

DENVER URBAN RENEWAL AUTHORITY HOUSING PROGRAMS

SPONSORED BY THE CITY AND COUNTY OF DENVER'S DEPARTMENT OF HOUSING & NEIGHBORHOOD
DEVELOPMENT SERVICES PROGRAM

SINGLE FAMILY REHABILITATION PROGRAM

The Single Family Rehabilitation (SFR) Program is offered to residents of the City and County of Denver. These loans are ONLY for owner-occupied, single-family structures within the city limits of the City and County of Denver.

These funds are designed to provide low or no interest loans to lower income homeowners throughout the City of Denver. The program has a focus in impacted areas of the City: those in older, deteriorated neighborhoods selected for concentrated rehabilitation efforts. The SFR program is intended to address all code violations including roof, heating, electrical system, plumbing, insulation, gutters, steps, windows, doors and exterior of structures. Depending on the applicant's ability to qualify for these loans, other items such as rehabilitation of kitchens, baths, interior painting and carpeting may be eligible items. Loans will be secured by a mortgage lien on the property. The mortgage lien will be similar to any security arrangement used when a home is offered as security for a long-term home improvement loan.

There are two types of the Single Family Home Rehabilitation Loans. The type of loan for which a person is eligible depends on the individual's income and family size. (See Income guideline table included in this packet)

1. Deferred Loans

With this loan, the payment is deferred and no monthly payments are required. There is no interest charged on this type of loan. At the loan closing, the homeowner will sign a Promissory Note and Deed of Trust which places a lien on the property. This note becomes due and payable upon death of the homeowner, certain types of refinance, sale of property or if the homeowner ceases to occupy the property. Individuals whose gross incomes are at or below 50% of the median income may qualify for this loan.

2. Amortized "Pay Back" Loans

DURA is offering this loan at a 1% interest rate amortized over a 20-year period. The maximum loan is set at \$35,000.00 or the cost of rehabilitation -- whichever is less. Individuals whose gross incomes do not exceed 80% of the Denver area median income may qualify for Amortized SFR Loans.

If your total **gross income (before taxes)** and your family size do not exceed these limits, you are eligible to submit your application for assistance under DURA's SFR program.

The enclosed application must have ALL INFORMATION completed in its entirety. A document checklist is provided with this application. All addresses, phone numbers, balances, and account numbers must be provided on all assets and revolving or installment debts. The application must be signed and dated by all parties who have title to the subject property.

- Proof of income for homeowner (s).
- Any person over the age of 18 who resides in the subject property and will not be a party to the loan must provide proof of income or a letter of contribution of money that is given to you on a weekly or monthly basis for room and board.
- Copy of complete divorce decree or separation agreement along with the interlocutory (property division) agreement.
- Complete prior years income taxes including W2's
Current bank statements for the last 2 months.
- Copy of complete bankruptcy papers with all schedules and evidence of discharge.
- Must provide letter of explanation for any **derogatory credit** including, but not limited to; bankruptcies, collections, judgments, foreclosures, and late payments. We will be pulling a credit report.
- Copy of current and paid Homeowners Insurance Declaration Sheet.

Self-employed borrowers:

- 1) Signed and dated **IRS 1040 with all the schedules** for the previous two years.
- 2) Current **profit-and-loss** statement including balance sheet signed and dated by the applicant (s).
- 3) If the business is a corporation or partnership, copies of signed and dated **business tax returns** for the past two years with all applicable schedules attached.

(NOTE: An applicant who owns 25% or more in a business is considered self-employed)

ELIGIBLE REPAIRS

Upon acceptance of you as an applicant, a DURA Rehabilitation Specialist will be assigned to your loan. They will contact you to set-up the initial appointment to conduct a thorough inspection for needed repairs called a Description of Work.

The intent of the Single-Family Rehabilitation Program is to correct deficiencies that directly impact the habitability, health, and safety of the owner-occupants. **This program is not intended to be used for remodeling purposes or to repair the home for a future sale.** The current maximum loan amount is \$35,000.

