



## HOME OWNER REHABILITATION DEFERRED LOAN PROGRAM

### Rental Rehab Deferred Loan Program Guidelines

Purpose:	To provide property owners with access to funds to rehabilitate rental units that are rented to low income households.															
Eligible Households:	<p>For projects with 4 or fewer units, the 60% income limits apply to rental households. For projects with 5 or more units, 20% of those units must be rented to households under 50% of county median income. Annual recertification of tenant income is required. The income limits by household size are:</p> <table border="1" data-bbox="435 617 1305 785"> <thead> <tr> <th>Household size</th> <th>50% income limit</th> <th>60% income limit</th> </tr> </thead> <tbody> <tr> <td>1 Person</td> <td>\$25,550</td> <td>\$30,660</td> </tr> <tr> <td>2 People</td> <td>\$29,200</td> <td>\$35,040</td> </tr> <tr> <td>3 People</td> <td>\$32,850</td> <td>\$39,420</td> </tr> <tr> <td>4 People</td> <td>\$36,500</td> <td>\$43,800</td> </tr> </tbody> </table> <p>Property owners must agree to make the improved units available for rent to low/moderate income households during the affordability period and rents must remain affordable at or below Fair Market Rent rates set by HUD; rents are limited further for any 50% AMI units. A deed restriction is put in place to ensure that low–moderate income tenants are renting the improved units. The affordability period is 5 years for loans less than \$15,000, and 10 years for loans over \$15,000.</p>	Household size	50% income limit	60% income limit	1 Person	\$25,550	\$30,660	2 People	\$29,200	\$35,040	3 People	\$32,850	\$39,420	4 People	\$36,500	\$43,800
Household size	50% income limit	60% income limit														
1 Person	\$25,550	\$30,660														
2 People	\$29,200	\$35,040														
3 People	\$32,850	\$39,420														
4 People	\$36,500	\$43,800														
Eligible Properties:	<p>The after-rehabilitation value of the home cannot exceed limits set by HUD. The after-rehabilitation value is calculated by taking Fair Market Value from the most recent tax bill and adding total cost of work to be completed (from bids). The after-rehabilitation limits are:</p> <table border="1" data-bbox="435 1079 1032 1213"> <tbody> <tr> <td>1 Unit</td> <td>\$170,000</td> </tr> <tr> <td>2 Units</td> <td>\$218,000</td> </tr> <tr> <td>3 Units</td> <td>\$263,000</td> </tr> <tr> <td>4 Units</td> <td>\$326,000</td> </tr> </tbody> </table>	1 Unit	\$170,000	2 Units	\$218,000	3 Units	\$263,000	4 Units	\$326,000							
1 Unit	\$170,000															
2 Units	\$218,000															
3 Units	\$263,000															
4 Units	\$326,000															
Eligible Repairs:	Loans made to landlords provide the necessary funds to bring rental units up to local codes for safety. Several inspections are completed to determine what work needs to be done to bring the unit up to County standards.															
Loan Terms:	The loan amount is limited to \$24,999 per unit, although higher loan amounts may be approved upon special request to Rock County. A monthly payment is required based on a loan term of 10 years, and a 3% interest rate. The loan is secured by a Mortgage and Note. Responsibility to repay the loan is transferred to any new property owner along with the affordability requirements. Repayment of the loan at time of closing/sale does not terminate the affordability restrictions if sold during the affordability period.															
Fees:	\$30 check payable to Register of Deeds, due at closing, for the mortgage recording fee															
Administrator:	<p>Wisconsin Partnership for Housing Development        821 E Washington Ave, Ste 200W, Madison, WI 53703        Contact person: Heather Boggs        608.258.5560 X32        info@wphd.org</p>															



Dear Rental Property Owner:

Thank you for your interest in our rental rehabilitation loan program.

Please complete the application and return to the Wisconsin Partnership for Housing Development at the address shown below. If the rental unit(s) is vacant, keep the tenant questionnaire for future use. If your unit(s) is occupied, a tenant questionnaire must be completed by each of your tenants and must accompany your application.

