HRA
HUTCHINSON HOUSING AND REDEVELOPMENT AUTHORITY

The **Rehabilitation Loan Program** ***administered by the Hutchinson HRA*** helps eligible homeowners finance basic home improvements that directly affect the safety, habitability, energy efficiency or accessibility of their homes.

Eligibility Requirements

- Borrower meets the following income limits:

Household Size	Income Limits
1 Person	$19,900
2 Persons	$22,700
3 Persons	$25,500
4 Persons	$28,300
5 Persons	$30,600
6 Persons	$32,900
7 Persons	$35,100
8 Persons	$37,400

- Borrower does not have assets exceeding $25,000
- Borrower owns and occupies the property to be rehabilitated
- Borrower must be current on property taxes and any mortgages
- Borrower must have homeowner insurance in force at time of loan closing

Loan Features

- Maximum loan amount is $27,000
- Maximum loan term is 15 years for properties taxed as real property and 10 years for mobile/manufactured homes taxed as personal property located in a mobile home park
- Loans are forgiven if the borrower does not sell, transfer title, or ceases to occupy the property during the loan term.
- Various property types are eligible including, but not limited to, single family homes, duplexes, a condominium unit, and manufactured housing taxed as real or personal property

Eligible Home Improvements

- Basic improvements that directly affect the safety, livability, or energy efficiency of the home
- Addressing lead paint hazards
- Electrical wiring
- Furnace/boiler repair or replacement
- Plumbing repairs
- Well and septic repair or replacement
- Radon mitigation
- Mold remediation
- Windows
- Siding
- Roof repair or replacement

For more information contact the Judy at the Hutchinson HRA at (320) 234-4451, www.hutchinsonhra.com (home improvements tab) or at the City Center, 111 Hassan Street SE, Hutchinson.

HUTCHINSON HOUSING AND REDEVELOPMENT AUTHORITY

City Center, 111 Hassan Street SE
Hutchinson, MN 55350
Website Site: www.hutchinsonhra.com
(320) 234-4251 ● (320) 234-4240 Fax

Minnesota Housing Finance Agency
Rehabilitation Loan Program
Application Packet Instructions

To be eligible for the MHFA Rehab Loan Program you must first apply for the ***Weatherization Assistance Program*** offered by **United Community Action Partnership.**

United Community Action Partnership
200 Fourth St. SW, PO Box 1359,
Willmar, MN 56201.
Phone 1-800-992-1710 or Fax (320) 441-6399 or website https://unitedcapmn.org/.

The following will need to be submitted to the Hutchinson HRA to apply for the ***MHFA Rehab Loan***:

1. **Homeowner Application:**
   - Complete, sign and date the application (all household residents over the age 18 that have income must sign),
   - Sign the Authority to Release Information Form

2. **Income and Asset Verification**
   - Complete the top section of the third party Verification forms only
   - Enclose copies of the last three months of pay stubs of all sources of income.
   - If Self-Employed, enclose copies of the past 2 years income tax returns.
   - 3 months consecutive bank statements.

3. **Enclose copies of:**
   - Copy of current Mortgage statement
   - Copy of Homeowner's Hazard Insurance Policy: Coverage must cover all lien amounts or 100% of the insurable value and protect against loss or damage from fire and other hazards covered by the standard extended coverage endorsement and should be of the type that provides for claims to be settled on a replacement cost basis. After loan approval & closing Minnesota Housing Finance agency will need to added to your insurance policies as a 'standard' or union' mortgage clause.
   - Copy of your last Property Tax Statement
   - Copy of your complete property description from a warranty deed, first mortgage or abstract/Torrance certificate.

4. **Manufactured Homes Taxed as Personal Property**
   - Copy of Current Certificate of Title

5. **Read Primary Use of Property Certification**
   - Sign and Date Form

6. **Read "The Lead-Safe Certified Guide to Renovate Right" Pamphlet**
   - Sign and Date Lead Based Paint Statement

7. **Read Homeowner Agreement**
   - Complete, Sign and Date Form

8. **Pre-Inspection Questionnaire**
   - Complete, Sign and Date

Return the completed application papers and all other required information to Judy Flemming at the **Hutchinson HRA, 111 Hassan Street SE, Hutchinson, MN 55350**. Call Judy if you any questions at 320-234-4451.

