City of Oakland Department of Housing and Community Development Residential Lending and Housing Rehabilitation Services

NEIGHBORHOOD HOUSING REVITALIZATION LOAN PROGRAM SELECTION (Addendum to Rehabilitation Loan Application)

By marking this b	_	-	elow, you acknowled I plete and sign the			e Neighborhood	Housing	
Subject Property Addres	s (street, city	, state	e, zip)					
Borrower's Name (Print)				Co-Borrow	er's Name (Pri	nt)		
Borrower's Signature			Date	Co-Borrow	Co-Borrower's Signature Date			
For Office Use Only	Date Receive	ed	Application No.	District		Census Tract	Flood	
•							☐ Yes	☐ No
			Progran	n Descrip	otion			
PURPOSE:			The Neighborhood Housing Revitalization Program (NHRP) provides financial assistance to owners of vacant and blighted residential properties of one to four units that are in need of extensive rehabilitation to correct code violations and to eliminate safety and health hazards.					
LOCATION:			Property must be located in one of the seven community development districts.					
PROPERTY:		•						
MAXIMUM LOAN AMOUNT:		•	\$150,000					
INTEREST RATE:		•	10.00% per year on the unpaid principal balance.					
PAYMENTS/TERMS:		•	Payments are deferred for two (2) years with principal and accrued interest due and payable on or before expiration of term.					
PREPAYMENT PEN	IALTY:	•	None					
SECURITY:		•	Deed of Trust					
INTEREST WAIVED:		•	household income	raived if the property is sold to a first-time homebuyer with come not exceeding 120% of the established HUD median for Alameda County.				
			Household Si	ze		Maximum Income		
			1 2		\$ 74,950 \$ 85,650			
			3			\$ 96,350		
			4			\$107,05		
			5			\$115,60	0	
			6			\$124,150		
			7 \$132,750					

8 \$141,300
It is the policy of the City of Oakland not to discriminate on the basis of disability in employment or any of its programs, activities, or services. Auxiliary aids and services may be provided upon request.

Revised 6/18/13

Department of Housing and Community Development of the City Oakland Neighborhood Housing Revitalization Program (NHRP) Notice to Applicants

Attached is an application packet for a loan under the Neighborhood Housing Revitalization Program (NHRP). The purpose of this loan is to provide financial assistance to owners of one-to-four unit or single family dwellings that are in need of repair to correct code violations and to eliminate safety and health hazards.

This notice is intended to provide basic information about the NHRP loan. It is not a commitment for a loan.

Eligibility Criteria: You are eligible to apply for a NHRP loan if you meet the following requirements:

1. Eligible Borrowers:

- a. Borrowers must be individuals, not partnerships, corporations or non-profit organizations.
- b. Borrowers must have title to the property at the time of application.
- c. Borrowers who are licensed contractors must agree to abide by the City of Oakland Living Wage Ordinance.
- d. Borrowers must demonstrate credit worthiness, financial capacity, and relevant past experience to undertake rehabilitation project.

2. Eligible Properties:

- a. Properties must be a single family dwelling or one-to-four residential units.
- b. Properties considered eligible for NHRP must be vacant, blighted and have one or more major code violations.
- c. Properties must be located in one of the seven community development districts.
- 3. <u>Eligible uses of Funds</u>: In general, loan funds are to be used to cover the repair costs and related development costs associated with repairing properties to comply with code. Eligible development costs include, but are not limited to, permit fees; architectural and engineering fees; appraisal fees; and title and escrow fees. Loan funds must first be used to correct code violations necessary to receive building services approval. All work must be under the supervision of a licensed general contractor in good standing with Contractors State License Board (CSLB).

Maximum Loan Amount: \$150,000 per property.

<u>Interest Rate</u>: The simple interest rate is 10% per year on the unpaid principal balance. Interest charges will be waived if the property is sold to a first-time homebuyer with income not exceeding 120% of the area median income (AMI).

<u>Loan Terms</u>: The loan term is twenty four (24) months or two (2) years. Payments are deferred with principal and accrued interest due and payable on or before expiration of term.

No Prepayment Penalty: The loan may be prepaid without penalty at any time during the term of the loan.

<u>Collateral for Loan:</u> The loan will be secured by a Deed of Trust recorded against the subject property.

<u>Property Standards</u>: The proposed project must meet the Performance Standards and Specifications for the Housing Rehabilitation Programs of the City of Oakland and must meet all applicable building codes, housing and planning standards.

Initials: Borrower	Co-Borrower	Revised:6/18/13

<u>Preferential Criteria:</u> Projects which best meet the general criteria specified above will be reviewed further and receive priority consideration based on the following:

- 1. Oakland residency;
- 2. Demonstrated experience in having successfully completed rehabilitation/construction projects within recent four (4) years;
- 3. Properties that have been declared substandard by the City of Oakland; and
- 4. Properties that have been vacant for one (1) year or more.

<u>General Information</u>: Your loan application will be reviewed within two weeks. If your loan is approved, you will be sent a loan approval letter. Your loan will close approximately 1-3 weeks after loan approval when you will be asked to sign the loan documents. Once you have signed those loan documents, and the loan is made, you will be bound by the terms of a Promissory Note, Deed of Trust and Rehabilitation Loan Agreement.

This Notice is intended as a summary of the NHRP loan for information purposes only. It is not a commitment or loan approval.

