



Movin' Out Forgivable Rehab Loan Fact Sheet

What is a Movin' Out Forgivable Rehab Loan?

Movin' Out lends funds to eligible homeowners who need repairs to make their home safer, sounder or more accessible. The rehab loan can be used to fix a roof, repair or replace a furnace, build or repair a ramp, install handrails, and many other types of improvements. These loans are funded by the Affordable Housing Program of the Federal Home Loan Bank Chicago through our partner bank, Bank Mutual.

Who is Eligible for a Movin' Out Forgivable Rehab Loan?

- Low income homeowners whose household income is no more than 60% of the median income in their county. Movin' Out can help figure this out.
- Households must have a child or adult household member with a permanent disability. If the person is over 18, he or she must be listed on the title or have a court-appointed guardian.
- The owner must be current on mortgage payments, property taxes and homeowner's insurance.
- There must be enough available equity to allow an additional mortgage to be placed on the property. (Combined loan-to-value of the property should not to exceed 125%)
- Property must be located in one of these counties:

Adams	Columbia	Dane	Dodge	Fond du Lac
Green	Green Lake	Iowa	Jefferson	Juneau
La Fayette	Marquette	Richland	Rock	Sauk
Walworth	Waushara	Winnebago		

What are the Terms of the Loan?

- The loan is a deferred, no interest loan. Loan amounts vary depending on need. A percentage of the loan is paid to Movin' Out as a development fee. A mortgage (lien) is placed on the home for 5 years at the completion of the project. After 5 years, the loan is forgiven in its entirety and the lien is waived if the owner continues to live in the home.
- A limited number of loans are available. Priority will be given to projects that aid in accessibility and improve health and safety. If a household received Movin' Out AHP funds for the purchase, it is not eligible to apply for a Movin' Out Rehab Loan until 60 months (5 years) after the purchase.

What are the Homeowner Responsibilities?

- Complete an application and submit the required documents to Movin' Out. Funds are reserved after all documents have been submitted to Movin' Out and the application has been approved. We will send a "reservation of funds" letter to the homeowner confirming our approval.
- Secure a complete professional inspection of the home upon reservation of funds **and** a final inspection after the rehab work is complete. The cost for the inspections can be paid from the Movin' Out Rehab Loan.
- Obtain two estimates from contractors for the work to be done. Contractors must be insured professionals. We recommend that homeowners obtain references from contractors. The homeowner is responsible for monitoring progress and problem-solving with the contractor.
- Prior to release of any funds, the homeowner will sign a grant agreement and a mortgage that will be recorded with the county Register of Deeds.
- Contractors may be able to receive partial payments up front to order materials on a case-by-case basis. The final balance will be paid at the end of the project when the final bill is submitted and the final inspection is approved. Payment is within 30 days. Checks will be made out to the contractor and the homeowner. The homeowner will then sign the check over to the contractor. Contractors are required to provide signed lien waivers upon completion.
- Homeowners are responsible for purchasing required building and zoning permits and providing a copy to Movin' Out prior to the start of work.

Next Step: Call Movin' Out at **877/861-6746 x7** or e-mail Movin' Out at **info@movin-out.org**