

CITY OF TROY
Residential Exterior Housing Improvement Loan Program
PROGRAM GUIDELINES

Purpose

The City of Troy's Residential Exterior Housing Loan Program provides funding to repair owner-occupied single-family homes in the City of Troy. The goal of the program is to improve the housing stock in the City that in turn stabilizes and/or increases home values.

Eligibility Criteria

- Must own a home inside the City Limits of Troy and reside in the home as the primary residence **(Rental properties are not eligible for assistance)**;
- The home must be a single-family dwelling unit and be at least 15 years old;
- Applicant must reside in the home for a minimum of two-years prior to applying;
- Applicant is NOT eligible if they currently have 2 existing mortgages on the property receiving the home repair assistance.
- Must be current with your property taxes, mortgage, City Utility Bills and federal, state, school, and city income taxes, or become current prior to application approval (including being approved for a payment plan by the County Auditor);
- Must have Homeowner Insurance;
- Must agree to use the property in a lawful manner with regard to City of Troy's Occupancy Code, Zoning Code, and Property Maintenance Code;
- Must maintain the structure and premises in a decent, safe and sanitary condition, pursuant to all applicable codes and ordinances of the City;

Eligible Exterior Repairs

- Roofs, Downspouts, Gutters
- Siding / Paint
- Windows / Exterior Doors
- Porch repairs
- Exterior Brick – Tuck pointing
- Chimney repair
- Foundation
- ADA Ramps
- Detached Garages (demolition, paint, siding, windows, garage door)

Program Guidelines

- Homeowner is required to submit two (2) cost estimates from qualified contractors with this application. A qualified contractor is a contractor that has General Liability Insurance, and Worker's Compensation (if applicable). A copy of their General Liability Insurance, and Worker's Compensation Certificate must be attached with their cost estimate;
- No home repair work can begin until a signed and approved Loan Agreement with the City has been executed. The loan agreement will set forth the loan terms and obligations for this home repair project. **Reimbursements for work that has begun prior to the Loan Agreement being signed will NOT be accepted;**

- After the Loan Agreement has been signed; and the home repair work has been completed; then the homeowner receiving assistance will be issued a two-party check made out to the homeowner and the selected contractor from the City of Troy in the amount of the cost estimate provided by the qualified contractor to pay the contractor directly for the home repair work outlined in the Loan Agreement. The contractor has 6 months to complete the home repair work;
- The homeowners receiving the home repair loan assistance are NOT eligible to perform the home repair work unless they are a qualified contractor with General Liability Insurance and Workers Compensation.

Income Qualifications

(Income Limits change each year in April)

Three options qualify Troy citizens who wish to apply for financial assistance, based upon household size and income, according to the HUD estimates of median family household income, which is below:

(e.g., mother, father, two children = 4 living in household)

FY 2022 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
80% Income Limits (\$)	49,850	57,000	64,100	71,200	76,900	82,600	88,600	94,000
100% Income Limits(\$)	62,300	71,200	80,100	89,000	96,200	103,300	110,400	117,500

Loan Guidelines

The loan shall become due and payable in monthly installments on the day the home improvement project is completed and the contractor performing the work is compensated. The applicant is expected to pay the recording fees for the mortgage at the time of the loan closing, these fees are approximately \$50.00. The loan payment start date will begin after the home repair work is completed. The City of Troy must either hold the 1st or 2nd mortgage for this exterior home repair loan. **Homeowners are NOT eligible if they currently have two existing mortgages on the dwelling receiving the home repair assistance.** The loan is due earlier when any one of the following occurs: 1) property is sold; 2) the house is no longer owner-occupied.

There is no penalty for pay off of the loan before your loan period is up. Complete repayment of the loan is required in monthly installments of amortized principal and interest within the loan period. The City of Troy requires automatic deduction from a lending institution (i.e. checking or savings account) for the payment of the loan. This deduction will occur on the 1st of the month. If the normal due date falls on a non-business day, then the deduction will occur on the proceeding business day. A penalty of 10% of the overdue payment amount will be required each month for any payment 10 or more days past due. Standard monthly payments will typically be due on the first day of each month.