If eligible for funds through Rock County, we will contact you to schedule an inspection. The inspector will go over the items listed on your application as wanted repairs; the inspector also will make note of any code issues. These items are generally safety or structural items that need to be repaired.

The Wisconsin Partnership for Housing Development, Inc. is a nonprofit organization that administers this housing rehabilitation loan program on behalf of Rock County.

**Return Application via mail, fax, or email to:**  
Wisconsin Partnership for Housing Development  
821 E Washington Ave, Ste 200W  
Madison, WI 53703  
Fax: 608-258-5565  
Email: [info@wphd.org](mailto:info@wphd.org)  
Phone: 608-258-5560 x 32

## PROPERTY OWNER APPLICATION CHECKLIST

**Please submit the following items:**

- \_\_\_\_\_ A completed and signed Rental Rehab application form (attached)
- \_\_\_\_\_ A copy of your most recent property tax bill
- \_\_\_\_\_ A copy of your most recent first mortgage statement
- \_\_\_\_\_ A copy of your last three years of Federal tax returns, including all schedules
- \_\_\_\_\_ A copy of your property insurance declarations page showing current coverage
- \_\_\_\_\_ A completed and signed Tenant Authorization for Release of Information form and supporting income documentation (information attached) for each occupied rental unit.
- \_\_\_\_\_ A copy of your most recent property appraisal, if available

## RENTAL REHABILITATION APPLICATION FORM

### 1: Property Information

Address of Property to be Rehabilitated	
Number of Units TOTAL	
Number of Units to be Rehabilitated	

**2: Owner Information:** Please fill out the appropriate section(s) on ownership.

Owner Information (if individual)

Owner Name					
Address					
Phone Number		Cell Phone			
Email Address		Marital Status	<input type="checkbox"/> Single	<input type="checkbox"/> Married	<input type="checkbox"/> Separated
Social Security Number		Date of Birth			
Employer					
Employer Address					

Co-Owner Information

Owner Name					
Address					
Phone Number		Cell Phone			
Email Address		Marital Status	<input type="checkbox"/> Single	<input type="checkbox"/> Married	<input type="checkbox"/> Separated
Social Security Number		Date of Birth			
Employer					
Employer Address					

Business Information (if rental unit owned by a business)

Business Name			
Business Address			
Tax Payer ID Number		Year Business Established	
Business Type (corporation, nonprofit, individual, etc.)			
Business Contact Information:			
Contact Name			
Phone Number		Email Address	

**3: Property Financial Information**

Property Owned by:		Warranty Deed		Land Contract		Other
--------------------	--	---------------	--	---------------	--	-------

Debt on Property

	Lender Name and Address	Principal Balance	Monthly Payment, including taxes and insurance	Term of Loan
1				
2				
3				
4				

Insurance on Property

Insurance Agent Name and Address	
----------------------------------	--

Unit Information

Unit Number	# of Bedrooms	Tenant Name	Monthly Rent	Lease Term

Utilities and Appliances: Insert "O" if paid by Owner, or "T" if paid by Tenant.

Item	Owner or Tenant	Gas	Electric	Other
Heat				
Stove/Range				
Water Heater				
Water				
Microwave				
Electricity				
Trash/Sewer				

Other Property Income (from laundry, parking, garage, etc.)
Do you expect to make any changes to rent or utilities as a result of rehabilitation?

**4: Owner's Certification:**

I hereby certify that the information contained herein has been furnished truthfully, accurately and completely to the best of my knowledge.

Owner: \_\_\_\_\_

Co-Owner: \_\_\_\_\_

Date: \_\_\_\_\_

**5: Rehabilitation Necessary:** Please be aware that this program is intended to create decent, safe and sanitary housing that is a healthy place for tenants to reside. As a result, when the scope of rehabilitation work to be completed is developed, it must include all items necessary to bring the property into compliance with these standards. We will complete several inspections of the property to determine the work that must be performed to bring the property into compliance. With that in mind, please note below the type of rehab work necessary at your rental property.

