CITY OF SHEBOYGAN
COMMUNITY DEVELOPMENT BLOCK GRANT
OWNER-OCCUPIED
REHABILITATION LOAN PROGRAM

GUIDELINES AND APPLICATION

January 2011

1 You must be the owner-occupant of the property to be rehabilitated.

2 The property must be located in the City of Sheboygan. Priority is given to any property located in the central part of the City.

3 Total debt on the property (including our loan) cannot exceed 90% of the property's after-rehabilitation market value. The City will place a mortgage on the property to secure the loan.

4 Applicants must meet the income guidelines (May 2010) shown below:

FAMILY SIZE	MEDIAN INCOME OF 50%	MEDIAN INCOME OF 80%
1	$23,450	$37,550
2	$26,800	$42,900
3	$30,150	$48,250
4	$33,500	$53,600
5	$36,200	$57,900
6	$38,900	$62,200
7	$41,550	$66,500
8+	$44,250	$70,800

For applicants whose income is below **50%** of the median income, the loan is deferred (no monthly payments) with no interest charges. The loan is repaid (without interest) when you sell the property or move out of the property.

For applicants whose income is **above 50%** of the median income, but **below 80%** of the median income, monthly payments of principal and interest are required. The interest rate will vary from **0% to 4%** depending on income for a period of **10 years**.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT

Department of City Development
828 Center Avenue, Suite 104
Sheboygan, WI 53081

(920)459-3377
E-Mail: Development@ci.sheboygan.wi.us

INCOME LIMITS BY HOUSEHOLD SIZE

January 2011

HOUSEHOLD SIZE	INCOME LIMIT
1 Person	$37,550
2 Persons	$42,900
3 Persons	$48,250
4 Persons	$53,600
5 Persons	$57,900
6 Persons	$62,200
7 Persons	$66,500
8 Persons	$70,800

REPAYMENT SCHEDULE

HOUSEHOLD SIZE	4%	3%	2%	1%	0%	50%OF MEDIAN INCOME
1	$37,500	$35,353	$32,234	$29,390	$26,545	
	$35,354	$32,235	$29,391	$26,546	$23,450	$23,450
2	$42,900	$40,106	$36,855	$33,603	$30,351	
	$40,107	$36,856	$33,604	$30,352	$26,800	$26,800
3	$48,250	$45,063	$41,410	$37,756	$34,103	
	$45,064	$41,411	$37,757	$34,104	$30,150	$30,150
4	$53,600	$50,099	$46,035	$41,973	$37,912	
	$50,100	$46,036	$41,974	$37,913	$33,500	$33,500
5	$57,900	$54,093	$49,708	$45,322	$40,937	
	$54,094	$49,709	$45,323	$40,938	$36,200	$36,200
6	$62,200	$58,087	$53,378	$48,669	$43,960	
	$58,088	$53,379	$48,670	$43,961	$38,900	$38,900
7	$66,500	$62,084	$57,051	$52,018	$46,985	
	$62,085	$57,052	$52,019	$46,986	$41,550	$41,550
8	$70,800	$66,153	$60,791	$55,427	$50,064	
	$66,154	$60,792	$55,428	$50,065	$44,250	$44,250

HOUSING REHABILITATION OWNER-OCCUPIED LOAN
PROCEDURES FOR PROCESSING

1 Submit completed application, signed "Release of Information" form and the following documents to the Department of City Development, 828 Center Avenue, Suite 104:
(All residents 18 years of age and older must sign the release of information form.)

* Copy of all most recent **Federal Income Tax Return**, *this must include all occupants who are 18 years of age and older unless they are full time students.*
* Copy of latest paid **property tax bill** and proof of payment.
* Copy of the cover page from current **homeowner's insurance policy**, *stating the dollar amount of coverage* , and a paid receipt for the current year.
* Verification of **mortgage balance** and monthly payment from Lender.

2 Employment, income, mortgage and loan information will be verified. The Housing Rehabilitation Specialist will order a title report for applicant's property.

3 Department of City Development contacts family to inform of eligibility, explains program expectations, schedules a lead risk assessment, schedules City housing inspection, and conducts an individual environmental review.

4 Applicant will be contacted by City Development to schedule an inspection of the applicant's rehabilitation property. The Economic Development Manager and a member of the Building Inspection Department will inspect each property.