EQUAL HOUSING OPPORTUNITY

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Release of Information

This is your authorization to release information regarding my income, employment, bank accounts, and outstanding debts including mortgages, to order a consumer credit report and to obtain other information about me/us that is necessary to support my application for a housing improvement loan from the **City of Hutchinson/HRA**.

You may make copies of this letter to distribute to any party with which I have a relationship and that party may treat that copy as an original.

_____ _____
Signature of Applicant *Date*

_____ _____
Signature of Applicant *Date*

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VERIFICATION OF EMPLOYMENT

Part I: To be completed by the Applicant

Name of Employer:_____

Address: _____ Phone #: _____

Employee: _____ Fax #: _____

_____

Part II: To be completed by the Employer

The person named above has stated that he or she is now employed, or has been employed by your firm. Their signature on the attached form provides you with permission to release the requested information.

This request for verification of employment and earnings is required to establish eligibility for participation in our housing improvement loan program. The information you provide will be private and only used in establishing eligibility for this family.

1. Gross earnings during the past 12 months: $_____ YTD $_____

2. Is this person currently an employee? ☐ Yes ☐ No

3. If not, is this a temporary situation? ☐ Yes ☐ No

4. If employment is seasonal or sporadic, please give lay-off periods: _____

5. Original or re-hire date: _____ Termination date: _____

6. Average number of hours per work week: Straight time _____Hrs/Week Overtime _____Hrs/Week

7. Current Gross pay rate: $ _____ per _____. Effective date of rate: _____

8. Overtime is paid at the rate of $ _____ per _____

9. Expected change in pay rate: $ _____ Date: _____

10. Amount of bonus, incentive pay, commission or tips: $ _____ per _____

11. Does this person receive vacation with pay? ☐ Yes ☐ No Sick leave with pay? ☐ Yes ☐ No

12. Amount deducted for health insurance: $ _____ per _____ (weekly, monthly, etc.)

13. Employee's position or job title: _____

_____ _____
Person completing this form Date

_____ _____
Title Telephone Number

Please return this form to: **Hutchinson HRA, 111 Hassan St SE, MN 55350 Fax 320-234-4240**
If you have any questions contact: **Judy Flemming, Hutchinson HRA, 320-234-4251**

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CHECKING/SAVINGS ACCOUNT VERIFICATION

Part I: To be completed by the Applicant

Name of Financial Institution: _____ Date: _____

Financial Institution Address: _____ Phone: _____

Applicant Name: _____ Account #'s: _____

To the Bank named above, I hereby grant the release of information regarding my income and assets to the Hutchinson HRA. I understand that this information will be treated as private data. This verification request is required to establish my program eligibility and I would appreciate your prompt completion of the form. Please return it to:

Judy Flemming, Hutchinson HRA, 111 Hassan St SE,
Hutchinson, MN 55350 Telephone: 320-234-4251

Signature of Applicant: _____

Part II: To be completed by the Bank

Current Checking Account Balance: $ _____ Interest Rate Paid: _____

Average Checking Account Balance for the last 6 months: $ _____

Current Savings Account Balance: $ _____ Interest Rate Paid: _____

Saving Certificates: $ _____ Interest Rate Paid: _____

Saving Certificates: $ _____ Interest Rate Paid: _____

Total interest earned during the last 12 months from all above: $ _____

To the best of your knowledge, will there be a change in earnings during the next 12 months?
_____

_____ _____
Person completing form Date

_____ _____
Title Telephone Number

Return this Form to: Judy Flemming, Hutchinson HRA, 111 Hassan St SE
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VERIFICATION OF ASSISTANCE

To: McLeod County Social Services

Part I: To be completed by the Applicant

I, _____, living at
First Name *Last Name*

_____, Hutchinson, MN 55350
Street Address

do hereby authorize the McLeod County Social Services staff to furnish the Small Cities Development Program with information regarding the monthly payment made to me for AFDC, General Assistance or other direct payments.

This information is required for income verification for the Housing Rehabilitation Program. The information you provide will be private and only used in establishing eligibility for this family.

_____ _____
Signature **Date**

Part II: To be completed by the Social Services Agency

Type of Assistance Provided:_____ Monthly Amount: $_____

If the above recipient receives a Child Support Bonus Payment, please give the monthly amount:
$ _____

Is this payment? ☐ Regular or ☐ Sporadic

If it is sporadic, what was the total amount received for the past 12 months? $_____.