General Building:

Individual Units:

Do you have an estimate of the cost of the required work? \_\_\_\_\_

**OWNER AUTHORIZATION FOR RELEASE OF INFORMATION**

As evidenced by my/our signature(s), I/we hereby authorize Rock County Rental Rehabilitation program administrators (Wisconsin Partnership for Housing Development) to obtain verification of any and all information, including but not limited to, my/our income, assets, employment, property ownership, mortgage status, property insurance and credit worthiness. I/We understand this may include a credit report. I/we certify that all information disclosed in the application is true, correct, and complete to the best of my/our knowledge. I/We will provide all necessary information and expedite this process any way possible. I/We understand that participation in the Rental Rehab program is contingent upon meeting Federal income eligibility, and other Federal and local program requirements.

The property will be evaluated for the presence of deteriorated paint hazards. If the property was constructed prior to 1978, a lead risk assessment will be completed and the results will be provided to you upon completion. Additional inspections will also be required to determine the work necessary to make your property decent, safe and sanitary.

- I/We acknowledge receipt/review of the booklet entitled “**The Lead Safe Certified Guide to Renovate Right**” and understand that homes constructed prior to 1978 likely contain lead-based paint.
- I/We understand that all inspection information and other information collected as a result of this application process will be kept confidential by the Rock County Planning and Development Department and the Wisconsin Partnership for Housing Development and will be used solely for the purpose of determining eligibility for participation.
- I have read, understand, and agree to the certifications as set forth above. Further, I consent to all inspections and testing as required by the Program I am applying for. I have received and reviewed the information contained in the lead hazard brochure "The Lead Safe Certified Guide to Renovate Right".
- I understand that if loan funds are accepted for rehabilitation of my property that I must charge allowable rents and that tenants I rent to must be considered low income as defined by the Department of Housing and Urban Development (DHUD).
- I certify that I do not have any family or business ties with any member of the Rock County Planning and Development Department, Planning and Development Committee or Wisconsin Partnership for Housing Development.

Owner(s) Signatures	Date
Owner:	
Co-Owner:	

**NOTE THAT THE FOLLOWING TENANT AUTHORIZATION FOR RELEASE OF INFORMATION AND TENANT ASSISTANCE POLICY MUST BY PROVIDED TO EACH TENANT IN UNITS TO BE REHABILITATED. THIS INFORMATION SHOULD BE RETURNED, ALONG WITH THE COMPLETED APPLICATION FORM. THE INFORMATION WILL BE USED TO DETERMINE IF THE TENANTS CURRENTLY LIVING IN THE UNIT ARE ELIGIBLE FOR THE PROGRAM.**



## TENANT INCOME VERIFICATION CHECKLIST

### Please submit one copy of the following items:

\_\_\_\_\_ A completed and signed Tenant Authorization for Release of Information form (attached)

### Income information for each household member 18 years of age and older:

\_\_\_\_\_ Two full months of current, consecutive paystubs for each position held

\_\_\_\_\_ If self-employed: A YTD income/expense report

\_\_\_\_\_ If self-employed: IRS 1040 and Schedule C (or equivalent) from the previous 2 years

### Other income information for all household members:

\_\_\_\_\_ Current documentation for any other income received, such as: social security, unemployment, disability, unemployment, alimony, child support, armed forces income, etc. Documentation must reflect gross payment amount and frequency.

### Asset information for each household member 18 years of age and older:

\_\_\_\_\_ 6 months of most recent (consecutive) checking account statements

\_\_\_\_\_ Most current savings account statement

\_\_\_\_\_ Current monthly or quarterly retirement account statement

**TENANT AUTHORIZATION FOR RELEASE OF INFORMATION**

Your landlord wishes to apply for a rehabilitation loan funded by the Rock County Rental Rehabilitation Program for the rental property in which you live. As part of the application process, we need some information about the people who are currently residing in the unit. Please take a moment to fill out this form and return it to your landlord who will deliver it to the Rock County Rehabilitation Program Manager. You may choose to put the information in a sealed envelope for return to protect your confidential information. All the information you provide will be kept strictly confidential. Please also take a moment to read the enclosed booklet, **“The Lead-Safe Certified Guide to Renovate Right”**.

