



# REHABILITATION ASSISTANCE PROGRAM

## FUND TARGET: Owner-Occupied or Rental Single-Family Housing

- No income guidelines.
- Home being rehabilitated must be located in Wright County.
- The loan fund is for single-family housing.
- Funds can be used for roof repairs, foundation repairs, exterior door replacement, window replacement, water line, sewer line/septic system repair or replacement, electrical work, furnaces, and any other such repairs that are deemed necessary. Borrower must submit a budget and bids for any repair project(s), as approved by the primary lender.
- Loans can be for up to 40% of a project, with a maximum of \$8,000.
- Borrower must pay for at least 10% of the project.
- Bank financing must exceed the level of commitment from WCED.
- Primary loans should be originated and closed with financial institutions operating in Wright County.
- Term is 5 years.
- Interest rate charged by Wright County will be the same as the rate charged by the lending financial institution on either a mortgage or home improvement loan.
- Property cannot be resold without full repayment.
- Mortgage cannot be assumed.
- Loans cannot be used for refinancing.
- Wright County must be listed as a second mortgagee/loss payee on homeowner insurance, and a copy must be provided to the WCED office as soon as possible after the loan closing.
- Loan payments are made as ACH (automatic deductions) from a savings or checking account. An authorization form will be signed on the day of closing.
- WCED will file a mechanics' lien or mortgage against the property upon issuance of the loan.
- Participants should not set a closing date until after the application has been approved by the WCED Commission.
- No more than \$40,000 will be lent to any single borrower, with such status determined by WCED.

**Please forward the following information to the Wright County Economic Development office for review:**

- ✓ Application, Personal Financial Information & Budget Worksheets.
- ✓ A letter of commitment (on bank letterhead) stating the amount of loan from the bank.
- ✓ Pictures of the property and pictures of the items to be repaired.