



DEFERRED PAYMENT LOAN PROGRAM

HOUSING REHAB PROGRAMS

I. PURPOSE

The objective of this program is to stabilize and improve the city's housing stock by providing financial assistance to single family homeowners for rehabilitating their property. All information submitted with, and in support of this application becomes public information.

II. PROGRAM ELIGABLITY

Number of People in the Household	1	2	3	4	5	6	7	8+
Annual Household Income	\$29,050	\$33,200	\$37,350	\$41,500	\$44,800	\$48,150	\$51,450	\$54,800

1. If your total household income based on the number of persons in the household exceeds the amounts listed in the table above, you are not eligible at this time.
2. If the owner(s) have assets which exceed \$ 25,000.00, other than their home and existing household items, the owners are not eligible for this program.
3. You must own the home and have lived in it for at least one year. You must continue to reside in the property until the maturity of the loan.
4. The home must be within the City limits.
5. Mobile homes are not eligible.
6. Your home must have a code deficiency or a system expected to fail within two years to qualify.
7. The home must be rehabilitated to meet program regulations.
8. The city will provide assistance to the owner as a lender of federal fund. All contracts are between the owner of the property and the contractors hired by owner. Enforcement of all contracts and warranties are between the owner and the contractor.
9. The maximum loan amount is \$50,000 per home.

III. Application Submittals

1. Return the completed application to Bruce Haman @ The City of Great Falls, Community Development Department, Civic Center, room 112, P.O. Box 5021 Great Falls, MT 59403
2. Copy of the last years, income tax filed to the federal government.
3. Copy of 12 months of activity of Utilities. (gas, and electric)
4. Copy of contract for deed, if applicable.
5. Copies of any professional inspection of the property. (appraisals, market analysis, eng. study)
6. If you have contacted the contractors, include copies of written bids.

V. STEPS IN THE REHABILITATION PROCESS

- Step 1. Loan Application: The Rehabilitation Specialist will explain the application, receive your signed application, collect general financial information, copies of the utility bills, and history information of property.
- Step 2. Eligibility Analysis: Your eligibility is reviewed for program financing and HUD guidelines; property taxes and utility bills must be current and the ownership report must be acceptable to the City.
- Step 3. Initial Inspection: On the initial inspection, the Rehab Specialist will conduct a Housing Quality Inspection of the entire property. Life safety and code violations will be brought to the owners attention and include in the work write-up. At this time, you must inform the Rehab Specialist about additional improvements you may wish to make to your property.
- Step 4. Initial Work Write-up: This is the process in which the Rehab Specialist prepares a set of specifications which sets forth the work to be done and materials to be used together with a cost estimate. The owner and Rehab Specialist will review the work write-up in order to make sure that it accurately details the work to be undertaken and that you, as homeowner, have a thorough understanding of the rehabilitation work.
- Step 5. Submission of Proposed Rehabilitation for Review: After your acceptance of the work write-up, the Rehab Specialist will submit the proposal to the Housing Board for review.
- Step 6. Loan Approval: When the loan has been reviewed, the Rehab Specialist will notify you if funds have been reserved for your loan or reasons for denial.
- Step 7. Loan Closing: All necessary documents (mortgage, note, etc.) are presented for your signature.
- Step 8. Final Work Write-up: Due to possible changes in review, a final work write-up will be completed.
- Step 9. Bid Process: The property owner can solicit bids from any contractor licensed to work in Great Falls. A notice of specifications is mailed to contractors. The lowest bid becomes the acceptable bid if there are no observable irregularities. However, Housing Rehab Services and/or you, as borrower, reserve the right to accept or reject any or all bids. You, as property owner, will act as general contractor. No payment will be made for the labor or service of the owner or any member of his/her immediate family.
- Step 10. Preconstruction Conference: All subcontractors are made known to the owner and rehab specialist. The parties signing into contract shall negotiate starting and completion dates.
- Step 11. Award Contracts Notice to Processed: All necessary documents are presented for Rehab Specialist, owner and contractors signature. All permits are submitted for building review.
- Step 12. Project Monitoring and Payout Inspections: The Rehab Specialist will do timely inspections and monitoring of the project. All change orders will be in writing and submitted to Rehab Specialist to review before work can continue.
- Step 13. Final Inspection: Inspection by city staff will be conducted and, if needed homeowner will prepare a punch list, receive lien waivers, and have all parties sign final approval.