<b>Tenant Household Information</b>					
Head of Household Name:					
Unit Address:					
Phone Number					
Monthly Rent		Number of Bedrooms			
Which Utilities do you pay?		Water		Electric	Heat

Please provide the following information for all members of the household, including the head of household.

Household Member	Date of Birth	Social Security Number	Race	Hispanic, Yes or No	Relation to head of household

Please provide information on Income from employment for ALL household members over 18.

Household Member	Employer Name	Employer Address	Gross Monthly Income

Please provide information on other sources of income for your household.

Household Member With Income	Income Source	Amount of Income
	Social Security	
	SSI	
	W-2	
	Pension	
	Unemployment	
	Interest from Savings	
	Any other income	

**ACKNOWLEDGEMENTS, CERTIFICATIONS AND AUTHORIZATION FOR RELEASE OF INFORMATION**

Please acknowledge each of the following and sign at the bottom:

- I/We acknowledge receipt/review of the booklet entitled “**The Lead Safe Certified Guide to Renovate Right**” and understand that homes constructed prior to 1978 likely contain lead-based paint.
- I/We understand that all inspection information and other information collected as a result of this application process will be kept confidential by the Rock County Planning and Development Department and the Wisconsin Partnership for Housing Development and will be used solely for the purpose of determining eligibility for participation.
- I certify that I do not have any family or business ties with any member of the Rock County Planning and Development Department, Planning and Development Committee or Wisconsin Partnership for Housing Development.
- I acknowledge receipt of the Tenant Assistance Policy (attached to this document)

As evidenced by my signature below, I hereby authorize the Rock County Program Administrator, Wisconsin Partnership for Housing Development, to obtain verification of any and all information regarding my income, assets, employment, and housing expenses. Furthermore, I authorize release of such information at the request of the Rental Rehabilitation Program.

I understand that this information will be kept confidential by the Rental Rehabilitation Program and will be used solely for the purpose of determining eligibility for participation in the Program and used in statistical tables, study and research.

Tenant Signatures: All household members over the age of 18 must sign below	Date

## TENANT ASSISTANCE POLICY

Rock County receives funding from state and federal programs to improve housing for low- and moderate- income people living in rental units. When funding is provided by these programs, we want to ensure that you, as the current tenant of the property, are able to benefit from the improvements. This means that you must be allowed to remain in the property if you so choose after renovations are completed. In addition, it means that, if the work required is substantial, and you need to move out of your unit for a period of time because of the renovation, you received assistance with the relocation. The Program Administrator will work with you to determine whether temporary relocation is required. Be aware, that in MOST cases, projects are generally NOT funded if relocation of existing tenants is required. However, if you are required to move from your unit for a period of time while renovation takes place, you may be entitled to certain relocation benefits. If you have to move temporarily from your apartment because of the construction, you will be reimbursed for actual reasonable moving expenses and related costs. The property owner will be responsible for all cash relocation payments and may borrow these funds as a part of the rehabilitation loan package.

### Eligible Tenants

Eligible tenants are those legally occupying the property at the time the property owner submits an application for a rental housing rehabilitation loan. Benefits depend on whether you are “displaced” as a result of the rehab to be completed.

You will be considered a “displaced” person, eligible for benefits if:

- a. You are forced to move *permanently and involuntarily* from your unit because of the rehabilitation work unless you are offered an affordable unit in the same or nearby building under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of:
  - (i) Your monthly rent before such agreement and estimated average monthly utility costs; or
  - (ii) The total tenant payment, as determined under 24 CFR 5.613, if you are low-income, or 30 percent of gross household income if you are not low-income; or
- b. You are required to relocate temporarily, and do not return to the building/complex and either:
  - (i) You are not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or
  - (ii) Other conditions of the temporary relocation are not reasonable; or
- c. You are required to move to another dwelling unit in the same building/complex but are not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

