

Loan Terms

- A Housing Rehabilitation loan is deferred — meaning that the homeowner makes no monthly payments. The term of the loan is 30 years, or sometimes longer, depending on the length of the existing mortgage; however the loan can come due in the event that the property is sold, refinanced, transferred or rented. The loan can also be called if there is a violation of the conditions of the program.
- The actual loan amount depends on several factors: the extent of the work, the available owner-equity in the property, the current monthly housing costs and, on amortized loans, the homeowner's ability to repay.
- The interest rate is 3% simple interest per year. The principal and interest payments are deferred for the term of the loan. After the 10th anniversary of the loan, interest will no longer be charged for the remainder of the loan term.
- A borrower may pay the entire deferred payment loan at any time without penalty.

How to apply

- Return the Program Interest Form. When your project reaches the top of the eligibility list, you will be sent an application packet. Income, savings and existing mortgage verifications will be made and a credit report will be requested. Projects are taken on a first-come, first-serve basis, except for emergency repairs, which are sometimes given priority.
- There is no charge to apply for a loan. All loan costs, such as title insurance, recording fees, termite report, etc. are included as part of the loan amount. Loans are secured by a deed of trust recorded on the property.
- The borrower must maintain fire insurance coverage and stay up-to-date with property tax payments and any required monthly payments.



**Town of Paradise
Business & Housing Services Division
5555 Skyway
Paradise, CA 95969**



Owner-Occupied Housing Rehabilitation Program



Before



After

**Town of Paradise
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5555 Skyway
Paradise, CA 95969
530-872-6986
bhs@townofparadise.com
www.townofparadise.com**

Program Overview

For the past several years, the Town of Paradise has offered housing repair and rehabilitation services to its residents through federal- and state-funded programs. The housing rehabilitation program provides deferred, low-interest loans to low-income homeowners, for health and safety repairs. If, after reading the following information, you would like to be placed on our waiting list, please fill out the attached form and return it to the Town of Paradise.

Homeowner Eligibility

To qualify for the program, you must:

- Own, live in, and be on title to the home to be rehabilitated located in the Paradise Town limits
- Meet certain income guidelines
- Have owned your home for at least one year

Property Eligibility

For the property to qualify for the program, it must be:

- Able to support the loan-to-value ratio after the rehabilitation is complete
- Free of encumbrances, liens or existing loans that do not meet the requirements of the Program
- Able to pass current state and federal guidelines regarding lead-based paint
- Valued under the After-Rehabilitation Limits set by HUD as determined by comparisons or appraisal

Project Eligibility

The following activities are eligible under this Program:

- Improvements required to correct unsafe, unhealthy or unsanitary conditions, including some general property improvements when such improvements are necessary or integral to the rehabilitation work
- Repairs and improvements needed to correct any condition causing the home to be substandard
- Cost of improvements necessary to ensure accessibility of the property to physically handicapped homeowners or dependents occupying the property, when other rehabilitation work is being performed

Program Interest Form

If you would like to be considered for the Town's Housing Rehabilitation Program, please fill out this form and return it to: Town of Paradise, Attn: Business & Housing, 5555 Skyway, Paradise, CA 95969.

Name: _____

Address: _____

Home Phone: _____ Work Phone: _____

Total annual gross household income: \$_____ (For ALL people living in the household, whether related or not. Please include child support, social security, etc. Assets count toward income; if you have stocks, bonds, trusts, large holdings and/or savings, it could affect your income status.)

How many people live in your home? _____

Do you own your home? _____ How long have you owned your home? _____

How much do you owe on your home? \$_____

Is your house a manufactured or a conventional stick-built home? _____

What year was your home built or manufactured? _____

What is the current assessed value of your home listed on your tax bill? \$_____

Do you have liens, unpaid property taxes and/or any delinquent income taxes? _____

Have you ever received any assistance for your house either from the Town of Paradise or any other source? _____
If so, please explain _____

What type of repairs does your home need? (Please use this area to list all of the repairs that your home needs, that you are aware of.)

Plumbing _____

Electrical _____

Roof _____

Windows _____

Doors _____

Foundation _____

Paint _____

Hazard/junk abatement _____

Other _____
