



Neighborhood Housing Services of New Haven
Positioning New Haven's Neighborhoods to Succeed

HOME MAINTENANCE AND ENERGY CONSERVATION INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAM

PROGRAM DESCRIPTION

Purpose: The purpose of the Home Maintenance and Energy Conservation Individual Development Account Program is to provide first-time homebuyers and existing homeowners with a way to receive matching grants to pay for home maintenance and/or energy conservation improvements on houses they are either purchasing or already own. Far too often, new and existing homeowners are unable to undertake capital improvements on the houses they are purchasing or already own. This program was developed to provide a financial incentive for homebuyers and homeowners to undertake necessary home maintenance and energy conservation repairs. Both the owner's savings portion and the matching funds must be earmarked for rehabilitation and/or energy conservation work on the property.

Housing Condition: Housing units being rehabilitated by participating applicants must be brought up to housing code standards and participants are encouraged to include cost-effective energy conservation measures as part of the scope of their rehabilitation work. Both participants' funds and matched savings must be used for this purpose, and shall be held in escrow by Neighborhood Housing Services of New Haven to ensure that the work is completed and that contractors are paid. Housing units with major pre-existing structural, code, and/or health issues will not be funded for repair through this program unless the homebuyer can demonstrate that funds are available to bring the housing units up to code standards. If this situation should occur, Neighborhood Housing Services of New Haven shall hold all of the rehabilitation funds in escrow.

Eligibility: Individuals and families purchasing a home or who currently own a home in either New Haven, West Haven, East Haven, Hamden, or North Haven are eligible to participate in the program, provided that their gross income does not exceed the following income limits, defined by family size:

Family Size	1	2	3	4	5	6	7	8
Max. Gross Income	67,956	77,664	87,372	97,080	104,846	112,613	120,379	128,146

The income and number of people residing in the home are the primary qualifications. You must report the income of all people in the home who are eighteen years of age and older.

All wages, dividends, pensions, rental income, social security, alimony, bank interest, and all other sources of periodic income are considered as income and must be shown. For a complete listing of income sources, please contact NHS of New Haven.

Affordability Provisions: Matching funds shall be recaptured in their entirety if the Property is sold or ceases to be owner-occupied within a five (5) year period from the completion of the eligible activities. In accordance with the Home Maintenance and Energy Conservation IDA Program guidelines, Neighborhood Housing Services is required to place a deed restriction on your property for 5 years. This restriction is only repayable if you were to sell your house within 5 years. The Mortgage Deed will be recorded with the Town Clerk in the city where you own the property. You will be responsible for paying a recording fee of \$63 to record the three pages of the Mortgage Deed. If you make more than one request to draw down matching funds, the Mortgage Deed will be modified and recorded (and you will be responsible for additional recording fees at that time).



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Eligible Activities: The following are examples of eligible activities under the program:

- Elimination of health and safety hazards.
- Work required to bring a property up to local housing code standards.
- Structural alterations and repair of damage to the home, including chimneys, walls, roofs, ceilings, and exterior siding.
- Installation or upgrades to fire sprinkler systems, smoke detectors, or fire doors.
- Upgrades or energy efficiency improvements to electrical, plumbing, and HVAC systems
- Lead and asbestos abatement
- Energy conservation improvements such as window replacement, insulation or doors, caulking, and weather-stripping.
- Installation of handicapped accessibility items.
- Installation or replacement of wells, septic tanks and hot water systems.
- Replacement of stairs and porches.
- Reasonable upgrades of kitchens and bathrooms subject to approval by NHS.

Additional activities that address health, safety, or energy needs may be undertaken with the approval of NHS.

NOTE: All improvements must comply with Connecticut state and local codes and ordinances. Neighborhood Housing Services reserves the right to refuse matching funds to participants receiving sub-prime or predatory financing or inflated contractor bids. Matching funds are allocated on a first-come first-served basis. Half of all available slots will be for first-time homebuyers and the other half will be for existing homeowners.

Allocation of Matching Funds: The total dollar amount of matching funds allocated to participants in the program will range from one thousand dollars (\$1,000) to five thousand dollars (\$5,000) and will match participants' savings on a dollar-for-dollar basis. Participants must save a minimum of \$1,000 to be eligible for matching funds. No more than \$5,000 of any participant's funds will be matched. To remain in good standing, participants must deposit at least \$25.00 per month (or at least \$75.00 in any given calendar quarter) into a bank account designated to hold the participant's savings. Deposits must continue for a minimum of one year from the date that the participant's account is opened. The maximum savings period during which matching funds can be earned is 36 months from the date that the participant's account is opened.

Use of Funds: Upon reaching the \$1,000 deposit level, the participant may withdraw funds at any time for use in undertaking eligible activities. The program will match all funds (up to a maximum of \$5,000) on a dollar-for-dollar basis. Participants can elect to save additional funds up to the \$5,000 level, and may continue to participate in the program up to the maturity date as long as the total match does not exceed \$5,000.

Emergency Withdrawals: Participants are permitted to one (1) emergency withdrawal under certain circumstances; the amount withdrawn must be repaid within a 90-day period. Additional emergency withdrawals are subject to approval by the Program Administrator.