



Northeast Iowa Regional Housing Trust Fund

Owner Occupied/Home Buyer

GUIDELINES

Our Mission

To ensure that the Northeast Iowa counties of Allamakee, Clayton, Howard, and Winnebago County residents have access to well-maintained, safe and affordable housing in both the rural and urban areas of each county.

Purpose: The Purpose of the Northeast Iowa Regional Housing Trust Fund is to provide financing to assist in improving the stock of affordable housing within the counties it serves. The NEIRHTF 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 NEIRHTF funds include those that improve the condition of existing housing through rehabilitation and/or repair, or help 1st time homebuyers purchase housing through down payment assistance, or contribute to the development of affordable housing, in Allamakee, Clayton, Howard, or Winneshiek County. All projects funded must serve Allamakee, Clayton, Howard, or Winneshiek County households with incomes less than 80% of the statewide median family income. At least 30% of the distribution will be used to benefit extremely low income households (households with less than 30% of the statewide median family income).

Application Procedure: Applications will be accepted by the NEIRHTF on a continuous basis. **A visual inspection of your property** will be done prior to recommendation to the NEIRHTF Board for final approval. Applicants will be formally notified of approval, contingency approval, or denial within 10 days of the final decision.

For an application call 1-877-474-7551

Return applications to:

Upper Explorerland Regional Planning Commission
PO Box 219
134 West Greene Street
Postville, IA 52162

The NEIRHTF reserves the right to act as sole judge of the content of the application submitted for the Board's evaluation, selection and may, at its sole discretion, reject any or all applications.

The NEIRHTF will not be liable to any cost incurred in connection with preparation and submittal of any application.

Staff at Upper Explorerland (1-877-474-7551) will be happy to answer any questions about the Housing Trust Fund, this form or the application process.

PROGRAM CRITERIA:

- Eligible Existing Properties: Units in Allamakee, Clayton, Howard and Winneshiek Counties.
- Owner occupied requirements: Applicant must occupy the property and maintain the improvements for the life of the loan. Applicant must have title at time of application. Taxes and insurance must be current.
- The NEIRHTF will finance projects through loans, both forgivable and non-forgivable. Type of loan and interest, if any, will be based on borrower's income (see example). Payments may be deferred or amortized as fits the circumstance.
- Funding limits are set at \$10,000 per project and \$5,000 for 1st time homebuyers. Depending on income levels, applicant may be required to provide a 15% match towards the project cost. (See example)
- Loan will be paid in the event that occupancy or ownership conditions change during the loan term.
- Affordability period will be scaled to the level of assistance provided, initially 5 years for each \$10,000 of financial assistance.

- A mortgage, receding forgivable or repayable, term to be determined by the aforementioned scale, will be required as security.
- Inspections, upon completion of the proposed project, will be required.
- Applicants will be required to obtain two quotes from the entity providing the improvement to the property and moneys from the trust fund will be paid directly to the provider of the improvement. On some occasions, the NEIRHTF may require bids.
- The Northeast Iowa Regional Housing Trust Fund reserves the right to recall any loan if the above requirements are not met.
- We will not fund applicants that have life leases.
- Contractors that participate in our program need to be Lead Safe Renovators and a Registered Contractor with the state of Iowa.
- Contractors will have 4 months from the time the Notice to Proceed is signed by the homeowner to complete the project.

Definition of a 1st time homebuyer: Individuals and his or her spouse who have not owned a home during the three year period prior to the purchase of a home with this assistance.

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.

Example:

To determine your type of loan (forgivable, 0%, 1% or 2%), see the chart below:

- If your annual income for your household size falls below 31% median income, you are eligible for a forgivable loan.
- If your annual income for your household size falls between 31% and 51%, you are eligible for a 0% loan with a 0% match.
- If your annual income for your household size falls between 51% and 66%, you are eligible for a 1% loan with a 10% match.
- If your annual income for your household size falls between 66% and 80%, you are eligible for a 2% loan with a 15% match.

Household Size	80% of median Income	65% of median income	50% of median income	30% of median income
1	36,300	29,500	22,700	13,600
2	41,450	33,700	25,900	15,500
3	46,650	37,900	29,150	17,500
4	51,850	42,100	32,400	19,450
5	56,000	45,500	35,000	21,000
6	60,150	48,900	37,600	22,550
7	64,300	52,250	40,200	24,100
8	68,450	55,600	42,750	25,650

How much might I have to provide as matching funds*?

If your income falls at or below the 50% of median income, you do not have to provide matching funds, unless your home improvement project costs more than \$10,000 then you will need to make up the difference*.

***Funds for projects over \$10,000, or matching funds if required, can be funds obtained from a variety of sources, including personal funds, other loan funds, other grant funds, community housing funds (currently available in some communities), etc. Matching funds, if required, will be collected and held in escrow by the Trust Fund before project begins.**

***Income guidelines and affordability guidelines are subject to change annually.**

When application is presented to the Housing Trust Fund Board, it will be ranked based on income and project.

For roof repair – will fund up to \$10,000

Windows – will fund up to \$5,000

Siding – will fund up to \$5,000

Mechanical (electrical, furnace, water heater) – will fund up to \$5,000

Handicap Accessibility – (with Doctor's statement) – will fund up to \$5,000

Only projects that retain and improve the structural integrity of the home will be funded.

Approved 12/10/2009