Attachments with all applicable documents

- 1. Complete Federal Income Tax Returns for the past two years, including W-2s, 1099s and all Schedules;
- 2. If self-employed, current Profit and Loss Statement and Balance Sheet;
- 3. If employed, most recent paycheck stubs for the past two months;
- 4. Source and documentation of the required minimum investment, and for the additional funding to complete the rehabilitation of the property, e.g., a) copies of bank statements; b) Commitment letters; etc.
- 5. Copies of most recent mortgage statements (all properties);
- 6. Copy of subject property's property tax bill;
- 7. Copy of subject property's fire insurance policy and flood insurance policy, if applicable;
- 8. Copy of recent appraisal report, if available:
- 9. Construction Documents:
 - a. Copies of relevant reports, including property inspection, termite, roof, engineer's reports;
 - b. Copy of Code Violations from the City's Code Compliance Division, and compliance plan, if applicable:
 - c. Bid proposals including detailed work description, plans and specifications;
- 10. Photographs of subject property;
- 11. Contractor's Information:
 - a. Insurance Certificate for General Contractor's Liability Insurance and Worker's Compensation;
 - b. Copy of current contractor's license;
 - c. Copy of current Oakland business license.

nitials: Borrower	Co-Borrower		Revised:6/18/13

Neighborhood Housing Revitalization Program Project Summary

Property Address:			No. of Units:		
Brief description of project (include	de pro	perty type, ar	nd list of major wo	rk to be done):	
A. FUNDS NEEDED			B. SOURCES	OF FUNDS	
Purchase Price:		\$	Borrower's Fun	ds	\$
Improvements, Alterations & Rep	airs:	\$	Other Financing	g:*	\$
Estimated Closing Costs:		\$	Other Financing		\$
Costs for Other Financing Costs:		\$		nount Requested	\$
Other:		\$	Other:	•	\$
Total Funds Needed:		\$	Total Funds Ava	ailable:	\$
* Other Financing Details:			•		<u>.</u>
5		#1		#2	
Name of Financial Institution:					
Address:					
Contact Person:					
Tel. No.	()		()	
Amount Approved/Committed:	\$			\$	
Terms and Interest Rate:		Months	%	Months	%
Maturity:	•				
Monthly Payments:	\$			\$	
Timeline: (Projected)					
Start Date:			Date Building P	ermits Finalled:	
Operation to the form of the control					
Contractor Information: Name of Contractor:					
Name of Principal:					
Address:					
Tel. No.: ()			Cel	l No.: ()	
Contractor's License No.:		Classificat		Expiration Date	 :
Sub-Contractor:	Li	cense No.:	Address:		
1.					
2.					
3.					

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Initials: Borrower _____ Co-Borrower ____

			SCHEDULE OF REAL ESTATE OWN!	ED			
Property	Market Value	Gross Rental Income	Name and Address of Lender	Balance of Mortgages	Mortgage Payment	Taxes, Inc. & Misc.	Net Rental Income
1.	raido	ooo	Lender 1	o.tgagos	, ajiiidii	G IIIIOU	
Owner Occupied Rental:			Loan No.				
Type of Property: No. of Units:			Lender 2			-	
% of Ownership							
Date Acquired: Original Cost:			Loan No.				
Original Oost.							
2.			Lender 1				
O O							
Owner Occupied Rental: Type of Property:			Loan No.				
No. of Units:			Lender 2				
% of Ownership Date Acquired:							
Original Cost:			Loan No.				
			London				
3.			Lender 1				
Owner Occupied Rental:							
Type of Property:			Loan No.				
No. of Units: % of Ownership			Lender 2				
Date Acquired:							
Original Cost:			Loan No.				
4.			Lender 1				
4.							
Owner Occupied Rental:							
Type of Property:			Loan No.			_	
No. of Units: % of Ownership:			Lender 2				
Date Acquired:							
Original Cost:			Loan No.				

Initials: Borrower	Co-Borrower	
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Neighborhood Housing Revitalization Loan Program Schedule of Current and Completed Housing Rehabilitation Projects

Applicant(s):					
Subject Property:					
<u>Instructions</u> : Complete the following for	or each curren	t and completed	d housing rehab	ilitation project:	
Property No. 1 Address	Type of Property	Project Cost	Time to complete project	Describe work completed (list major work items)	Disposition of Property
Work completed by: Applicant Contractor Name of Contractor:	☐ SFR ☐ 2 units ☐ 3 units ☐ 4 units ☐ 5+ units ☐ other	\$	No. of months		sold date: Amt.: \$ rented owner/ occupied
Property No. 2 Address	Type of Property	Project Cost	Time to complete project	Describe work completed (list major work items)	Disposition of Property
Work completed by: Applicant Contractor Name of Contractor	2 units 3 units 4 units 5+ units other	\$	No. of months		date:Amt.: \$occupied
Property No. 3 Address	Type of Property	Project Cost	Time to complete project	Describe work completed (list major work items)	Disposition of Property
Work completed by: Applicant Contractor Name of Contractor:	☐ SFR ☐ 2 units ☐ 3 units ☐ 4 units ☐ 5+ units ☐ other ☐	\$	No. of months		sold date: Amt.: rented owner/ occupied

Initials: Borrower _____ Co-Borrower _____