



Fact Sheet Home Improvement Program

What is the Home Improvement Program?

The Home Improvement Program (HIP) offers Skokie homeowners **0% interest, deferred forgivable loan** to pay for needed home repairs and maintenance. The program is designed to help homeowners maintain their homes in good condition, while keeping their homeownership costs affordable. Funding is provided by the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant Program (CDBG).

Qualified lower income homeowners may receive up to \$12,000 for eligible home repairs. **There are no monthly payments and the amount owed is forgiven after 15 years if the homeowner still owns the home.** If the homeowner sells the home or otherwise transfers title before the 15-year period is over, the prorated balance borrowed is repaid at that time. **In either case, no interest is charged.** To ensure repayment during the 15-year period, a lien is placed on the rehabilitated property. The lien expires at the end of the 15-year period. The homeowner's credit rating is not affected, and the Village may subordinate the lien if the homeowner refinances the mortgage.

Program funding may be allocated to residents on a rotation after 15 years. Homeowners are subject to program funding, policy & procedures, and income limits at that time. Funding is not guaranteed.

What Types of Repairs can be made with the HIP?

The HIP must first be used to eliminate any hazardous or life-threatening code violations, and second to eliminate other housing code violations, especially those that threaten the long-term habitability of the house. Eligible repairs may include:

- Roof Repairs/Replacement
- Furnace/Boiler Repair or Replacement
- Siding, Gutters, Fascia and Soffit
- Tuck-pointing
- Porch/Step Repairs
- Electrical Repairs/Service Upgrades
- Plumbing Repairs
- Drywall/Plastering
- Foundation and Structural Repairs
- Flood Control/Drainage
- Architectural Barrier Removal and Ramping (for the Handicapped/Disabled)
- Lead Paint Abatement

HIP funds **may not** be used for aesthetic or cosmetic work; work done on accessory buildings (except repair or demolition of unsafe garages); or cleaning or replacement of carpets, draperies, furnishings, or appliances.



Who is eligible for the HIP?

Because the HIP is a federal program and funds are limited, only homeowners who meet certain requirements can participate. The basic requirements are:

1. HOMEOWNERSHIP and OCCUPANCY

The applicant must **own** and **occupy** a single-family property in the Village of Skokie. The applicant must have owned and occupied the home for **at least one year** and should have **at least 10% equity in the home**. These requirements may be waived under certain circumstances, as determined by the CDBG Coordinator and North West Housing Partnership. Mobile home properties are ineligible for assistance.

2. INCOME LIMITS

The applicants' total annual household income must fall within the limits specified by the federal government. To determine whether your household income qualifies, first calculate **the total annual Adjusted Gross Income for all working adults (18 years old and over) living in your household, whether or not their name is listed on the deed to the property**. Adjusted Gross Income for the previous tax year is found on Line 31 of Form 1040, Federal Income Tax Return. Next, find the line that shows the total number of people living in your house in the left-hand column of the chart below. Then look at the corresponding number in the right-hand column. If your family's total annual Adjusted Gross Income is the same or less than this number, you are probably eligible for the program.

TOTAL NUMBER OF PEOPLE IN HOUSEHOLD:	<u>MODERATE INCOME:</u> TOTAL HOUSEHOLD INCOME CANNOT EXCEED:
ONE	\$61,800
TWO	\$70,600
THREE	\$79,450
FOUR	\$88,250
FIVE	\$95,350
SIX	\$102,400
SEVEN	\$109,450
EIGHT	\$116,500

After reading these instructions, fill out the attached pre-application and send it to the:

**North West Housing Partnership
1701 E. Woodfield Rd., Suite 203
Schaumburg, IL 60173**

If you have any questions, or would like help in filling out the application, please contact the North West Housing Partnership at **847.969.0561** or CDBG Administrator (Justine Malone) at **847.933.8411**.

North West Housing Partnership has professional affiliations with the County of Cook, Kane, & DuPage, HUD, Illinois Housing Development Authority (IHDA) and lending institutions. As a program participant, you are not obligated to use the products and services of North West Housing Partnership or our industry partners. NWHP does not discriminate based on race, gender, religion, or any protected class.

Please inform North West Housing Partnership if you are experiencing difficulty due to a disability or language barrier, NWHP will seek alternative arrangements of services to accommodate your needs.

The information you give will be held in the strictest of confidence. NWHP does not share your information with third party vendors.