



**SUMMARY
CITY OF MADISON
RESIDENTIAL HOUSING & BUSINESS GRANT & LOAN PROGRAMS**



www.cityofmadison.com/homeloans
www.cityofmadison.com/business

RESIDENTIAL HOUSING LOAN PROGRAMS

Home-Buy Loan:

The Loan is a deferred loan with no interest and no monthly payments for up to \$5,000 to income eligible first-time homebuyers to partially cover the down payment/closing costs of the first mortgage loan. The household income cannot exceed 80% of the Dane County Median Income. Eligible properties include: single-family home, condominium and one-half of a duplex that is located in the City of Madison or Dane County.

Homebuyer's Assistance Loan:

A loan to eligible borrowers to finance a portion of the acquisition and rehabilitation cost of a one-to-eight unit owner-occupied property located in the City of Madison. A deferred payment loan for up to ten years are provided to borrowers earning 80% or less of the Dane County Median Income and then converts to an installment loan, (currently at 2.75%) amortized over 15 years. Otherwise, for borrowers whose income is greater than 80% of the Dane County Median Income but less than 125% of Dane County Median Income, the Program provides a below market rate second mortgage loan (currently at 2.75%), amortized over 15 years. The maximum loan amount is \$40,000 for one-unit property and \$10,000 per additional unit up to \$110,000 for an eight-unit property.

Deferred Payment Loan:

The loan is a housing rehabilitation loan for up to \$19,000 to eligible single-family owner-occupied property owners with incomes less than 80% of the Dane County Median Income. The loan becomes due when the borrower(s) sells the property, vacates the property, transfers the property or refinance with a cash-out. The property "after-rehabilitation value" cannot exceed \$223,250.

Installment Loan:

The loan is a below market rate rehabilitation loan to income eligible owners of one-to-eight unit, owner-occupied properties in the City of Madison. The maximum loan for a single unit is \$19,000 plus an additional \$3,000 for each additional unit up to a maximum of \$40,000 for an eight-unit. The maximum loan term is 20 years.

Rental Rehabilitation Loan:

The loan is an installment loan to landlords and small investors for rehabilitation of non-owner occupied one to eight-unit properties. The maximum loan amount for a single unit is \$19,000 plus an additional \$3,000 for each additional unit up to a maximum of \$40,000 for an eight-unit. The property must be 75% occupied by households earning 80% of the Dane County Median Income or less. The rents after rehabilitation for the first year cannot exceed the HUD fair market rents (adjusted annually by the CDA) for Dane County. The maximum loan term is 15 years.

BUSINESS GRANT AND LOAN PROGRAMS

Madison Capital Revolving Fund (CRF) Loan:

The CRF Loan is a loan up to 250,000.00 for economic development, commercial rehabilitation, infill housing and residential rehabilitation projects.

Façade Improvement Grant:

Under the Program, a grant is provided to business owners and tenants to assist in the exterior renovations of their store fronts or facades in targeted areas of the City. A grant will be provided in an amount up to 50% of the total project cost to a maximum of \$10,000 for a single, 20,000 for a double façade and \$25,000 for a “flatiron” building.