**DEFERRED PAYMENT LOAN PROGRAM
HOMEOWNER APPLICATION**

CONTACT AGENCY: City of Great Falls - Community Development Department
P. O. Box 5021
Great Falls, Montana 59401
Phone : 455-8404 E-Mail : bhaman@greatfallsmt.net

INSTRUCTIONS: Please complete all sections of this owner proposal form. If you need assistance in completing the form, Feel free to contact the agency listed above.

Applicant's Name _____ Age _____ Social Security # _____

Spouse's Name _____ Age _____ Social Security # _____

Total number in household _____ Home Phone _____ Work Phone _____

Number of children under the age of 6 _____

E-Mail Address- _____

Property Address- _____

The information requested below is needed to provide information required for a federal grant our agency received.

Please choose one:

_____ Not Hispanic or Latino _____ Hispanic or Latino

Please choose one:

_____ White _____ Black/African American _____ Asian _____ American Indian/Alaskan Native

_____ Native Hawaiian/Other Pacific Islander _____ American Indian/Alaskan Native & White

_____ Asian & White _____ Black/African American & White

_____ American Indian/Alaskan Native & Black/African American

Other Multi-Racial _____

**INCOME PER FEDERAL TAX RETURN
APPLICANT MUST PROVIDE INCOME VERIFICATION**

Employer(s) _____ Annual Income \$ _____

Spouse's Employer(s) _____ Annual Income \$ _____

Other total income sources: Social Security, Retirement \$ _____

Disability, Other (describe) \$ _____

Total Annual Gross Income \$ _____*

*If this amount will be change enough in 2007 to affect your eligibility, please attach explanation.
If applicant and/or spouse did not send in a Federal Tax Form, please attach explanation.

ASSETS OF APPLICANT(S)

1. Cash on hand or in checking or savings account \$ _____

2. Marketable securities or U. S. Savings Bonds \$ _____

3. Equity in other real estate \$ _____

4. Cash Value (est.) of life insurance policies \$ _____

5. All other (do not include property being improved household furnishings, clothing and one automobile) \$ _____

TOTAL ASSETS \$ _____*

PROPERTY INFORMATION

Check one (1) _____ Fully paid for and applicant hold title
 (2) _____ Mortgage (FHA, VA, Conventional)
 (3) _____ Contract for Deed

Approximate Age of Dwelling _____

Title holder _____ Date of purchase _____

Total Cost _____ Amount of loan _____ Down Payment _____

Date of Refinance _____ Amount of Refinance _____

How many years was this Loan for? _____ Monthly payment amount _____

Interest rate _____ Taxes _____ Insurance _____

Balance due _____ Your estimated equity _____

2nd lien on your property: Lien holder _____ Date _____

Amount _____ Monthly payment _____ Balance Due _____

Planned rehab items: _____

Has the borrower been obligated on a real property, which resulted in a foreclosure, deed in lieu of foreclosure or judgement? _____ Yes _____ No If yes, attach an explanation.

I hereby certify that the above statements are true and that I am the owner or purchaser under a contract for deed, of the residence listed above. I understand that neither I, nor any other member of this household, will receive any money from this loan. Under penalty of forfeiture, I agree to comply with the requirements of this program. Verifications may be obtained from any source named herein. The city will provide assistance to the owner as a lender of federal fund. All contracts are between the owner of the property and the contactors hired by owner. Enforcement of all contracts and warranties are between the owner and the contractor.

Applicant _____ Date _____

Spouse _____ Date _____