5 City Development will contact a lead risk assessor. The lead risk company will contact the applicant to schedule an appointment for a lead based paint risk assessment.

6 Department of City Development refers family to Public Health to manage blood lead testing of all children less than 6 years of age residing in the home. All children under six occupying a dwelling receiving lead hazard reduction services will be tested for lead in their blood prior to any work being done. Public Health also will educate family on the hazards associated with lead-based paint.

7 Lead Risk Assessor will write work specifications for the property based on their inspection and test results. Copies of specifications are forwarded to Department of City Development.

8 Work specifications will be completed by the Department of City Development for the work to be completed. The Housing Rehabilitation Specialist will solicit bids from licensed contractors in the City of Sheboygan. A solid effort will be made to obtain a minimum of two estimates for each work item.

9 Lead Risk Assessor and Department of City Development discuss proposed work plans and different options available.

10 The Economic Development Manager will schedule a meeting to discuss the proposed lead work and cost estimate with the property owner.

11 Housing Rehabilitation Loan Committee will review loan application for approval. The Committee consists of four citizens and one Alderperson appointed by the Mayor and meets as needed usually every few weeks.

12 After loan approval, contracts will be prepared and forwarded to contractors for their signature. Contractors will then schedule the work for completion.

13 Appointment will be scheduled for loan closing. Applicant signs all necessary loan papers, contracts and letters to contractor(s) for work to proceed.

14 Department of City Development hires a certified contractor and/or subcontractor and a date is set to begin work.

15 Relocation arrangements are made for the occupants to move out during renovation, if necessary.

16 Contractor begins work and notifies Department of City Development of projected completion date.

17 Department of City Development or Sheboygan County Department of Public Health Lead Hazard Investigators inspects in-progress work.

18 As each contractor submits their bill, completed work is inspected and a joint check is prepared payable to the borrower and contractor. A "Release of Lien" is prepared and signed by the contractor.

19 After the work is completed the risk assessor, takes necessary clearance samples. City Building Inspector also inspects property for completion of contracted work, per city and HUD regulations.

20 After clearance is obtained, the family reoccupies dwelling.

21 Follow-up surveys are conducted by Sheboygan County Department of Public Health.

22 City of Sheboygan prepares check(s), "Release of Lien(s)" and disposition of all funds from the loan. Copies of all loan papers are given the applicant.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT

Housing Rehabilitation Program
Department of City Development
828 Center Avenue, Suite 104
Sheboygan, WI 53081

(920) 459-3377
E-mail: Development@ci.sheboygan.wi.us

OFFICE USE ONLY
LOAN NO.: _____
DATE RECEIVED: _____
DATE COMPLETED: _____

CITY OF SHEBOYGAN
HOUSING REHABILITATION PROGRAM

DEPARTMENT OF CITY DEVELOPMENT
828 CENTER AVENUE, SUITE 104
SHEBOYGAN, WI 53081
Development@ci.sheboygan.wi.us
(920)459-3377
FAX: (920) 459-7302

OWNER-**OCCUPIED** LOAN APPLICATION

PROPERTY OWNER INFORMATION

DATE OF APPLICATION: _____ NO. OF DWELLING UNITS: _____

APPLICANT'S NAME: _____

SOCIAL SECURITY NO.: _____ DATE OF BIRTH: _____

SPOUSE'S NAME (if married) or OTHER's: _____

SPOUSE'S/OTHER'S SOCIAL SECURITY NO.:
_____ DATE OF BIRTH: _____

ADDRESS OF PROPERTY: _____
_____

NUMBER OF YEARS AT THIS PROPERTY: _____

HOME PHONE: _____ BUSINESS PHONE: _____

HUSBAND/HEAD OF HOUSEHOLD CELL PHONE: _____

SPOUSE / OTHER'S CELL PHONE: _____

E-MAIL ADDRESS: _____

****NOTE**: A loan will not be made if there are any delinquent real estate taxes or judgment liens encumbering the property. These must be satisfied before a loan is made.**

NUMBER OF DEPENDENTS:

(THIS INCLUDES ALL RESIDENTS NOT LISTED ON FIRST PAGE)

	NAME	BIRTH DATE	SEX Male/Female	FULL TIME STUDENT YES / NO	RETIRED YES / NO	SOCIAL SECURITY NUMBER
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

OCCUPANT RACE *Optional Information*

Please circle.

