



RENTAL HOUSING PROGRAM

FACT SHEET

SERVICE AREA	City-Wide (Priority given to projects within target neighborhoods)
PROPERTY TYPE	Rental Properties – which are <u>not</u> owner-occupied
ASSISTANCE TYPE	A Forgivable Deferred Payment Loan (DPL)
APPLICATION CATEGORIES	<ul style="list-style-type: none">• Small: <i>1-4 Family Projects;</i>• Large: <i>Projects with 5 or more units</i>
INTEREST RATE	0% Interest
TERMS	<ul style="list-style-type: none">• 5 to 15 years for residential rehab. or acquisition of existing housing depending on per unit loan amount: (<i>< \$15,000 = 5 yrs HOME funds.; \$15,000 to \$40,000 = 10 yrs.; >\$40,000 or rehab = 15 Yrs.</i>)• 20 years for new construction projects and/or acquisition of newly constructed housing;
FUNDING LIMITS	<ul style="list-style-type: none">• 50% of the total reasonable project costs or \$52,500 per residential unit, whichever is less, + a Green Construction Supplement of \$7,500 per unit.
RENT & INCOME LIMITS	<ul style="list-style-type: none">• Tenants in HOME assisted units must earn no more than 60% of median income;• Projects containing 5 or more HOME assisted units - at least 20% of the HOME assisted units must be occupied by those earning 50% or less of median income;• Rent can't exceed Program Rent Limits (less utilities).
ELIGIBLE COSTS	Demolition, Acquisition, Major Systems, Handicapped Improvements; Correction of Substandard Conditions; Historic Preservation, Architectural/Engineering; Permit Fees, Green Construction, Affirmative Marketing, Fair Housing, Lead Based Paint, Legal, Developer Fees, Financing Fees, Audit, Cost Certification, and Site Improvements.
REQUIREMENTS	<ul style="list-style-type: none">• Owners must have at least 10% equity in the project;• NJ Energy Star Program & Green Construction <u>must</u> be used for New Construction projects and <u>should</u> be used for gut rehabilitation projects;• Unless proof is provided that no lead exists in the property, Lead Safe Work Practices <u>must</u> be used for all rehab projects receiving less than \$25,000 per unit of Program assistance and Lead Abatement must be used for rehab projects receiving over \$25,000 per unit of Program assistance;• Prevailing wages must be used for projects containing 12 HOME assisted units or more;• Project must start within 6 months of funding approval;• Funds can be used to cover eligible soft costs incurred no more than 24 months prior to commitment of HOME funds;• Funds can't reimburse renovations started/completed prior to execution of all agreements.
RESTRICTIONS	<ul style="list-style-type: none">• Documentation must be submitted annually to EHIP regarding rent, occupancy, affirmative marketing, tenant selection, hazard insurance, replacement reserves, taxes, maintenance plans, and profit & Loss Statements;• Project will be inspected by EHIP annually for code violations and LBP hazards. Deficiencies must be corrected in a timely manner;• Loan must be repaid if compliance is not maintained for required term;• Loan terms are enforced by Mortgage, Note and Deed Restriction;• Refinancing is allowed if property is up to code (as determined by EHIP inspection) & if there is sufficient residual equity available to allow recapture of City's program assistance as well as superior mortgages. Additional cash-out cannot be taken in excess of 80% LTV.
DEADLINE	Monday, December 12, 2016 at 10:00 AM – no exceptions.
# COPIES	One (1) Signed Original, Plus Two (2) Hard Copies and (1) USB = 4 total
TECHNICAL ASSISTANCE	BY APPOINTMENT ONLY between 9:00 AM and 3:00 PM At EHIP in Elizabeth City Hall – Room 109
QUESTIONS	CALL EHIP 908-352-8450 BETWEEN 9:00 AM and 4:00 PM