

# What is the Sunnyvale Housing Rehabilitation Program?

The Sunnyvale Housing Rehabilitation Program offers low-interest loans to help low income homeowners repair and improve their homes.

The objective of the Sunnyvale Housing Rehabilitation Programs is to:

- Improve the health & safety of homes
- Repair and extend the life of the home
- Reduce utility costs

If you own and occupy your home, you may qualify for a 3% deferred rehabilitation loan of up to \$60,000.

## Income Limits

To qualify for a loan, your gross annual household income may not exceed 80% of the area median income for Santa Clara County: (income subject to change).

2015 Maximum Income Limits:

- \$52,850 for 1-person household
- \$60,400 for 2-person household
- \$67,950 for 3-person household
- \$75,500 for 4-person household
- \$81,550 for 5-person household

For larger households, please contact City or see our website: [www.sunnyvale.ca.gov/housing](http://www.sunnyvale.ca.gov/housing)

\*Income limits are updated annually

## Eligible Repairs

The City loan can be used to fund repairs, such as: deferred maintenance, and plumbing, roofing, electrical, heating, windows, walls, cabinets and flooring. All health and safety code violations, including but not limited to correcting conditions that do not meet the City's Housing code must be corrected. The City's Housing Rehabilitation Specialist will work with you to develop an approved scope of work for your home using the City loan.

## Ineligible Improvements

Certain improvements that are beyond basic requirements for a safe and healthy living environment are not eligible for City Loans. Examples include outdoor cooking facilities, air conditioning, security systems, skylights, swimming pools, spas, and high-end materials such as granite and hard wood flooring.

## Loan Limits

Maximum loan amounts are:

- \$60,000 for Substantial Rehabilitation
- \$25,000 for Energy Efficiency
- \$5,000 for Emergency Repair
- \$4,000 for Paint.

\*Loans may be combined with City approval

The City's loan plus all other indebtedness secured by the property (first or second mortgages, and any other liens) cannot exceed 75% of the value of the property.

## Loan Terms

The principal balance and all accrued interest must be repaid to the City.

- For applicants 60 years of age or older, the loan is due in full upon the sale or transfer of the home, and loan payments are deferred until sale or transfer of the home.
- For applicants under the age of 60, the maximum loan term is 30 years. Loan payments are deferred only if the household's monthly housing costs, including an amortized rehabilitation loan payment, are greater than 30% of the household's gross monthly income.

Borrowers are required to execute a promissory note and a Deed of Trust, which will be recorded against the property. Upon the sale, conveyance or transfer of the home; or in the event of default, all City loans become due and payable in full.

## The Loan and Construction Process

Please review the following information to give you an overview of the loan and the construction process. Additional information can be provided by the Housing Rehabilitation Specialist. The next page describes the seven step process:

### Step 1. Application Process

Your completed application will be reviewed to determine if you qualify. You must provide us information about your income, expenses, current home value, and other financial data. A credit report will be required.

### Step 2. Property Inspection

Once you are determined to be eligible, the Housing Rehabilitation Specialist will call to make an appointment to meet with you at your home to determine the scope of the rehabilitation work and will inspect your property for needed repairs. This is also the time to discuss any other work you wish to have done.

### Step 3. Inspection Report

The Housing Rehabilitation Specialist will order a Termite Inspection and a Lead Based Paint Inspection. Based on the inspection findings, the Housing Rehabilitation Specialist will prepare a scope of work with preliminary cost estimates.

### Step 4. Selecting a Contractor

The City will arrange for competitive bidding to take place, inviting eligible contractors to bid on your project. The bids received will be reviewed by staff to ensure compliance with the City's licensing and insurance requirements. You will then choose a contractor from the eligible bids to complete the work.

### Step 5. Loan Documents

The Housing Programs Analyst will provide loan documents for you to sign to be recorded against your title.

### Step 6. Construction

Once you have signed the loan documents, you and your contractor sign the construction contract.

The Housing Rehabilitation Specialist will make periodic inspections as construction proceeds and, together with you, will authorize "progress payments" to the contractor for satisfactory work completed.

### Step 7. Completion

Once the work on your home is completed, the Housing Rehabilitation Specialist will inspect again. If everything is satisfactory to you and the City, final payment will be made to the contractor.



Sunnyvale Housing  
Rehabilitation Program

*Improving homes...and lives*

For more information contact:

**City of Sunnyvale**  
**Department of Community Development**  
**Housing Division**  
456 W. Olive Avenue  
Sunnyvale, CA 94086

Phone: 408-730-7250

TDD: 408-730-7501

Fax: 408-737-4906

Applications may be downloaded from the  
Housing Division web page at:

[www.sunnyvale.ca.gov/housing](http://www.sunnyvale.ca.gov/housing)

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