

# Housing Rehabilitation Loan Program

## Overview of the Program

The City of Kenosha Rehabilitation loan Program provides assistance for owner-occupied, single family homes located in the City of Kenosha to rehabilitate their home through a deferred mortgage loan. Loan amounts are based on available home equity, less any existing mortgage balances, up to 125% of the home's value. Household income is limited to 80% of the Kenosha County Median income. All items in violation of the City's Property Maintenance Code, as well as any identified lead hazards, are required to be corrected through the loan funds. Elderly applicants (age 62+) are eligible for forgiveness of one-half of the loan amount when household income is at 50% income limit or less and reside at the improved property for at least 5 years.

## Eligible Property Improvements

Homeowners will have an opportunity to list the home improvements requested to be funded through the rehabilitation loan program in the application. Federal and City regulations require all items not meeting code, as identified during the property inspection, and all lead paint hazards, to be satisfied through the loan funds. Interior items are eligible as grants. All work will be prioritized with the most important work first. Based on the eligible amount of the loan, it is possible that all the work may not be able to be completed through the Rehabilitation Loan Program.

## Examples of Eligible Repairs:

- Lead Paint Hazards
- Electrical
- Plumbing
- Roofing, gutters, soffit, and fascia
- Foundation
- Windows, exterior doors, insulation
- Interior walls and ceilings (Lead hazards only)
- Exterior surface (siding, stucco)
- ADA modifications

Remodeling work and additions will not be permitted through the program.

## Program Benefits:

- Loan up to 125% of available equity in home
- No monthly mortgage payments
- Low servicing fee of 3% at the time of repayment
- Forgiveness of one-half of loan amount for income-eligible Elderly applicants
- Maintenance of home increases property value and extends the life of the home

## Housing Rehabilitation Loan Program

### Terms:

- Applicant(s) must be U.S. Citizen(s) or have qualified Alien status
- Non-refundable application fee of \$25 for single applicants, and \$40 for two(2) applicants
- Applicant(s) must reside at the property for a minimum of 90 days
- Maximum loan amount of \$45,000, limited to available equity, up to 100% value of property
- Maximum value of home limited to \$151,000
- Applicants must meet income limits
- Minimum credit score of 600
- Applicant to provide proof of current homeowner's insurance, employment and/or income verification
- Existing mortgage(s) must have current payments (no late payments in the last 2 months)

### Notice to all applicants:

Homeowners are advised that Orders to Repair will be issued through the Department of Community Development and Inspections for any Code Violations that are not covered through the loan. Orders to Repair will also be issued if you are unable to qualify for funding through the program. Homeowners shall be responsible for correcting any and all code violations.

### **2022 INCOME LIMITS**

Number in Household	Income Limit 80%
1	\$50,150
2	\$57,300
3	\$64,350
4	\$71,600
5	\$77,350
6	\$83,100
7	\$88,800
8	\$94,550
<b>Median Income = \$89,500(Effective 4/18/22)</b>	



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