

REPAYMENT PROVISIONS

The loan is to be repaid when any one of the following occur:

- 🏠 When the property is sold or title is transferred (includes transfer within family);
- 🏠 Upon the death of the Title Holder(s) of the property [the homeowner(s)];
- 🏠 Upon the homeowner refinancing their primary loan(s) or a take-out financing;
- 🏠 If the homeowner is in default of the loan agreement;
- 🏠 When the property fails to be maintained according to City building codes;
- 🏠 When the homeowner no longer resides in the house.

RESTRICTIONS

Homeowners with an existing loan through the Home Improvement Loan Program (HILP) and/or the previous Housing Preservation Loan Program (HPP) are not eligible to receive a loan through this HPP program. The City of West Covina does not subordinate loans approved under the HPP. Please note homes with reverse mortgages do not qualify.

ADDITIONAL INFORMATION

CED works with code enforcement in providing loans to homeowners that have been identified as requiring exterior improvements to their home.

For further information,
please call (626) 939-8417 or visit us at
www.westcovina.org/hpp



HOUSING PRESERVATION LOAN PROGRAM



1444 W. Garvey Avenue South
West Covina, CA 91790
Phone | (626) 939-8417



HOUSING PRESERVATION PROGRAM

The Housing Preservation Loan Program (HPP) focuses on preserving homes within the City of West Covina. The City Manager's Office through the Community and Economic Development (CED) division, makes loans available to moderate-income homeowners that are in need of exterior improvements. The HPP is once again made available thanks to the City of West Covina City Council, who approved to reinstate the program.

OBJECTIVE

Over the past several years, a large percentage of the housing stock within the City has matured and is now in need of a face-lift. This Program was adopted to protect, preserve, and improve the single-family housing stock in West Covina.

PROGRAM GUIDELINES

The HPP program provides West Covina homeowners a low-interest home improvement loan of up to \$10,000.

To be eligible, a single-family home must be the primary residence and the homeowner must have resided in the home for a minimum of twelve (12) months.

BASIC REQUIREMENTS

- 🏠 Must be a homeowner residing within the City of West Covina.
- 🏠 Maximum loan of \$10,000.
- 🏠 Homeowners are required to execute promissory note secured by a deed of trust.
- 🏠 May require lead-based inspection

🏠 Loan applies to exterior improvements only. Types of eligible exterior improvements include:

- 🏠 Exterior Building
- 🏠 Landscaping
- 🏠 Garage Doors
- 🏠 Front Doors
- 🏠 Roofing
- 🏠 Stucco/Siding
- 🏠 Driveways
- 🏠 Windows
- 🏠 Exterior Lighting
- 🏠 Fences/Block Walls
- 🏠 Porches/Balconies
- 🏠 Building Code Violations
- 🏠 Other Improvements

🏠 A licensed contractor must be used.

🏠 Income must meet qualifying income guidelines:

2017 MAXIMUM INCOME LIMITS

Family Size	Annual Income
1	\$ 50,500
2	\$ 57,700
3	\$ 64,900
4	\$ 72,100
5	\$ 77,900
6	\$ 83,650
7	\$ 89,450
8	\$ 95,200

(Based on current effective Fair Market Rent (FMR) of the Los Angeles Metro Area. Revised annually as set forth in Sec. 3 of the U.S. Housing Act of 1937, as amended - 42 U.S.C. 1437b. As of Fiscal Year 2017.)

FINANCING PROVISIONS

- 🏠 Maximum Loan Amount | \$10,000
- 🏠 Interest Rate | 5% after year 10
- 🏠 Fees to Borrower | \$50 bank processing fee
\$340 lead-based paint inspection fee*
\$150 lead-based paint clearance fee*

* These steps are required for certain loans based on funding.

All payments will be made to contractors upon completion of work. Monthly loan payments will begin after year 10.

PROGRAM PHASES

- 🏠 Phase One: Loan Application
 - Application Submittal
 - Pre-Qualification/Denial
 - Property Inspection by City Staff
 - Lead-Based Contractor Inspection*
 - Certification of Approved List of Improvements
 - Homeowner Obtains Bids
- 🏠 Phase Two: Loan Funding
 - Execution of Loan Documents
 - Authorization to Start Construction
- 🏠 Phase Three: Construction Monitoring
 - Completion of Construction
 - Improvements/Remediation* Are Completed
 - Lead-Based Paint Clearance of Property*
 - Homeowners Satisfaction Statement
 - Payment of Contractors
- 🏠 Phase Four: Loan Repayment
 - Loan Repayment

* These steps are required for certain loans based on funding.

