

CITY OF MADISON HOMEOWNERSHIP

City of Madison **Equal Opportunities Commission**

August 11, 2022

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- ▶ HOME-BUY THE AMERICAN DREAM
- ▶ PROPERTY TAX ASSISTANCE FOR SENIORS
- ▶ REHABILITATION LOAN PROGRAMS
 - ▶ RENTAL
 - ▶ OWNER-OCCUPIED

CITY HOMEOWNERSHIP PROGRAMS



- ▶ First time homebuyers (within 3 years with an exception for divorce)
- ▶ Single, condo, or half a duplex
- ▶ Must be income eligible
- ▶ Up to \$35,000 towards down payment and closing costs
- ▶ No monthly payments; Deferred until sell, non-owner occupied, or transfer.
- ▶ Pre-approvals (90 days)
- ▶ Must complete HUD Approved Homebuyer Class & Counseling
- ▶ Apply through lender

Household Size	Income Limits 80%
1	\$62,600
2	\$71,550
3	\$80,500

HOME-BUY THE AMERICAN DREAM

CHANGES EFFECTIVE AUGUST 2022

- ▶ Help pay all or a portion of property taxes
- ▶ Low-interest loan (1.9%)
- ▶ No monthly payments, deferred until sell, non-owner occupied, or transfer.
- ▶ Single-family home, condo, one-half duplex
- ▶ Must reapply each year to use
- ▶ Must be income eligible

Household Size	Income Limits 80%
1	\$62,600
2	\$71,550
3	\$80,500

PROPERTY TAX ASSISTANCE FOR SENIORS (65+)

- ▶ Major or minor home repair
- ▶ Up to \$25,000 (min. of \$1,000)
- ▶ Two loan terms dependent on income eligibility:
 - ▶ Deferred Loan: 0% interest, no payments, deferred until transfer of property
 - ▶ Installment Loan: 2% or 4.5% interest, payable over 20 years

Household Size	0% DPL	2% IL	4.5%
1	\$62,600	\$80,800	\$96,850
2	\$71,550	\$92,300	\$110,700
3	\$80,500	\$103,800	\$124,500

REHABILITATION LOAN PROGRAMS – OWNER OCCUPIED

- ▶ Major or minor home repair
- ▶ Max loan amount \$25,000. Additional units up to \$3,000 with a maximum loan amount of \$46,000.*
- ▶ Loan terms:
 - ▶ Installment Loan: 2% payable over 15 years
 - ▶ Rental Rehabilitation Loans will be required not to exceed the Fair Market Rent (FMR) of Dane County for up to one year after closing:
 - ▶ FMR effective 06/15/22:
 - ▶ Efficiency \$929, 1Bedroom \$1,076, 2Bedroom \$1,254, 3Bedroom \$1,676, 4Bedroom \$1,948

REHABILITATION LOAN PROGRAMS – RENTAL

- ▶ Funding: Federal (CDBG & HOME) and City (Affordable Housing Funds, City Levy)
- ▶ Categories:
 - ▶ Development: New & Acquisition/Rehabilitation
 - ▶ Programs & Services: Mortgage Reduction, Rehabilitation, HUD Approved Homebuyer Education
- ▶ Timeline
 - ▶ RFP Released August 8, 2022
 - ▶ Applicant Workshops August 11, 2022
 - ▶ Applications due September 1, 2022 at Noon

REQUEST FOR PROPOSALS (RFP): FINANCING FOR HOMEOWNERSHIP DEVELOPMENT, PROGRAMS & SERVICES