



Down payment Assistance / Rehab

This activity's efforts will increase the number of home owning LMI households. It will provide financial assistance to qualified households to help purchase their own home. After the new owner takes possession, financial assistance will be provided to homeowners to correct sub-standard conditions so that the homes are safe, healthy, durable, energy efficient and affordable. This program will achieve this goal by repairing or replacing the major structural components and systems in the home. These items may include but are not limited to: roof, walls, floors, foundations, electrical, plumbing and HVAC.

Secondary Outcomes:

- *Relocation; if the home is in need of Lead Based Paint Hazard Reduction or Abatement, arrangements for the homeowners to be temporarily relocated will be made. This may involve them agreeing to stay with other family members if possible. If there is no other alternative, funds will be contributed as a secondary outcome to relocate them temporarily to an apartment or hotel.*
- *Homebuyer and Fair Housing Education / Counseling; Pre and post counseling will be required for all homebuyer assistance applicants to participate in receiving any funds. The funds received for this will be charged as a secondary outcome to this activity. A total of 7 hours will be required to properly carry out all components. This would include the following: preparation of material, verification, home maintenance, fair housing, pre-counseling and post counseling.*

This activities purpose will be to assist LMI households purchase modest, affordable, single family housing units as their principal residence. It is designed to provide funds at the time of closing for down-payment costs, closing costs, points, principle reduction or other related closing fees. Assistance will then be made available to

rehabilitate the home to meet the RRS. These applicants must have a total household annual income below 80% of the median income. It is designed to address all health and safety violations including lead-based paint renovation. Once the project is complete, the entire home will meet RRS. The items in need of rehabilitation will be determined by the Rehab Specialist with minor aspects considered by the homeowner.

There are many renters that cannot afford the down-payment and related closing cost, and to make the improvements to the homes themselves.

The target population will benefit LMI households with incomes at or below 80% of the median income, want to own their own home and can afford a mortgage payment. This activity is based on first come, first serve basis.

Funded activities are

All homes funded under this activity will be required to have the following additional inspections performed:

- Pest Inspection for wood destroying insects
- Well Water Inspection, unless connected to area treatment facility
- Septic Inspection, unless connected to area treatment facility
- Furnace Inspection, unless the specifications require a replacement

Muskingum County will file a deferred mortgage for the amount of the down payment and rehabilitation dollars. This is a declining mortgage that will be forgiven after 5-15 years (depending on amt of subsidy). If the property is sold within the subsidy period, a percentage of the mortgage will be repaid to Muskingum County based on a declining scale. These funds will be used to fund similar projects.

If the property cannot be brought up to RRS with the funds available, we will implement our Walk-Away policy.

