

CRANSTON DEPARTMENT OF COMMUNITY DEVELOPMENT

OWNER - OCCUPIED HOME REHABILITATION PROGRAM

The Housing Programs Division of the Cranston Department of Community Development is offering assistance to Cranston homeowners to correct housing deficiencies. **Homeowners must meet certain income and program guidelines.** Programs available include the following:

Two (2%) percent interest loans

Payable in 180 monthly payments (15 years)

The applicant's total family income cannot exceed 80% of the median income.

Zero (0%) percent deferred interest loan

- The applicant's total family income cannot exceed 50% of the median income.
- Loan to be paid in full upon change in ownership or title.

PROGRAM GUIDELINES

1. The program is limited to one (1) to three (3) family dwellings occupied by the homeowner.
2. Funds from these loans can be used only for structural deficiencies, not new construction.
3. Maximum loan is \$25,000; in extenuating circumstances, may be revised on a case-by-case basis.
4. Principal balance may be paid at any time without a penalty.
5. Loans are secured by a mortgage deed that is recorded in the City Clerks Office.
6. Debt-to-income ratio cannot exceed 50% of monthly income.
7. Loan-to-value ratio cannot exceed 90% of property value.
8. Property must remain the primary resident of the homeowner for the duration of the loan. Loan must be repaid in full upon change of ownership or title.
9. Anyone involved in a reverse mortgage is ineligible for any rehab program.
10. All work completed on the property must comply with HUD Lead Safe Rules.
11. A State Lead Inspection must be performed on any property that is disturbing paint. A certificate of acceptable clearance must be received on the property.