Guidelines	Troy Program Option 1	Troy Program Option 2	Troy Program Option 3
Income Limits ¹	80% or less of HUD (&CHIP funds are not available)	Income Limits 80.1%-99.9% of HUD Income Limits	Greater than 100% of HUD Income Limits
Minimum Loan	\$5,000	\$5,000	\$5,000
Maximum Loan	\$20,000	\$40,000	\$10,000
Interest Rate ²	0%	Current Prime Rate	Current Prime Rate
Loan Terms (fixed) ³	10-year non-forgivable loan	10-year non-forgivable loan	5-year non-forgivable loan
Match Required	No Match	25% Match Required	50% Match Required

1. *Based upon HUD Estimates of median family Income with adjustments based upon family size.*
 2. *Loans based upon Current Prime Rate at closing*
 3. *Loan deferrals are NOT permitted*
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The City of Troy can accelerate the loan, without notice, and demand full payment of the loan immediately if the borrower fails to:

- Disburse loan funds within six months and/or complete the project;
- Provide payments for two or more consecutive months;
- Obtain the necessary Miami County Building Regulation permits; Troy Historic District Permits (if applicable); Troy Zoning Permits; or other causes determined by the City of Troy;
- Make use of the entire loan commitment for its intended, approved purposes outline in the loan agreement;
- Occupy the home as their primary residence;
- Comply with all other laws and ordinances of the City of Troy.

The remaining loan proceeds not disbursed shall be returned to the City and the outstanding loan amount shall be reduced accordingly. Previous fees, interest, and disbursed principal shall not be refunded.

Important

THE FOLLOWING INFORMATION BELOW WILL BE REQUIRED FOR INCOME VERIFICATION AND WILL BE REQUESTED WHEN YOU RECEIVE A FULL APPLICATION (PLEASE NOTE THAT NOT ALL THE INFORMATION WILL PERTAIN TO YOUR CURRENT INCOME SITUATION):

- **Federal Filed Income Taxes** – A copy of your most recent Federal Filed Income Taxes. If you are self-employed, provide copies of the last two years.
- **Employment** – Copies of either 8 paystubs if paid weekly or 4 biweekly pay stubs reflecting **year to date** total.
- **Unemployment** – A statement from the agency verifying the gross amount of weekly unemployment income received.
- **Pension** – A copy of the pension statement benefit or a check receipt reflecting the gross monthly amount received or a copy of one of the monthly checks.
- **Social Security, SSI, Disability** – A copy of the benefits statement or a printout from the agency. Income must reflect this year, not the previous year income.
- **Bank Statements** – Copies of the last three (3) months statements (savings, checking, CD, stocks, bonds, etc.).
- **Self-Employed Driver – i.e. Door Dash; Grub Hub; Uber; Lyft** – Submit the enclosed Self-Employed Questionnaire and requested supporting documentation for each company.
- **Eligible Working Adults** – Any working adult resident must provide their income documents.
- **No Working Adults** – If there is no income from an eligible working adult then they will need to fill out a No-Income Sheet submitted. This form can be obtained from the Troy Development Department.
- **Homeowner's Insurance** – A copy of a statement or invoice that reflects the premium amount you pay for homeowner's insurance.
- **Homeowner's Mortgage** – A copy of a statement or invoice that reflects the premium amount you pay for the mortgage.

Priority is going to be given to applicants who are under current Troy Property Maintenance Orders; have a health and safety emergency i.e. hole in their roof; extremely low income; and the date the Troy Exterior Home Repair Loan Assistance Request Form is received. An internal review committee will review your assistance request form and will also set up a follow up visit to your property to verify the requested repairs.

After the internal review committee completes a site visit and we verify that your requested repairs meet the guidelines of this program then we will provide you with a FULL application to complete, which will include all the income supporting documentation that we will need to verify your current income. PLEASE DO NOT SEND ANY OF YOUR INCOME DOCUMENTATION WITH THIS ASSISTANCE REQUEST FORM.

All income for program eligibility is based on current income. Current income will be projected to yearly gross income.

**You can request an application by calling
Nikki Reese, Community Development Manager in the
City of Troy Development Department at
937-339-9601 Ext. 3.**

Or

Stopping in the Development Office located at 102 S. Market St. Troy, OH 45373

As with all federally funded programs and any conventional bank home repair loan programs, the City of Troy's Residential Exterior Housing Improvement Program will require personal financial disclosure. Personal financial information shared with the City of Troy Development Staff is personal and confidential and shall be so designated. The personal and confidential financial files will not be available for public inspection to the extent permitted by law.