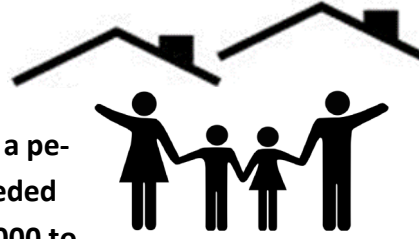


# Home Rehabilitation Assistance

Assistance to repair your home may be available in the form of a no interest loan, a portion of which may be forgiven over a period of time. Loan / grant amounts depend upon the work needed but are capped at \$10,000. Loan / grants may range from \$1,000 to \$10,000 with funding coming from SD Housing Development Authority through Huron Housing Authority. Assistance is available based on your income. Read below to determine if you qualify for the Homeowner Rehabilitation Program.



## Assistance Available Based on Income

In order to qualify for assistance, applicants must make less than the amounts shown in the following table:

Family Size	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Annual Income Limits	\$40,960	\$46,800	\$52,640	\$58,480	\$63,200	\$67,840	\$72,560	\$77,200

## How do I determine my Income?

All income for all adult household members received during a 12-month period must be counted.

All income sources below must be included:

- Gross wages and salaries - before payroll deductions, overtime pay, commissions, fees, tips, and bonuses.
- Net income from the operation of a business or profession including rental of real or personal property.
- Interest, dividends, and other income from family assets.
- Full amount of periodic payments received from Social Security after deductions of Medicare premiums (including social security received by adults on behalf of minors or by minors intended for their own support).
- Payments in lieu of earnings, such as unemployment and disability compensation, workman's compensation, and severance pay.
- Periodic and determinable allowances - such as alimony and child support payments, and regularly recurring contributions or gifts received from person not residing in the dwelling.
- Income received from annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- All regular pay, special pay, and allowances of a member of the armed forces who is head of the family of spouse, whether or not that family member lives in the unit.
- Any earned income tax credit to the extent it exceeds income tax liability.

## About the Huron Housing Authority

Huron Housing Authority (HHA) has successfully administered housing programs in Huron since 1969. HHA was successful in 2020 in obtaining funding for single-family low-income residential rehabs from the SD Housing Development Authority. This funding, in addition to funding from other local sources, are critical to enabling the rehabilitation of households, thereby inhibiting blight and resident displacement.

<---These are 2020 #'s.  
<---Update when 2021 #'s are available.

### Homeowner Rehab Program Partners:

- City of Huron
- Community Development Fund
- Community Innovation Grant Program of SDCF
- FNBO Community Development Grant
- Huron Community Foundation
- Huron Area Chamber of Commerce
- SD Housing Development Authority



## Homeowner Rehabilitation Program

A program administered by the Huron Housing Authority of Huron, SD.



Huron Housing Authority of Huron, SD, is an equal opportunity provider and employer.



About the...**Homeowner**

## Rehabilitation Program

This program offers no interest loans, a portion of which may be forgiven over a period of time, to qualified homeowners in Huron. This allows homeowners, especially lower-income working families, the disabled, and the elderly, to repair their homes with the aid of much needed financial assistance provided by Huron Housing Authority to prevent displacement.

**Is This a Loan or a Grant?** The answer is “Yes.” The program requires the homeowner to live in the home for five years (60 months) after the rehab project is complete. If the homeowner can meet this requirement, then over the five years (60 months) the loan becomes a grant and no repayment is required. In this situation, one sixtieth of the grant is forgiven each month during the five years that the homeowner lives in the home. However, if the homeowner moves out or sells the home during the five years, then the homeowner or the homeowner’s heirs are liable to repay a proportion of the loan with one sixtieth of the loan being forgiven for each month that the homeowner lived in the home prior to moving out or selling the home. For example: if the homeowner lives in the home for 48 months after the rehab project is complete, then  $48/60 (= 4/5 = 80\%)$  of the grant is forgiven. The homeowner would be liable to pay back 20% of project cost. If the homeowner can not afford to make the repayment, then the lien on the home requires that the 20% be repaid out of the proceeds of the sale of the home.

**Note: In all cases a mortgage is placed against the property to insure the repayment of the loan.**

## Program FAQs

### Who qualifies for assistance?

Any owner-occupant who meets the program’s income guidelines (see chart on reverse of this page) and who lives in Huron, SD, may apply. Applicants must own the home, and it must be their principal residence. A copy of an executed and recorded deed is needed to verify ownership. Homeowner’s must also have satisfactory credit, be current on all property taxes and mortgage payments, have a current homeowners insurance policy, and cannot have an open bankruptcy.

### How much do I have to pay?

There are no up-front costs that applicants must pay. Any administrative costs related to a project will be paid from the project funding.

**What work can be done?** Building code items or health and safety hazards will be addressed through this program (no remodeling). Some examples of repair work include:

- Repair and replacement of roofs and furnaces,
- Repairing electric or plumbing,
- Replacement of windows and doors, and
- General stabilization and safety improvements.

**Who does the work?** Homeowners will participate in the selection of the rehab contractor. The Housing Rehab Specialist will assist in the qualification and selection of the contractor. In order to be approved, contractors must be reputable, be licensed in SD, carry adequate Workers Comp and Liability insurance and, if applicable, be certified to perform work in accordance with federal lead-based paint safe work practices.

**Can I do my own work?** No. All work must be completed by a pre-approved contractor. This does not prevent the homeowner from completing work prior to receiving assistance through the Huron Housing Authority in order to reduce the total amount borrowed that is necessary for rehabilitation.

**How is the contractor paid?** Contractors do not receive any up-front payments. Only work completed, and materials purchased and installed will be for. Progress and final payments come from the SD Housing Development Authority. Homeowners and the Housing Rehab Specialist must sign all pay requests.

**Can I sell my property when I want?** Homeowners may sell their property at any time; however, the loan becomes a grant month by month for five years. Any amount of loan that has not been converted to grant must be repaid to the SD Housing Development Authority.

## TO FIND THE PRE-APPLICATION...

Visit the <https://HuronRehab.com> website to get a copy of the Pre-Application for Income Qualification.

To find the application, scroll down on the opening page of the website to the “Do I Qualify?” heading and click the “See if you Qualify” button.

Then scroll down to “Download Pre-Application” in the black box.

