

Homestead Loan Program

The Homestead Loan Program's purpose is the improvement of housing stock in Middletown; promoting an increased vitality of neighborhoods, and; to provide decent, safe, sanitary, single-family housing that is in conformance with the Code of Ordinances of the Borough of Middletown and the Borough's Comprehensive Plan, as may be amended from time to time.

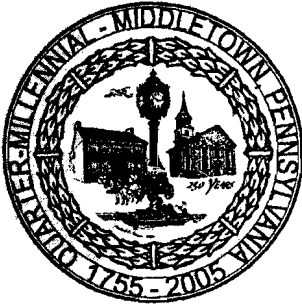
There are two types of loans:

Home improvement loans: loans to provide low and moderate-income property owners with low interest rate loans so that single-family dwellings in the Borough may be brought into compliance with building, electric, sewer, or other codes.

Multi-family building conversion loans: conversion loans to provide all property owners with an incentive to convert multi-family buildings into single-family dwellings.

Loans shall be secured by a construction covenant agreement, promissory note and open-ended mortgages. Call the Borough Secretary at 948-3050 x2 if you have questions.

www.middletownborough.com



Borough of Middletown

60 West Emaus Street, Middletown, Pennsylvania 17057

Phone (717) 948-3050

Fax (717) 944-2795

HOMESTEAD LOAN APPLICATIONS

To apply for a Homestead Loan, please submit the following:

- Completed Loan Application form
- Release Form for Consumer Credit Report
- Authorization Form for Code Inspection (if applicable)
- A copy of your most recent Federal Income Tax Return
- A copy of the deed to your property
- Verification of fire insurance coverage on the property by either a copy of your insurance policy or a Certification of Insurance
- List of monthly income and expenses
- Three (3) contractors' estimates for the work to be done

NOTE: If you are seeking funds to convert a multi-family dwelling back to a single-family home, there are no income limitations. Conversion loans may be awarded up to \$10,000 for a ten-year period at two percent (2%) annual interest.

**HOMESTEAD/CONVERSION PROGRAM
LOAN APPLICATION**

NAME (s) _____

ADDRESS _____

TELEPHONE: _____

I am applying for a _____ Home Improvement Loan _____ Conversion Loan

PERSONAL DATA

DEPENDENTS:	<u>Name</u>	<u>Age</u>	<u>Relationship</u>
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

MARTIAL STATUS: Married _____ Single _____ Widow(er) _____

GROSS ANNUAL INCOME (most recent tax year) \$ _____

MONTHLY INCOME \$ _____ MONTHLY EXPENSES \$ _____

(A copy of your most recent federal income tax return must be submitted with this application. An alternate proof of income is acceptable if you are not required to pay federal income tax. In addition, you should provide a listing of your monthly expenses.)

PROPERTY DATA

Address at which this work is to be accomplished: _____

Is the purpose of this loan to correct a building code violation? YES _____ NO _____
**If YES, attach a copy of the notice. CODE VIOLATIONS RECEIVE PRIORITY
IN MAKING LOANS. IF YOU DESIRE AN INSPECTION BY THE CODE
ENFORCEMENT OFFICER, YOU MUST SIGN AND SUBMIT THE
ATTACHED AUTHORIZATION FORM.**

If you do not have any code violations, list below the renovation work you would like to have accomplished.

I (we) swear and affirm that the above information is true and correct under penalty of perjury. I (we) have been told that the maximum loan available under this Program is \$10,000.00 and that the funds cannot be used to convert the property into a multi-family residential structure. Any renovation costs above \$10,000 (or the amount approved by the committee, whichever is lesser) must be paid by the loan recipient through other sources. I also understand that as a loan recipient, I am responsible for obtaining three (3) cost estimates for the work under consideration and that the loan committee will only consider funding the lowest estimate.

Before the application will be reviewed for approval, the Applicant must submit the following along with this Application: 1) copies of no less than three cost estimates for the work to be accomplished, 2) copy of the deed to the property establishing that I am the owner of the property, 3) copy of the construction agreement with the contractor undertaking the work.

Witness

Signature

Witness

Signature

Date

**BOROUGH OF MIDDLETOWN
HOMESTEAD PROGRAM**

AUTHORIZATION FORM

I am an owner of a residential property located within the corporate limits of the Borough of Middletown. I am interested in the Borough's housing rehabilitation program and do hereby authorize the Borough's Code Enforcement Officer to inspect my property located at _____, Middletown, PA 17057.
(property address)

Owner's signature

Owner's signature

Date signed

Name: _____

Address: _____

Telephone: _____
(home) (work)

TO BE COMPLETED BY BOROUGH STAFF:

This property is listed on the National Register for Historic Places or such a listing has been applied for - YES NO

This property is located within the flood plain - YES NO

Property inspection date: _____

RELEASE

I (we), the undersigned, as part of the application process for a loan through the Borough of Middletown Homestead Program, hereby agree to permit the Borough to obtain my (our) Consumer Credit Report (CCR) and check my (our) bank account balances. It is understood that before taking any adverse action, in whole or in part, on the report the Borough will provide me (us) a copy of the report and a description of my (our) rights under FCRA.

Signature

Signature

Print Name

Print Name

Address

Address

City, State, Zip

City, State, Zip

Date of Birth

Date of Birth

Social Security Number

Social Security Number

Bank Name

Bank Name

Bank Account Numbers

Bank Account Numbers

Date

Date

HOMESTEAD LOAN PROGRAM

2009 TAXABLE INCOME LIMITS

NOTE: Funds may be used for anything permanent that remains with the house (no mobile homes).

Category	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Moderate Income (2% for 10 years)	\$39,400	\$45,000	\$50,650	\$56,250	\$60,750	\$65,250	\$69,750	\$74,250
Low Income (1% for 15 years)	\$24,600	\$28,100	\$31,650	\$35,150	\$37,950	\$40,750	\$43,600	\$46,400