The following items must be addressed (if necessary):

1. Roof
2. Unstable foundation
3. Mechanical (i.e. faulty furnaces, water heaters, etc.)
4. Electrical
5. Plumbing
6. Windows, doors, insulation and weather-stripping
7. Exterior Paint
8. Unsafe or unsanitary conditions
9. Lead-based paint abatement

Other eligible items:

1. Handicap accessibility (i.e. ramps, retrofit bathroom or kitchen)
2. Sidewalk or driveway that are hazardous to occupants
3. Floor coverings that cause sever tripping hazard
4. Diseased tree removal or other tree hazards
5. Interior paint
6. Fencing

Case Number

**HOUSING & NEIGHBORHOOD DEVELOPMENT SERVICES REHABILITATION LOAN PROGRAM
GENERAL DATA SHEET
REQUEST FOR HOUSING REHABILITATION APPLICATION**

Address: _____ Zip Code: _____

Phone No. Home _____ Phone No. Work _____

FAMILY MEMBERS LIVING AT RESIDENCE

Head of Household: _____ Social Security: _____ Age _____

Spouse: _____ Social Security: _____ Age _____

Dependents:	Relationship	Age	Other	Relationship	Age

Total Family Size: _____

Disabled? Yes No List Disabled Person(s):

HEAD OF HOUSEHOLD ETHNIC GROUP:

Hispanic _____
Not Hispanic _____
Chose Not to Answer _____

HEAD OF HOUSEHOLD RACIAL GROUP:

White _____ American Indian & White _____
Black _____ Black & White _____
American Indian _____ Native Hawaiian/Pacific Islander _____
Asian _____ American Indian & Black _____
Multi-Racial _____ Asian & Pacific Islander _____
Asian & White _____ Would Not Disclose _____

EMPLOYMENT OR OTHER SOURCE(S) OF INCOME

	SOURCE	ADDRESS	GROSS INCOME
Head of Household			
Spouse			
Other			
Other			
	Contributions From Other Family Members:		
	TOTAL:		

Previous Employment if less than two years:

Employer: _____ Address: _____ How Long? _____

LIQUID ASSETS

Source	Source's Name	Address	Account No.	Account Balance
Checking				
Savings				
Stocks/Bonds				
Other Real Estate				
IRA's				
Other				

(over)

TO WHOM IT MAY CONCERN:

I/We have applied for a Single Family Rehabilitation Loan through the DENVER URBAN RENEWAL AUTHORITY and hereby authorize the verification of information furnished in support of the loan application.

Homeowner's Signature

Social Security Number

Homeowner's Signature

Social Security Number

Address

Case Number

Phone Number

DENVER URBAN RENEWAL AUTHORITY
1555 California Street, Suite 200
Denver, Colorado 80202
303-534-3872 fax: 303-534-7303



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1555 California Street, Suite 200
Denver, Colorado 80202
303-534-3872 fax: 303-534-7303



PLEASE SIGN AND RETURN THIS DOCUMENT.

Memorandum of Understanding

Deferred Loans - With this loan, the payment is deferred with no interest and no monthly payments are required. At the closing, the homeowner will sign a Promissory Note and Deed of Trust which places a lien on the property. This note becomes due and payable upon death of the homeowner, certain types of refinances, sale of property or if the homeowner ceases to occupy the property. The SFR Deferred Loans are offered to individuals whose incomes are at or below 50% of the median income.

Amortized "Pay Back" Loans - Currently, DURA is offering loans at 1% interest amortized over a 20-year period. The maximum loan is set at \$35,000.00 OR the cost of rehabilitation -- whichever is LESS. Individuals whose gross incomes do not exceed 80% of the Denver area medium income (see amounts in the following table) may qualify for Amortized SFR Loans.