Is the same amount likely to be received in the next 12 months? ☐ Yes ☐ No

Does the recipient receive any other income to the best of your knowledge? ☐Yes ☐ No

If Yes, what is the source _____

and how much is received? _____

Social Services Signature_____ **Date:**_____

_____ _____
Title **Phone**

Please return this form to: **Hutchinson HRA, 111 Hassan St SE, Hutchinson, MN 55350**
If you have any questions, please call: **Judy Fleming, Hutchinson HRA, 320-234-4251**
Fax: 320-234-4240

LEAD BASED PAINT STATEMENT

I hereby certify that I have received the publication entitled *Renovate Right* Brochure and that I have read and understood the information.

_____ _____
Applicant Date

_____ _____
Applicant Date

_____ _____
Witness Date

HOMEOWNERS UNDERSTANDING OF LEAD BASED PAINT ASSESSMENT REQUIREMENT

As part of participating in the Housing Rehabilitation Loan Program, the following conditions per Federal Regulations apply.

If your home was built prior to 1978, a Lead Based Paint Assessment is required. If lead based paint is present and the rehabilitation work to be done is in those areas, your family may be required to move out of the house until a Lead Clearance has been gained.

Therefore, I understand that if I qualify to receive a loan for the rehabilitation of my home, I will need to cooperate with and abide to all regulations per a Lead Based Paint Assessment of my home. Failure to do so at any time during the rehabilitation of my home will be cause for discontinuation of my participation in the loan program.

_____ _____
Applicant Date

_____ _____
Applicant Date

MHFA Rehab Loan Program

Primary use of Property is Residential not a Home Business Certification

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Address of Home: _____

☐ I (We) certify that my (our) home at the above address is used primarily for residential purposes.

☐ I (We) certify that my (our) home at the above address has a home business however not more than 49% of the home is used regularly and exclusively in a business.

_____ _____
Signature Date

_____ _____
Signature Date

PRE-INSPECTION QUESTIONNAIRE FOR THE REHAB PROGRAM

1. YES ☐ NO ☐ Is your property being purchased on contract for deed?
2. YES ☐ NO ☐ Is your property in a trust or a life estate?

3. YES ☐ NO ☐ Do you have a kitchen?
   YES ☐ NO ☐ If yes, do you have a functioning Stove/Oven with working top burners?
   YES ☐ NO ☐ If yes, do you have a functioning Refrigerator?
   YES ☐ NO ☐ If yes, do you have a sink with hot & cold running water?

4. YES ☐ NO ☐ Do you have a bathroom?
   YES ☐ NO ☐ If yes, do you have a working toilet?
   YES ☐ NO ☐ If yes, do you have a working, permanently installed was basin/sink with hot and cold running water?
   YES ☐ NO ☐ If yes, do you have a working, tub or shower with hot and cold running water?

5. YES ☐ NO ☐ Do you have a bedroom that needs an egress window?

6. YES ☐ NO ☐ Do you have circuit breakers?

7. YES ☐ NO ☐ Do you have any knob and tube type wiring in your home?

8. YES ☐ NO ☐ Do you have any roof leakage?

9. YES ☐ NO ☐ Do you have any leaking water or sewer pipes?

10. YES ☐ NO ☐ Do you feel you need a new furnace? How old is your furnace? _____

11. YES ☐ NO ☐ Is your foundation showing signs of deterioration resulting in substantial settling or cracking?

12. YES ☐ NO ☐ Do modifications need to be made to your home for accessibility, which will increase the ability of a physically handicapped person to function in the home setting?

13. YES ☐ NO ☐ Is the floor impervious to water in your basement and/or utility room (if any)?

14. YES ☐ NO ☐ Have you had your home tested for radon?

15. YES ☐ NO ☐ Do you have rats or mice in your home?

<u>Lead Based Paint Questions:</u>

YES ☐ NO ☐ 1. Do you have children under age six in the household?
If yes, have they had a blood test? YES ☐ NO ☐
YES ☐ NO ☐ 2. Is there interior or exterior chipped or peeling paint that may be lead based?

Please List Improvements you think your home needs:

_____

_____

Name: _____ Street Address: _____

If you have questions about this questionnaire, call the HRA office at 234-4251.

Please Complete This Form & Return To The HRA Office with your application.