continued)

- Contractors that participate in our program must be a Registered Contractor with the State of Iowa, must be insured and, when determined necessary, be IDPH certified Lead Safe Renovators. Owner-applicant and/or non-registered contractor labor is an ineligible cost.
- Assisted applicant homeowners & contractors will comply with applicable state and local rules/ordinances, including: building codes & permits, zoning & floodplain, lead-safe renovators/work practices, and asbestos inspection/removal.
- Inspections, upon completion of the proposed project, may be required.
- The AHEAD Regional Housing Trust Fund reserves the right to recall any loan if the above requirements are not met.

MRB/HUD INCOME LIMITS:

Persons in Household	80% Median Income	65% Median Income	50% Median Income	30% Median Income
1	\$ 77,200	\$ 62,725	\$ 48,250	\$ 28,950
2	\$ 77,200	\$ 62,725	\$ 48,250	\$ 28,950
3	\$ 88,780	\$ 72,133	\$ 55,487	\$ 33,292
4	\$ 88,780	\$ 72,133	\$ 55,487	\$ 33,292
5	\$ 88,780	\$ 72,133	\$ 55,487	\$ 33,292
6	\$ 88,780	\$ 72,133	\$ 55,487	\$ 33,292

Iowa Finance Authority (IFA) – June 10, 2024

INCOME AND AFFORDABILITY GUIDELINES ARE SUBJECT TO CHANGE ON AN ANNUAL BASIS.

TYPES OF LOANS

- If your annual income for your household size is \leq 30% median income, you are eligible for a deferred loan.
- If your annual income for your household size is 31% - 50%, you are eligible for a 0% loan with monthly payments not to exceed \$100.
- If your annual income for your household size falls between 51% and 65%, you are eligible for a 1% loan with monthly payments not to exceed \$100.
- If your annual income for your household size falls between 66% and 80%, you are eligible for a 2% loan with monthly payments not to exceed \$100.

Home improvement project costs more than \$12,000 shall be the responsibility of the homeowner.

Nondiscrimination Statement

In accordance with Federal law, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, religion, age, disability, or marital or family status. This is an Equal Opportunity Program.