

**Michigan State Housing Development Authority
Housing Initiatives Division**

HOMEOWNER ASSISTANCE QUICKFINDER

Eligible Applicants	
Eligible Applicants	<ul style="list-style-type: none"> • Non CDBG-entitled local units of government • Nonprofits (Neighborhood Enhancement Program - only)
Eligible Households & Properties	
Eligible Households	<ul style="list-style-type: none"> • Targeted to households with incomes at or below 80% of Area Median Income (AMI)
Eligible Properties	<ul style="list-style-type: none"> • Single family, condominium, mobile and manufactured homes on fee simple lots
Property Value/Cost Limits	<ul style="list-style-type: none"> • For HOME-assisted projects, after rehab or construction the property value must not exceed HUD Single Family Value (FHA 203(b)) limits (HOME only)
Eligible Costs	
Rehabilitation Costs	<p>The actual cost of rehabilitating housing, including:</p> <ul style="list-style-type: none"> • Costs to meet applicable rehabilitation standards • Energy-related repairs or improvements • 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 not included in lien. • Replacement of a unit where rehabilitation is not feasible. (HOME only)
Project Soft Costs	<ul style="list-style-type: none"> • Reasonable and necessary costs associated with rehabilitation (limits described under administrative fees below)
Relocation Costs	<ul style="list-style-type: none"> • Temporary relocation costs as set forth in the Uniform Relocation Act and Section 104(d) of HCDA of 1974 (<i>Permanent relocation is not permitted</i>) (HOME only)
Administrative Fees	<ul style="list-style-type: none"> • HOME - Capped at 10% admin costs and 10% project-related costs. • NEP – Capped at 10% admin costs.

Property Standards	
Housing Quality	<ul style="list-style-type: none"> • Local codes, ordinances and standards • If no local standards, must meet Section 8 Housing Quality Standards (HQS) • Grantee must have written rehab (standard) • NEP - Grantee must meet code standards for activities undertaken. • HOME - Grantee must meet full house code standards.
Replacement Housing	<ul style="list-style-type: none"> • If replacement housing is justified, replacement unit must meet the International Building Code (if site-built) or HUD standard (if manufactured unit) (HOME only)
Resale/Recapture Requirements	
Document Required	<ul style="list-style-type: none"> • Note and mortgage or other approved and recorded lien instrument
Compliance Requirements	<ul style="list-style-type: none"> • Continued owner-occupancy • If sale, subject to recapture as noted below under Loan Terms
Other Requirements	
Federal Laws & Regulations	<ul style="list-style-type: none"> • Refer to MSHDA Neighborhoods website and citations within written agreement.
Project Completion	<ul style="list-style-type: none"> • All units must be completed within contract terms.
Parameters of MSHDA Assistance	
Loan Terms	<ul style="list-style-type: none"> • No lien is required if total NEP assistance does not exceed \$1,000 as long as it is an owner-occupied single family unit. For HOME, no lien is required if assistance does not exceed \$2,500. See NEP guidance if property is rental and/or not owned by the nonprofit agency. • Homeowners > 60% of AMI must finance a portion of the costs with non-HRF funds or amortize a portion of the loan; portion of repayment increases with higher income. • NEP grantees may choose to offer forgivable loans. • HID will allow grantees to place a five-year forgivable lien on any HID assisted project of \$5,000 or less where dollar for dollar leveraging has been obtained • Due on sale or transfer, or if no longer occupied by borrower
Minimum HID Investment Per Assisted Unit	<ul style="list-style-type: none"> • \$1,000 per HID-assisted units if HOME-funded
Maximum HID Investment Per Assisted Unit	<ul style="list-style-type: none"> • Up to \$40,000 – inclusive of all costs related to the project, including lead based paint hazard reduction or abatement costs, and all project related soft costs if HOME-funded

For More Information:
Contact MSHDA HID Staff at 517-335-2524