You will not qualify as a “displaced” person if:

- a. You have been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement, violation of federal, State, or local law, or other good cause;
- b. You moved into the property after the property owner applied for the rehabilitation loan and, before signing a lease and moving in, you were provided written notice of the project and its

possible impact and the fact that you would not qualify as a displaced person as a result of the project;

- c. You are ineligible under 49 CFR 24.2(g)(2); or
- d. HUD determines that you are not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

## **Benefits**

The benefits you receive may include a replacement housing payment or Rent Assistance, plus moving expenses and advisory services. You can use your replacement housing payments to rent a different unit, or you may receive them in a lump sum if you wish to make a down payment to purchase a house. When provided to rent a different unit, cash payments will be provided in installments. Advisory services include information notices, counseling, and help in finding affordable replacement housing.

Moving expenses include the cost of moving your possessions from your current housing unit to a new unit.

If Section 8 Rent Assistance is offered, staff will also provide referrals to comparable replacement dwelling units where the owner is willing to participate in the Section 8 Rent Assistance program.

## **Replacement Housing Payment**

If you are not eligible for the Section 8 Rent Assistance Program, a cash replacement housing payment will be calculated. This payment is based on the difference between the current rent and utility costs of your existing unit and those of a comparable replacement unit multiplied by 42 months.

## **Staff Assistance**

The Wisconsin Partnership for Housing Development administers the Rental Rehabilitation Program and the program manager is responsible for sending required notices to you and will be available to answer any questions you may have about the rehabilitation work. A Section 8 Housing Specialist will be assigned to work with you if you are eligible for the Section 8 Rent Assistance Program. A Community Development Planner will work with you if you are displaced.

## **Notices**

There are several types of notices that you might receive. The first is a notice of non-displacement. This notice will indicate that you are not being required to move as a result of the project. The second is a notice of temporary displacement, which will indicate that you will be required to temporarily move during the course of the rehabilitation project and that reasonable moving costs will be paid. The third is a notice of permanent displacement. This notice would indicate what your relocation benefits would be.

As a part of the application project, existing tenants will be asked to provide information about household size and income. This information will be verified with information from an independent source. It will be used to determine whether you are low income and what benefits you may be eligible for.

## **Appeals**

If you disagree with the program manager's determination concerning whether you qualify as a displaced person, or the amount of relocation assistance for which you may be eligible, you may file a written appeal of that determination with the Planning Director. If you are a low-income person and are dissatisfied with the County's determination on your appeal, you may submit a written request for review of that determination to the HUD field

office. Such appeals should be addressed to Community Planning and Development, Milwaukee HUD Office, 310 West Wisconsin Avenue, Suite 1380, Milwaukee, WI 53203.

## **Equal Opportunity**

It is the declared policy of the Rock County Planning and Development Department and the Wisconsin Partnership for Housing Development that all persons shall have an equal opportunity for housing regardless of race, color, religion, ancestry, national origin, age, sex, and disability, lawful source of income, marital status, sexual orientation, or family status.

Some of the types of actions are considered unlawful under federal, state, or local laws when they are done because people belong to one or more of the protected classes. These types of actions include:

- Refusing to sell, rent, lend money, or build housing.
- Refusing to talk about selling, renting, lending money, or building housing.
- Refusing to let people look at housing that is for rent or sale.
- Making people pay more money than others to buy or rent housing or when borrowing money for housing.
- Refusing to sell, or to lend money so that people can buy, an empty lot to build housing on.
- Advertising that housing is available for sale or rent only to certain members of protected classes.
- Saying that housing is not available to inspect, or for sale or rent when it really is available.
- “Block busting” by persuading owners to sell or rent housing more cheaply by telling them that minority groups are moving into the neighborhood.
- Refusing to sell people household insurance.
- Refusing to renew a lease, or evicting or harassing people.
- Not letting people use real estate services such as brokers’ association or multiple listing service.
- Providing unequal services or treatment.

In addition, the owner of each property assisted with a rental rehabilitation loan agrees not to discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, state, or local housing program.