

**CITY OF MOORHEAD
COMMUNITY SERVICES
NO-INTEREST HOME REHABILITATION LOAN PROGRAM
PRELIMINARY APPLICATION CHECKLIST**

PLEASE READ: This application is a pre-screening to help us determine whether you may or may not qualify for the City of Moorhead's No-Interest Home Rehabilitation Loan Program. If you can answer "true" to each of the statements listed below you may be eligible for this program and will be added to our waiting list; however, this checklist does not guarantee an applicant's eligibility.

Owners Name: _____ Date: _____

Property Address: _____ Phone No: _____

a) Does anyone in this home receive Social Security Benefits? _____ Yes _____ No

b) Is this property being purchased via a contract for deed? _____ Yes _____ No

- ◆ Carefully read and answer each statement listed below. If you do not understand the statement, contact our office at **299-5425** for clarification. (Incomplete applications may be returned.)
- ◆ If you answer false to any of these statements, you are ineligible for a Home Rehabilitation Loan; however, if emergency repairs are needed to your home to protect the safety of your life or health, contact the Rehab Office. If you are ineligible, you may still be granted a loan. If you are eligible, your application may receive priority on the waiting list.
- ◆ If you determine that you are eligible, sign this form and return it to:

**City of Moorhead
Home Rehabilitation
500 Center Avenue
Moorhead, MN 56560**

- ◆ We will notify you if your name has been placed on the waiting list. When your name comes up on the waiting list, we will send you an application packet, which will need to be completed at that time. **NOTE:** The waiting list for this program is approximately one to two years.

TRUE FALSE

- _____ _____ 1. I have never had a rehabilitation loan from the City of Moorhead or Housing & Redevelopment Authority on this property.
- _____ _____ 2. The property contains no more than two dwelling units AND one of them is owner-occupied.
- _____ _____ 3. The property is not a mobile home.
- _____ _____ 4. The property is not on or eligible for the National Register of Historic Places.
- _____ _____ 5. The property is not located in the flood plain.
- _____ _____ 6. The property is located in a residentially zoned district.

- _____ 7. The property is located in the City Limits of Moorhead.
- _____ 8. The home is at least 15 years old.
- _____ 9. All mortgage payments, contract-for-deed payments, and any other obligations on my property are current.
- _____ 10. I have no outstanding liens on my property, other than the above mortgages.
- _____ 11. The property taxes are paid up to date.
- _____ 12. The total gross annual income earned by residents of my household, age 18 and over, is equal to or less than the amount listed in the chart below.
(Note: Self-employment income is "net profit", subtract foster care payments, IRS reported childcare expenses and extraordinary medical expenses for the handicapped or elderly.)

<u>No. in Family</u>	<u>Maximum Income</u>
(Please indicate your family size)	
_____ 1	\$38,850
_____ 2	44,400
_____ 3	49,950
_____ 4	55,500
_____ 5	59,950
_____ 6	64,400
_____ 7	68,850
_____ 8	73,300

- _____ 13. I have no less then (negative) <\$3,000> equity in my home as per the after rehab equity calculation worksheet. (Answer to question #11 on page 3.)
- _____ 14. All owners of record for this property consent to execute a promissory note and mortgage in the amount of the rehabilitation loan. **Note: Contract for deed owners must have the consent of the warranty deed owner.**

I certify that the above statements are true, accurate and complete to the best of my knowledge and belief. This checklist shall remain the property of the City of Moorhead for the purpose of screening my eligibility for a home rehabilitation loan.

Signature

Date

EQUITY CALCULATION WORKSHEET

Section 1. After-Rehab Estimated Market Value:

- | | | | |
|----|---|----------|-------------------|
| 1. | Estimated Market Value of <u>Both</u> Land and Buildings from <u>City Assessor Records (299-5310)</u> | \$ _____ | |
| 2. | Divided by: .90 | ÷ | .90 |
| 3. | Equals: Estimated Market Value | = | _____ |
| 4. | Plus: One-half of the Total Rehab Cost | + | 10,000 |
| 5. | Equals: After-rehab Estimated Market Value | | = \$ _____ |

Section 2. Total Of All Mortgages On The Property:

- | | | | | |
|----|---|----|--------|-------------------|
| 6. | Proposed CDBG Loan/Mortgage | \$ | 20,000 | |
| 7. | Plus: 1st Mortgage Balance Owing (If any) | + | _____ | |
| | 2nd Mortgage Balance Owing (If any) | + | _____ | |
| 8. | Equals: Total of All Mortgages | | | = \$ _____ |

Section 3. After-Rehab Equity:

- | | | | | |
|-----|--|----|-------|-------------------|
| 9. | Answer of question #5 | \$ | _____ | |
| 10. | Subtract: answer of question #8 | - | _____ | |
| 11. | Equals: Total After-Rehab Equity
(Use this total to answer question #13 on page 2) | | | = \$ _____ |

NOTE: If the answer to #11 is \$0 or More -- You are **ELIGIBLE** for a full loan of \$20,000
If the answer to #11 is (negative) <\$1> to <\$3,000> -- You are **ELIGIBLE** for a smaller loan amount.
If the answer to #11 is (negative) <\$3001> or more -- You are **NOT ELIGIBLE** for a loan at this time.