

What is the HIP: HRDL?

The Homeowner Incentive Program: Homeowner Rehabilitation Direct Loan Program is an affordable home repair program designed to enable qualified homeowners to have repairs and improvements made which are necessary to free their homes of health and safety hazards.

Funding is limited and is available on a first come first served basis starting with names on the established program waiting list. The program is offered based on availability of funds. Funding is not guaranteed. Applicants are evaluated based on eligibility.

The HIP: HRDL Program is available to households with adjusted gross income below 80% of HUD Area Median Income.

What homes qualify?

The home must be located in New Castle County, in one of the identified census tracts. Please call for a list of the identified census tracts or visit the New Castle County website:

<http://www.nccde.org/482/Homeowner-Assistance-Programs>

- Property value cannot exceed \$278,050 *after repairs are made.*
- There must be hazard insurance that meets program requirements on the property.
- Mobile homes must be on a permanent foundation on land owned by homeowner.

Additional Requirements

- The HIP: HRDL is a mortgage loan program. The lien placed on the home requires the applicant to live in the home as their primary residence during the term of the loan. Applicant must have resided in the home for a minimum six months at time of application.
- Applicant must meet loan underwriting guidelines. Credit history must display an ability to meet monthly expenses on time.
- Applicant must be current on all mortgages and taxes and not have delinquent federal or county debt. Evidence of a payment plan with payments on time may be acceptable.



- Applicant cannot have assets in excess of program limits.
- There must be sufficient equity to cover the amount of the loan.
- Loan interest rate is 0%. Loan Term is twenty (20) years or deferred if income is below 50%, see chart. Deferred loans are due and payable if the property is sold, rented, refinanced, transferred, or is no longer owner-occupied.
- Maximum loan amount is \$20,000.

What repairs are eligible?

Repairs that generally qualify under the HIP: HRDL Program include:

- Heating, Plumbing, Electrical systems
- Roofing, Siding and Weatherization Items
- Sewer and water systems
- Accessibility Modifications

The home must have one or more substandard conditions while remaining suitable for repair or rehabilitation. A property may be considered unsuitable for repair or rehabilitation if it is deteriorated beyond feasible economic repair and/or the level of work exceeds the scope of the program. Ordinary homeowner maintenance items, appliances, window air conditioners, exterior maintenance such as yard work, tree removal, snow removal, gutter cleaning and routine painting do not qualify. Cosmetic and luxury items are ineligible; additions and work on detached buildings are not permitted. Repairs are prioritized by the Housing Rehabilitation Specialist based on health and safety first.

Homes constructed prior to 1978 must be tested for the presence of lead-based paint hazards. Any lead hazards found must be reduced to appropriate federal standards.

Homes that were constructed over 50 years ago may be subject to historic review.

Work carried out before a loan is approved, in writing and before an Order to Proceed is signed by all parties, is not eligible for funding.

Who will do the work?

When your name comes to the top of the waiting list and eligibility has been determined, a Housing Rehabilitation Specialist will visit the home and assist you in identifying your housing problems. The Rehabilitation Specialist will create a work write-up for the repairs and will make periodic inspections as the construction work progresses. You will make the decision about who does the work and we will assist you with how it is done. All arrangements are confidential to ensure that your privacy is maintained.

Advantages

Your home is probably the single most important investment you will ever make. Making repairs when needed protects your investment as well as ensures your family's comfort and safety. In addition, well maintained homes improve the appearance and value of your neighborhood.

How do I find out if I qualify?

If you are an owner occupant whose household adjusted gross income is at or below the amounts listed on the income guidelines chart, please call the Department of Community Services if you have any questions.

302-395-5600
Monday – Friday
8:00 a.m. – 4:00 p.m.



Where does the money come from?

The HIP:HRDL Program is funded by the U.S. Department of Housing and Urban Development (HUD) through Community Development Block Grant (CDBG) funding.



*Keep your home a healthy and safe place.
Apply for the HIP: HRDL Program to make
those needed improvements.*

INCOME GUIDELINES*

<i>Number in Household</i>	<i>Less than 50% of Median</i>	<i>Less than 80% of Median</i>
1	\$28,150	\$45,000
2	\$32,150	\$51,400
3	\$36,150	\$57,850
4	\$40,150	\$64,250
5	\$43,400	\$69,400
6	\$46,600	\$74,550
7	\$49,800	\$79,700
8	\$53,000	\$84,850

*Effective 3/28/2016
Subject to change.



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HOMEOWNER INCENTIVE