INCOME GUIDELINE TABLE

FAMILY SIZE	GROSS INCOME (DEFERRED)	GROSS INCOME (AMORTIZED)
1	\$25,150	\$40,200
2	\$28,700	\$45,950
3	\$32,300	\$51,700
4	\$35,900	\$57,450
5	\$38,750	\$62,050
6	\$41,650	\$66,650
7	\$44,500	\$71,250
8	\$47,400	\$75,850

TO: DENVER URBAN RENEWAL AUTHORITY

We/I have read the above explanation of amortized "Pay Back" loans and Deferred loans and understand how these loans work. We/I would like Denver Urban Renewal Authority to process our/my loan application. I understand the loan which applies to our/my income will be a "Pay Back" or "Deferred" Loan.

Applicant's Signature

Date

Applicant's Signature

Date

PLEASE SIGN AND RETURN THIS DOCUMENT.

Borrower Responsibilities

All applicants must read the following statements and sign and date this form as an acknowledgment that you fully understand your rights and responsibilities during the course of the application process and rehabilitation of your home.

- The contractors and property inspectors must have access to your home from the hours of 8:00 am - 5:00 p.m., Monday through Friday during the rehabilitation period. Any variation to this will impact the timeliness of completion of the repairs required.
- Any access to your home on weekends or outside of the time stated above must be put in writing between you and contractor, with dates and times indicated. A copy of this arrangement must be given to DURA.
- At no time shall any DURA employees, contractors or inspectors enter and/or remain in your home when minor children are left without adult supervision. (Must be at least 18 years.)
- Contractors must have full access to all utilities including water and electricity during the days and hours stated above. If your home has more than one bathroom you should request, in writing, that they use a specified bathroom.
- Contractors can not and will not smoke or eat in your home.
- You agree to sign all checks made payable to you and the contractor if the work being paid for was done in accordance with the "Description of Work".
- Any changes to the "Description of Work" **will not** be permitted after your loan closing, unless a change order has been accepted by the homeowner(s), DURA, the contractor, and as needed, the Department of Housing & Neighborhood Development Services (DHNDSD). Representative. The only eligible changes to the "Description of Work" are eligible repair items which were unforeseen during the initial property inspection. Failure to comply with this requirement will result in the homeowner paying for the change.
- You must notify DURA immediately if there is any change to your income or you have incurred any new debts since the date of the application. Failure to do so could be deemed as an attempt to provide false information to a governmental agency.
- The homeowner must be available for City and County Building Department inspection appointments. Failure to meet inspectors at agreed time and date will result in an inspection fee of \$50.00 to be paid by the homeowner prior to any further appointments.
- You have the right to expect professional workmanship and professionalism from employees of DURA and the contractor's performing work on your home.

I have read the above rights and responsibilities. By signing this form I am stating that I fully understand and agree to the conditions stated above.

Applicant's Signature

Date

Applicant's Signature

Date

PLEASE SIGN AND RETURN THIS DOCUMENT

SUBORDINATION

If you are approved and close a loan under the DURA Single Family Rehabilitation program, there will be a lien placed against the title on your property. There are instances when you may ask DURA to SUBORDINATE.

A request for SUBORDINATION is a request to not pay off the DURA lien in the refinance of your home.

Subordination of a DURA lien **will** be considered for the following reason:

- A refinance of your existing mortgage loan to lower the interest rate and provide a monthly payment that does not jeopardize DURA's loan position.

Subordination of a DURA lien **will not** be considered if any of the following occur:

- Payoff of any consumer debt (ie., credit cards, car loans, etc.)
- Loan which will result in any cash to the homeowner at closing
- The use of equity to purchase other property and /or invest in a business venture
- A refinance that will increase the current and/or future interest rate and/or mortgage payments above the current interest rate or a payment being assessed on the current mortgage
- Adjustable Rate Mortgages
- Balloon payment loans
- Reverse Mortgages

_____ Date: _____
Applicant's Signature

_____ Date: _____
Applicants Signature:

PLEASE SIGN AND RETURN THIS DOUMENT

