

## Burrillville Policy Rules for Housing Rehabilitation Program

Burrillville Planning, 144 Harrisville Main St., Harrisville, RI 02830

Effective: July 1, 2015

<b>CONTACTS</b>	Thomas Kravitz, Planning & Economic Development Coordinator (401) 568-4300 ext. 130 tkravitz@burrillville.org M. Christine Langlois, Deputy Planner ext. 131 Fax: (401) 710-9307 clanglois@burrillville.org
<b>GENERAL REQUIREMENTS</b>	Only one loan permitted per property. Additional loan available upon payment of existing loan in entirety and availability of funding. 51% of rental units must be LMI Households. For duplex (2 unit building), both units, 100%, must meet income requirements.
<b>PRE-QUALIFYING WORKSHEET</b>	Required for loan.
<b>CREDIT APPLICATION</b>	Required for loan.
<b>REHAB ASSISTANCE APPLICATION</b>	Required for loan.
<b>LEAD-BASED PAINT POISONING FORM</b>	Required.
<b>DEFERRED LOANS 30% TO 50%AMI. FORGIVABLE LOANS LESS THAN 30% OF AMI</b>	Owners of rental property must be income eligible to receive loans (even if tenant(s) is/are <50% AMI).  Must BE OWNER OCCUPIED.
<b>LOANS REQUIRED 50% TO 80% OF AMI</b>	Up to maximum of \$25,000 Loan No minimum on sewer connection projects.
<b>LOAN TERM**</b>	7, 10 or 15 Years @3%
<b>LIENS</b>	Forgivable loan liens are discharged after 5 years (can be pro-rated). Deferred loan liens remain until the property is sold or transferred. Payable loan liens are discharged upon payment of loan of the loan.
<b>DEBT TO VALUE - LOAN</b>	95%
<b>DEBT TO INCOME - LOAN</b>	<46%
<b>TITLE</b>	None required
<b>LEGAL DESCRIPTION</b>	Required for lien
<b>EQUITY</b>	Must be equal to loan or forgivable loan. Assessor's Card permissible for value determination.
<b>PROPERTY INSURANCE</b>	Copy of binder with town as named insured required
<b>INCOME VERIFICATION</b>	Required – CDBG income limits; Two recent paystubs (if working); recent yearly SSI statement; copy of most recent income tax filing;
<b>CREDIT REPORT</b>	required
<b>APPRAISAL</b>	None required
<b>TAXES: PROPERTY, FIRE, &amp; SEWER</b>	Current status
<b>PRELIMINARY INSPECTION &amp; WORK FEASIBILITY ASSESSMENT</b>	Conducted by construction supervisor – code violations and lead hazards
<b>WORK SPECIFICATIONS</b>	Written by construction supervisor & used for bid solicitation by owner.

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<b>BIDS</b>	3 required – obtained by owner with assistance from Town as necessary.
<b>CONTRACTOR REQ.</b>	State certified, Lead licensed (if appl), insurance, references, Fed ID or SS#. Sewer connection projects requiring licensing with Burrillville Sewer Commission
<b>LEGAL DOCS</b>	Mortgage, Promissory Note, Rehabilitation Contract, Truth & Lending
<b>LEAD INSPECTIONS AND CLEARANCE EXAMINATION</b>	If built pre-1978, project includes lead reduction, and hard costs are over \$5,000, comprehensive lead inspection and Lead Safe Clearance Certification by certified lead inspector of entire property is required. If work does neither include lead nor disturb lead, it is exempt from this requirement.
<b>CONTRACTOR PAYMENT</b>	Written request for check payable to contractor sent to town with client and contractor information, invoice, and client written acceptance. Check pickup by administrator and distributed to contractor.
<b>PREPAYMENT PENALTY</b>	None

\*\* Repayment Scenario:

<b>Loan Amount</b>	<b>7 year loan/mo.</b>	<b>10 year loan/mo.</b>	<b>15 year loan/mo.</b>
\$ 8,000.00	\$105.71	\$77.25	\$55.25

I have read, and agree with, the above-referenced rules of the Burrillville Housing Rehabilitation Program.

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Applicant

\_\_\_\_\_

Co-Applicant

\_\_\_\_\_

Burrillville Housing Rehabilitation Program

\_\_\_\_\_

Date