



HOME RENTAL REHABILITATION PROGRAM

- AVAILABLE:** To all landlords with rental property within the City of Wausau.
- TERMS:** Total loan for 15 years – 5 years deferred, 10 year monthly installment payments. Loan accrues interest at 2% simple interest beginning at loan closing date.
- QUALIFICATIONS:** The units in rental property must be either vacant or occupied by tenants whose income is under the 60% County Median Income (see attached Fair Market Rents/Income sheet). Current tenants need to provide income documentation for Community Development to underwrite and approve.
- DEED RESTRICTIONS:** Each property will have a mortgage and note securing the City's interest. Deed restrictions will be recorded and shall remain on the property beginning on the completion date of the rehabilitation project and ending after month 60. The deed restriction consists of two parts:
- Rent controls
 - Tenant income
- Fair Market Rents and Income Limits are changed once a year and are received from the Department of Housing and Urban Development specifically for the City of Wausau and Marathon County.
- Tenant's income needs to be documented and verified by Community Development Staff on an annual basis until the affordability term has been met.
- At least one inspection must be performed by Community Development staff during the affordability period – between years two and three of the deferral period. The owner will make the property available for staff to perform this requirement.
- PROCESS:** Applications may be received from the Community Development Department located at 407 Grant Street, City Hall, Wausau, WI or by calling (715) 261-6680 during business hours.
- Submit completed application, required documentation, and \$50.00 application fee to the Community Development Department.
- Inspection of proposed property by Community Development Department staff, Certified Lead Based Paint Risk Assessor and property owner.
- Rehabilitation specifications written by Community Development Department staff and sent to owner or sent to contractors – depending on needs/wants of the property owner.

Owner obtains minimum of three bids from qualified contractors.

Property owner meets with Community Development Department staff to ascertain the scope of work and total project cost.

Owner directs Community Development to proceed with loan.

Title check on property is ordered, closing documents are processed, and loan closing occurs. Work to begin after loan closing and completed within 120 days or other specified time.

Inspections made on property and progress payments are issued directly to contractor according to program guidelines. Lead Based Paint clearance test is performed before final payment can be released to general contractor.

Property must stay code compliant during the terms of the loan.

Any work done or contracts signed prior to signing the mortgage and note will not be eligible for loan proceeds.

LOAN AMOUNTS: Funds will be lent to rental property owners at \$14,999 per unit with at 25% match of funds from the owner. (75/25) The owner's portion is brought to Community Development Department at the time of closing and is paid out in connection with the loan funds.

LEAD BASED Any property built prior to 1978 will fall under HUD and State of PAINT Wisconsin's lead Based Paint Regulations. A Risk Assessment will be performed to indicate where Lead Based paint is present so qualified contractors will know how to proceed with rehabilitation work. A copy of the Risk Assessment will be sent to property owner along with written specifications. The fee for the Risk Assessment can be included in the loan amount. If the property owner decides not to proceed with the loan, the risk assessment bill will be the responsibility of the property owner. Only State Certified Lead Contractors are allowed to perform any rehabilitation work on properties built prior to 1978.

PROGRAM GOALS To provide decent, safe, and affordable housing units within the City of Wausau