W - White

HW - Hispanic White

B - Black/African American

A - Asian

AI - American Indian

NA - Native Hawaiian/Other Pacific

AIW - American Indian/Alaskan/Native/White

AW - Asian White

BW - Black/African American - White

AIB - American Indian/Alaskan Native/Black African American

O - Other _____

HUSBAND/HEAD OF HOUSEHOLD

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

SPOUSE'S / OTHER'S

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

OTHER'S (Must have employers for all residents 18 years of age & older unless a full time student)

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

OTHER'S (Must have employers for all residents 18 years of age & older unless a full time student)

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

OTHER'S (Must have employers for all residents 18 years of age & older unless a full time student)

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

OTHER'S (Must have employers for all residents 18 years of age & older unless a full time student)

PRESENT EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

****

PREVIOUS EMPLOYER: _____ HOW LONG? _____

ADDRESS: _____

_____

POSITION: _____ MONTHLY SALARY: _____

NOTE: If your project is not started within 6 months of income approval, or your family status income changes all tenants income must be verified again.

List other employers on back of this page if needed, must verify all occupants 18 years of age and older unless full time student.

OTHER INCOME & SOURCE

Please complete all other income listed below. If you have other sources please list as others:

Please Circle

1 **SOCIAL SECURITY:** **YES / NO** MONTHLY AMOUNT(S): _____
Name:_____

2 **SOCIAL SECURITY:** **YES / NO** MONTHLY AMOUNT(S): _____
Name:_____

3 **RETIREMENT/PENSION:** **YES / NO** MONTHLY AMOUNT(S): _____
Name:_____

4 **VETERANS BENEFITS:** **YES / NO** MONTHLY AMOUNT(S): _____
Name:_____

5 **RENTAL INCOME:** **YES / NO** MONTHLY AMOUNT(S): _____

6 **CHILD & MAINTENANCE SUPPORT:** **YES / NO** MONTHLY AMOUNT(S): _____
CHILD'S NAME: _____

7 **CHILD & MAINTENANCE SUPPORT:** **YES / NO** MONTHLY AMOUNT(S): _____
CHILD'S NAME: _____

8 **CHILD & MAINTENANCE SUPPORT:** **YES / NO** MONTHLY AMOUNT(S): _____
CHILD'S NAME: _____

9 **OTHER INCOME:**
_____ MONTHLY AMOUNT(S): _____
Address: _____
_____

10 **OTHER INCOME:**
_____ MONTHLY AMOUNT(S): _____
Address: _____
_____

SAVINGS ACCOUNT:
FINANCIAL INSTITUTION: _____ AMOUNT: $ _____

CHECKING ACCOUNT:
FINANCIAL INSTITUTION: _____ AMOUNT: $ _____

OTHER REAL ESTATE OWNED:
FINANCIAL INSTITUTION: _____ AMOUNT: $ _____

SAVINGS BONDS & OTHER SECURITYS : AMOUNT: $ _____

MONTHLY HOUSING EXPENSES

EXPENSE	MONTHLY PAYMENT	BALANCE DUE
Mortgage (s)	$ _____	$ _____
	$ _____	$ _____
Homeowner's Insurance	$ _____	$ _____
Property Tax	$ _____	$ _____
Utilities		
Wisconsin Public Service (Gas)	$ _____	$ _____
Alliant Energy (Electric)	$ _____	$ _____
Sheboygan Water Utility	$ _____	$ _____

NAME OF MORTGAGE COMPANY:

_____

ADDRESS: _____

NAME OF HOME INSURANCE COMPANY:

_____

ADDRESS: _____

FORECLOSURE HISTORY

ANY RECORD OF PREVIOUS FORECLOSURES: YES: _____ NO: _____

IF **YES**, COMPLETE PROPERTY ADDRESS: _____

_____

NAME OF LENDER: _____

ADDRESS: _____

LIABILITIES

	MONTHLY PAYMENT	BALANCE DUE	NAME OF COMPANY
Automobile	$ _____	$ _____	
Life Insurance Loan	$ _____	$ _____	
Installments			
Loans	$ _____	$ _____	_____
Medical Bills	$ _____	$ _____	_____
Credit Cards	$ _____	$ _____	_____
Others:	$ _____	$ _____	_____
TOTAL	**$ _____**	**$ _____**	

REHABILITATION REQUEST

ITEMS IN NEED OF REHABILITATION: _____

_____

_____

BORROWER'S CERTIFICATION

(MUST BE SIGNED BY ALL TENANTS 18 YEARS OF AGE & OLDER)

I (We) hereby certify that the statements made by me (us) are true and correct to the best of my (our) belief and knowledge.

