



HOUSING REHABILITATION PROGRAM

FACT SHEET

FY2022

OVERVIEW: Hilltown Community Development Corporation’s (HCDC) Housing Rehabilitation Program offers low to moderate income homeowners an affordable means to make needed repairs to their homes. Funding is provided through various State and Federal Grant Programs, and therefore, the availability of funds in any given town may change from year to year.

ELIGIBLE TOWNS: We currently have funding available for the residents of Chesterfield, Cummington, Goshen, Peru, Plainfield, Williamsburg, Worthington.

ELIGIBLE WORK: Some examples of eligible repairs are as follows, but are not limited to:

- | | | |
|--------------------|-------------------|------------------------|
| electrical updates | foundation repair | siding/sheetrock |
| sill work | doors/windows | handicap accessibility |
| septic systems | chimneys/roofs | asbestos removal |
| floors/joists | wells/pumps | heating systems |
| insulation | Plumbing updates | bathrooms |
| hot water systems | ceilings/walls | lead paint removal |

HOUSEHOLD INCOME GUIDELINES/LIMITS: Owner-occupant homeowners must have incomes equal to or less than the following amounts for their respective household size:

Household Size	Gross Annual Income
1	\$52,750
2	\$60,250
3	\$67,800
4	\$75,300
5	\$81,350
6	\$87,350
7	\$93,400
8	\$99,400

LOAN OVERVIEW:

The Housing Rehab program provides “deferred payment” loans which have **no payments** and **no interest**. A percentage of the loan is forgiven each year until the loan expires (typically 15 years). A mortgage is filed to recapture the unforgiven portion of the loan if the property is sold or transferred prior to the expiration of the loan. Funding is provided by the MA Department of Housing and Community Development (DHCD).

FOR MORE INFORMATION and/or an APPLICATION:

Call Marjorie Liscombe, Program Manager at 413-296-4536, ext. 109.

Email: marjoriel@hilltowncdc.org

You can also visit online at www.hilltowncdc.org.



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HOUSING REHABILITATION PROGRAM

FAQs

What information is used to determine eligibility? Eligibility is determined by collecting income information from all household members over age 18 (not enrolled in school full-time). This includes wages, business income, rental income, social security, pensions, alimony, child support, dividends, interest earned, etc. Assets such as checking and savings accounts, IRA's, 401K's, stocks, or other valuables are also factored into the eligibility calculations. All information is strictly confidential and will only be used to determine eligibility for the program.

What is the typical amount of a Housing Rehab loan? The average project cost ranges from \$25,000 - \$30,000 with each project addressing either a single code violation or multiple code violations. Projects must meet a minimum of \$10,000 in repair costs to be eligible for the program.

If I have an emergency situation will my project be expedited? Applications are prioritized based upon need. Those with greater repair needs, lower incomes, and requests for handicap accessibility are scored higher. Leaking roofs, failed septic systems, contaminated wells, or other serious plumbing, electrical, or structural problems may constitute an emergency situation which will also expedite your application.

Do I get to determine what work will be completed? Once your eligibility is verified, our dedicated Housing Rehabilitation Specialist will meet with you to conduct a detailed inspection of your home and compile a list of all code violations and repairs to be made. The Rehab Specialist will create a work plan including the types of materials to be used and the methods to complete the work, along with an estimated timeline and cost to complete the project. The work specifications are then reviewed and approved by the homeowner prior to bidding the project.

I have an old house - will I need to address every code violation in my home? You are not required to address every code violation, but non-code work cannot be completed until all code items are addressed.

Who does the repair work and how are they selected? All work is completed by licensed local contractors. To bid on a project, each contractor must provide copies of current licenses, insurance, and references. If the contractor's licenses are in good standing and their references are satisfactory, the contractor is invited to bid on the projects. The program will pay for the lowest bidder. The homeowner can elect to work with a higher bidder, but they must pay the difference.

What if I am unsatisfied with the work being completed? If you feel there are any problems with the work being completed, you should discuss this with the contractor and our Housing Rehab Specialist. In addition to regular inspections by local town building officials, the Rehab Specialist inspects projects weekly to ensure that work is being completed satisfactorily as specified in the work plan. Each time the contractor submits an invoice for payment, the work must also be inspected by the Rehab Specialist. Both the homeowner and the Rehab Specialist must approve the work prior to payment being authorized.

What happens if I sell my home before my loan expires? These loans have no interest and no payments, and each year that you continue to own your home, a percentage of the loan is forgiven. After 15 years, the lien is released. If you sell your home before the loan is fully forgiven, the unforgiven balance will need to be repaid. However, if ownership is transferred, the new owner may also apply to the Housing Rehab Program to determine if they meet the income and occupancy requirements of the program. If they are determined eligible, then an application is filed with the town to transfer the loan and, if approved, the loan will continue to forgive until the remaining years have expired.

No interest and no payments? Really? The Housing Rehabilitation Program receives funding from the Department of Housing and Community Development (DHCD) through the State of Massachusetts. The purpose of the grant is to assist low to moderate income homeowners maintain safe, sanitary, and healthy housing and to help promote economic development in our rural communities.