

**CDBG HOUSING IMPROVING LOCAL LIVABILITY (CHILL) PROGRAM**

**HOMEOWNER IMPROVEMENT PROJECT (HIP) QUICKFINDER**

<b>Eligible Applicants</b>	Non CDBG-entitled unit of a general local government (UGLG)
<b>Eligible Households</b>	Income qualified households with incomes at or below 80% of Area Median Income (AMI)
<b>Eligible Properties</b>	<p>A single-family property which is zoned residential, and:</p> <ul style="list-style-type: none"> <li>▪ Is permanently owner-occupied by residents and their primary residence for a minimum of 12 months.</li> <li>▪ Is current on mortgage(s) payments, if applicable.</li> <li>▪ Has no tax delinquencies unless payment plan is in place and payments are current.</li> <li>▪ Is not subject to a foreclosure proceeding, court-ordered receivership, or nuisance abatement.</li> <li>▪ Has utilities services turned on.</li> <li>▪ Is affixed to a permanent foundation.</li> <li>▪ All assisted properties must be standalone single-family residences with their own unique address.</li> <li>▪ May include detached site condominium units or modular/manufactured homes permanently affixed to real property and taxed as real estate.</li> <li>▪ Is located in a non-entitled community (see CDBG Municipalities Map).</li> </ul>
<b>Eligible Rehabilitation Costs</b>	<p>The actual cost of rehabilitating housing, including:</p> <ul style="list-style-type: none"> <li>▪ Interior and Exterior Improvements to meet applicable rehabilitation standards and code requirements.</li> </ul> <p>The following are eligible costs if they are implemented in conjunction with another assisted activity (cannot be standalone):</p> <ul style="list-style-type: none"> <li>▪ Energy-related repairs or improvements provided they are permanently affixed.</li> <li>▪ Improvements necessary for persons with accessibility needs.</li> <li>▪ Remediation of lead-based paint hazards or asbestos abatement.</li> <li>▪ Modest landscaping (seed/sod, mulch, trees/shrubs, perennials), up to \$1,000.</li> </ul>
<b>Project Soft Costs</b>	Reasonable and necessary costs associated with rehabilitation and tied to a specific address
<b>Relocation Costs</b>	Not applicable.
<b>Administrative Fees</b>	Capped at 18%
<b>Housing Quality</b>	<p>Grantee must meet both federal NSPIRE standards and local code standards for activities undertaken, whichever is stricter.</p> <p>All permits and inspections are the responsibility of the UGLG.</p>
<b>Documents Required</b>	<ul style="list-style-type: none"> <li>▪ Proof of fee simple ownership back to Warranty Deed.</li> <li>▪ Income verification required at time of application.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Initial housing inspection to demonstrate rehabilitation need(s).</li> <li>▪ Must use mortgage and note template provided by MSHDA.</li> </ul>
<b>Replacement Housing</b>	Not allowed.
<b>Compliance Requirements</b>	<ul style="list-style-type: none"> <li>▪ All U.S. Department of Housing and Urban Development (HUD) rules and regulations including federal cross-cutting regulations as outlined in MSHDA’s CHILL Program Guidelines.</li> <li>▪ Homeowner insurance on property or letter stating it could be insured once repairs are completed.</li> <li>▪ When house is sold it is subject to payoff requirements pursuant to the terms of the Mortgage and Mortgage Note. See Loan Terms below.</li> </ul>
<b>Federal Laws &amp; Regulations</b>	Refer to CHILL Program Guidelines on the MSHDA’s Neighborhood Housing Initiatives Division website, applicable Grant Administration Manual (GAM) chapters of MEDC webpage, and citations within written Grant Agreement.
<b>Project Completion</b>	All units must be completed within an eighteen (18) month period of performance.
<b>Loan Terms</b>	<p>CDBG assistance of \$10,000 or less will be a grant to the homeowner with no repayment, mortgage or mortgage note required.</p> <p>CDBG assistance of \$10,001 or more shall be a zero interest, zero payment loan, forgivable after five years. Loans shall be secured by a second mortgage, forgiven in full at the end of five (5) years. Other loan characteristics:</p> <ul style="list-style-type: none"> <li>▪ Mortgage shall include the full amount of assistance.</li> <li>▪ Mortgage and Mortgage Note are between homeowner and MSHDA.</li> <li>▪ Due on default, sale, refinance or transfer, or if no longer occupied by borrower.</li> <li>▪ Subordination of this mortgage, i.e. through borrower refinancing, is not allowed.</li> <li>▪ Program Income resulting from loan payoffs shall be returned to MSHDA.</li> </ul>
<b>Minimum Assistance Per Unit</b>	\$1,000
<b>Maximum Assistance Per Unit</b>	\$40,000
<b>Non-Owner Leverage Requirement</b>	Not required; however, highly encouraged.