SIGNATURE	**SIGNATURE**
DATE	**DATE**
SIGNATURE	**SIGNATURE**
DATE	**DATE**

PENALTY FOR FALSE OR FRAUDULENT STATEMENT

U.S.C. Title 18, Section 1001, provides, whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious, or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five (5) years, or both.

RIGHT TO FINANCIAL PRIVACY ACT CERTIFICATION

The Department of Housing and Urban Development certifies, in compliance with the Right to Financial Privacy Act of 1978, that, in connection with this request for access to financial records, it is in compliance with the applicable provision of said Act.

OWNER RELEASE STATEMENT

RELEASE OF INFORMATION

(MUST BE SIGNED BY ALL TENANTS 18 YEARS AND OLDER)

Document can be copied

The Right to Financing Privacy Act of 1978 requires that public bodies acting as agents of the U.S. Department of Housing and Urban Development (HUD) for the processing or approving of Section 312 and other residential rehabilitation housing loans provide the following notice to loan applicants.

NOTICE TO APPLICANTS

This is notice to you as required by the Right to Financial Privacy Act of 1978 that the Department of Housing and Urban Development has a right of access to financial records held by any financial institution in connection with the consideration of administration of the Section 312 or other HUD rehabilitation loans for which you have applied. Financial records involving your transactions will be available to the Department of Housing and Urban Development and the City of Sheboygan without further notice or authorization but will not be disclosed or released to another government agency or department without your consent except as required or permitted by law.

I have read and understand the foregoing notice. This letter authorizes the Department of City Development of the City of Sheboygan, Wisconsin, to request any pertinent information pertaining to the following:

_____	**Request for Mortgage Status**	_____	**Social Security**
_____	**Asset Verification**	_____	**Title Verification**
_____	**Verification of Deposit**	_____	**Credit Report**
_____	**Verification of Employment**	_____	**Income Verification**

I (We), the undersigned, do hereby authorize the release information requested by the Department of City Development of the City of Sheboygan, Wisconsin.

_____	_____
SIGNATURE	**SIGNATURE**
_____	_____
DATE	**DATE**

OWNER RELEASE STATEMENT

RELEASE OF INFORMATION

(MUST BE SIGNED BY ALL TENANTS 18 YEARS AND OLDER)

Document can be copied

The Right to Financing Privacy Act of 1978 requires that public bodies acting as agents of the U.S. Department of Housing and Urban Development (HUD) for the processing or approving of Section 312 and other residential rehabilitation housing loans provide the following notice to loan applicants.

NOTICE TO APPLICANTS

This is notice to you as required by the Right to Financial Privacy Act of 1978 that the Department of Housing and Urban Development has a right of access to financial records held by any financial institution in connection with the consideration of administration of the Section 312 or other HUD rehabilitation loans for which you have applied. Financial records involving your transactions will be available to the Department of Housing and Urban Development and the City of Sheboygan without further notice or authorization but will not be disclosed or released to another government agency or department without your consent except as required or permitted by law.

I have read and understand the foregoing notice. This letter authorizes the Department of City Development of the City of Sheboygan, Wisconsin, to request any pertinent information pertaining to the following:

_____	**Request for Mortgage Status**	_____	**Social Security**
_____	**Asset Verification**	_____	**Title Verification**
_____	**Verification of Deposit**	_____	**Credit Report**
_____	**Verification of Employment**	_____	**Income Verification**

I (We), the undersigned, do hereby authorize the release information requested by the Department of City Development of the City of Sheboygan, Wisconsin.

_____	_____
SIGNATURE	**SIGNATURE**
_____	_____
DATE	**DATE**