



FREQUENTLY ASKED QUESTIONS HOUSING REHABILITATION PROGRAM

1. **How do I qualify for assistance?** To participate your housed hold must be within the low to very low income program limits.
2. **Is this based on net income and whose income is considered?** It is the **gross** income of all household members over the age of 18.
3. **What is the maximum assistance that I can receive?** Assistance will be based on the after rehabilitation appraised value of the property. The equity available and the cost of the work to be performed will help determine the loan amount.
4. **What type of assistance can I get?** Applicants will be assisted with the inspection of the dwelling, planning, bid acquisition, bid selection, repairs, payment of work completed. Process is secured by loan issued.
5. **What type of repairs can I have done on my property?** Repairs will concentrate on corrections of health and safety items of the property. Along with a focus to ensure that all items are in compliance with the state and local Unified Building Code requirements. Common repair items are the following:
 - o Roofs, gutters, dry rot, windows, doors, HVAC, electrical, plumbing and more.
6. **What items are not covered?** Such items as fences, yards, pools.
7. **Will this loan need to be repaid?** Yes, the Housing Rehabilitation program issues loans which will need to be repaid as very affordable loans within an affordable payment plan.
8. **What are the terms of the loan?**
 - Option #1 Deferred for 15 years. This will convert into an affordable schedule payment plan until paid in full.
 - Option #2 Affordable payments schedule at a 0%- 3% interest, simple interest loan. Until loan is paid in full.
9. **Are there certain things that can default my loan?** Yes, if you sell, transfer title, move out to another home, refinance withdrawing equity, default on primary loan, default on property taxes, cancelation of insurance or violation of the Loan Agreement will cause your loan to be immediately due and payable.
10. **Do I need a certain FICO credit score to qualify for the program?**

No, our program doesn't require a certain score but we will look at your overall credit history and worthiness.
11. **Does the city have to be in a certain position on the loan?**

Yes, the City will only hold a 1st or 2nd position lien holder. The City would be the primary lender when the property has no other loans against it. The City would be a secondary loan when properties with an existing primary loan against it.

12. **What is the process of the program?** The applicant completes application and sets an appointment for an income screening. A safety/property evaluation inspection conducted by the City will be scheduled. Staff will process the application for eligibility and third party verification will be requested. Several private inspections will be preformed, which will be included in the project loan. Workwrite-up will be created and bids will be requested. Loan approval will be requested to the loan committee. Loan documents will be issued and work will commence. Staff will ensure that work is preformed and payment be issued. Lastly, notice of completion will be issued.
13. **What are Third Party Verifications?** Staff mails verification forms to confirm the information provided on the application. The City will verify the following areas, but is not limited to:
- Employment
 - Social Security
 - Unemployment
 - Other possible income source
14. **What types of private inspections are required?** Third party inspections are out sourced to confirm the condition of the dwelling and other areas as necessary.
- Pest /Structure
 - Title
 - Property Appraisal
 - * Lead Base Paint
 - * Credit
15. **What are the fees for the inspections?** City inspections for health and safety pertaining to local and/or state building requirements do not have any charges. Other inspections such as roof inspection, chimney inspection, pest inspection, Lead Base Paint will need to be arranged and cost will be included in the loan balance.
16. **How is the contractor obtained?** Staff will invite 3-7 contractors on the City contractors list. Bid tour will be conducted and bid due date issued. Once the bids are received property owner will select from amongst the bids received. Staff will assist with research of any questions.
17. **What if I know a contractor?** You are encouraged to inform that contractor to apply to be on the City licensed contractor list to be invited to your bid and other projects. Bids will still be reviewed and verified once selection has been determined.

The City of Riverbank is an Equal Housing Lender and does not discriminate on the basis of race, color, religion, sex, handicap, familial status or national origin.

