

City of New Orleans

OWNER-OCCUPIED REHAB PROGRAM

Office of Community Development Contact Information

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The City of New Orleans has launched a deferred forgivable loan program that provides up to \$35,000 to eligible City of New Orleans' Homeowners for health and safety repairs on their home. The loan will be for 10 years at a 0% interest rate with payments deferred and forgiven until the earlier of loan maturity, sale, transfer of ownership, or failure to maintain the property as the primary residence during the 10 year term.

The principal balance is reduced by 10% annually provided the eligible homeowner maintains primary residency. The prorated remaining balance is due and payable immediately if the home is sold, transferred, or no longer the primary residence within the 10 year term. A lien will be placed on the home. Homeowner must maintain taxes and insurance throughout the loan period.

The maximum loan amount per home, inclusive of all construction related costs and closing costs is \$35,000 per home.

Eligibility Guidelines

- Homeowner must reside within Orleans Parish
- Must be a primary homeowner and existing resident of the property at least five (5) years prior to application.
- Annual Household Income must not exceed 80% of Area Median Income (AMI; adjusted for household size, limitations may apply).
- Senior households aged 55+, Military Veterans, Disabled Head of Household and those that have been in their homes for 15+ years will have priority in the program.
- Homeowners with 1st and 2nd mortgage liens are permitted, provided all mortgages are current and not in default.
- Homeowners with outstanding tax liens are ineligible for the program.
- Prior recipients of owner-occupied rehabilitation grants funded by the City of New Orleans resources within the previous five (5) years are ineligible for the program.

% MFI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	14,150	16,200	18,200	20,200	21,850	23,450	25,050	26,700
50%	23,600	27,000	30,350	33,700	36,400	39,100	41,800	44,500
60%	28,320	32,400	36,420	40,440	43,680	46,920	50,160	53,400
80%	37,750	43,150	48,550	53,900	58,250	62,550	66,850	71,150

Eligible Repairs

Eligible repairs are prioritized to address issues pertaining to: Health and Life safety; Accessibility; Deferred Maintenance and Home Exterior Improvements. **This is not a home remodeling program.**

FREQUENTLY ASKED QUESTIONS

The goal of the program is to preserve affordable housing opportunities for low and moderate-income households, allowing these residents to remain in their communities.

WHAT KINDS OF REPAIRS WILL THIS PROGRAM OFFER?

- Eligible repairs are prioritized to address issues pertaining to: 1. Health and Life safety; 2. Energy Efficiency; and 3. Deferred Maintenance and Home Exterior Improvements.

WHICH NEIGHBORHOOD DOES THIS PROGRAM SERVE?

- The program will serve households throughout Orleans Parish.

WHO IS GIVEN PRIORITY FOR THE PROGRAM?

- Eligible participants are prioritized in the following way: 1. Heads of household aged 55+ with income \leq 80% AMI (Area Median Income), 2. Disabled heads of households with income \leq 80% AMI (Area Median Income), 3. Veteran heads of households with income \leq 80% AMI (Area Median Income), 4. Households with combined income \leq 80% AMI (Area Median Income), 5. Those who have lived in their homes 15+ years.

HOW MUCH MONEY WILL THE PROGRAM PROVIDE FOR MY HOME REPAIRS?

- The maximum deferred forgivable loan will be \$35,000.
(Note: Includes all repair costs)

ARE THERE ANY OUT OF POCKET COSTS FOR ME TO PARTICIPATE IN THE PROGRAM?

- No, qualified homeowners do not pay any money out of pocket for the application or rehab services.

AM I TAKING OUT A LOAN FOR MY HOME REPAIRS?

- Yes. However, no payment is required for the loan unless the program participant moves out of the home, refinance or sells the property before the expiration of the 10 year affordability period.

WILL THERE BE A LIEN ON MY HOME?

- Yes. Homeowners with a 1st or 2nd mortgage against their properties are eligible for this program. An additional lien will be placed against the property until the homeowner has lived in the home for 10 years. At the end of the 10-year period, the lien will be fully forgiven and released from the property. Homes with tax liens and past due mortgage payments are prohibited from participating in the program.

HOW DO I APPLY?

- Applicants may apply directly to the Office of Community Development located at 1340 Poydras Street, 10th Floor New Orleans, LA 70112. Priority will be based on the following criteria: Senior households aged 55+, Military Veterans, Disabled Head of Households, and those who have lived in their home for 15+ years. **Applications will be accepted through October 30, 2019 at 1340 Poydras Street, 10th Floor Receptionist desk or emailed to ocdintake@nola.gov.**

FOR FURTHER INFORMATION CONTACT

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