



# Community Development

## Homeowner Program Statement

### PURPOSE:

Homeowner assistance is used to improve the principal residence of income-eligible homeowners. Repayment for assistance other than emergency repair is required upon sale or transfer of the property to a new owner or if the property is no longer occupied by the borrower, which is ensured through a lien on the property.

### ELIGIBLE APPLICANTS

- Non-Entitlement Local Units of Government
- Nonprofits and Nonprofit Community Housing Development Organizations (CHDO)

### ELIGIBLE ACTIVITIES

- Rehabilitation
- Emergency repair
- Refinancing and closing cost assistance (up to \$3,500) related to refinancing a first mortgage if the mortgage is a balloon or Adjustable Rate Mortgage (ARM) or at an unusually high interest rate.

### ELIGIBLE COSTS

- Maximum of \$40,000 per project

The actual cost of rehabilitating housing includes:

- Costs to meet applicable rehabilitation standards
- Energy-related repairs or improvement
- Improvements necessary for persons with disabilities
- Abatement or reduction of lead-based paint hazards
- Modest landscaping (seed/sod, mulch, trees/shrubs, perennials) up to \$1,000
- Replacement of unit where rehabilitation is not feasible
- HOME Program administration is limited to 10 percent of the grant amount. CDBG program administration is limited to 18 percent of the grant amount. In addition, a project delivery fee of 10 percent is also allowed for all homeowner programs.

### PROJECT CONDITIONS

- 25 percent leverage on grant award required
- A successful place-based project must result in an eligible beneficiary