



North Wilkesboro Housing Rehabilitation Loan Program Guidelines

The North Wilkesboro Housing Rehabilitation Loan Program provides funds to assist eligible property owners within the town limits to undertake home repairs and improvements. The goals of the program are to:

1. Preserve the existing housing stock;
2. Provide a suitable and healthy living environment for residents; and,
3. Eliminate blighting influences within a residential neighborhood.

How Does the Program Work?

Applications are received on a first come, first served basis as the funds are available.

Applicants need to meet the income eligibility terms, location requirements and to prove the general feasibility of the project.

When a rehabilitation project application is accepted, a qualified contractor will inspect the house to write up a scope of work and a cost estimation for the project. A member or members of the Town of North Wilkesboro (Town) Housing Rehabilitation Committee will review the contractor's document.

Adjustments to the scope of the project may need to be made at this point.

A contract will be prepared, to be agreed on by the homeowner, the contractor and the NW Housing Rehabilitation Committee.

Contractors will be expected to have:

1. Housing rehabilitation experience;
2. Possession of liability and workman's compensation insurance;
3. An ability to work with the homeowner and Town staff; and,

4. A State License for work requiring permits.

How does the application process work?

1. Homeowner(s) complete an application form and submit it to the Committee for review. Preliminary eligibility for the program will be based on household size, combined income, location, extent of the rehabilitation work, etc.
2. Preliminary home inspection to determine the extent of necessary housing repairs and replacements. The Committee will then review the application and make a preliminary approval or denial for the work requests and provide a written report within 30 days.
3. If approved the homeowner selects a qualified contractor who inspects the house to write up a scope of work and cost estimation for the items listed for repair or replacement after the preliminary inspection. The Committee will review the contractor's documents and may make adjustments to the scope of work. A contract is prepared, to be agreed on by the owner and the contractor.

Who can apply for funding?

Any resident of the incorporated limits of North Wilkesboro residing in an owner occupied home and who meets the income requirements of the program can apply for rehabilitation assistance.

Homeowners must provide proof of a current homeowners insurance policy on the property under consideration.

Eligible properties must be economically feasible to rehabilitate. This means it must be possible to bring the dwelling up to and including compliance with the Minimum Housing Section 8 and HUD energy efficiency standards with funds available from the Housing Rehabilitation Loan Program and funds available to the homeowner from other sources.

Eligible properties located in a flood hazard area must be covered under the National Flood Insurance Program to receive funds from the Housing Rehabilitation Loan Program.

No member of the Board of Commissioners of the Town of North Wilkesboro and no other official or agent of the Town who exercises decision-making functions or responsibilities in

connection with the NW Housing Rehabilitation Loan Program shall be eligible, directly or indirectly, for this program. Contractors performing work funded by the loan program shall not have a conflict of interest with the program. Town employees shall not perform work funded by the loan program.

What types of improvements are eligible for funding?

Examples include but are not limited to the following:

1. Replacement or repair of structure siding, including painting;
2. Adding insulation;
3. Replacement of rain gutters, fascia and soffits;
4. Replacement or repair of doors and windows;
5. Plumbing and electrical wiring to meet code requirements;
6. Bathroom and kitchen facility repairs and replacements;
7. Installation of ADA facilities (such as handrails, ramps, etc.);
8. Repairs of porches, decks and detached garages;
9. Roofing; and,
10. HVAC improvements and replacements.

Examples of ineligible projects include but are not limited to:

1. Alarm systems;
2. New building construction or additions;
3. Any items not allowed by the NC State Building Code or the North Wilkesboro Code of Ordinances;
4. Application fees, permit or inspection fees; and,
5. Non-residential structures, non-structures and buildings.

Are there design guidelines?

Features of the eligible work should be compatible with surrounding structures and buildings and this will be determined by the Committee.

What are the financial requirements to get a Housing Rehabilitation Loan?

The family income must not exceed \$42,160.00 to be eligible for the loan program.

Does the committee have the legal authority to give a loan if the receivers are not of low to moderate income?

No, the committee can only recommend loans to low-to moderate income (LMI) individuals or families. For these purposes and meeting NCGS 157-3 (15a & 15b), LMI shall be defined as 60%-80% or below of the Wilkes County median family income.

The Committee will review the credit reports of applicants. The committee will consider credit as determined by the Finance Officer and may consider charge offs, late payments, outstanding judgements or collections for the past two years.

The rehabilitation loan amount plus all additional encumbrances cannot exceed the estimated value of the structure to be rehabilitated. The Town may use the tax value of the home if the value of the property is in question.

How much can I borrow?

Homeowners can borrow up to \$20,000 with a monthly repayment spaced over a 5, 7, or 10 year period. Repayments are determined by the Town Finance Officer and approved by the Committee.

Interest rate will be 1%.

Rehabilitation loan payments shall be placed in an escrow account under the Town's control in order to guarantee prompt payment of contractors upon satisfactory completion of work.

Fair Housing or EO Statement?