

NIDC

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www.milwaukee.gov/NIDC



Neighborhood Improvement
Development Corporation

In partnership with the City of Milwaukee

Strong Neighborhoods Investment Plan **HOMEBUYER ASSISTANCE PROGRAM**

Promoting
&
Preserving
sustainable
HOME OWNERSHIP

**FORGIVABLE
LOANS**
up to
\$20,000

*for the rehabilitation of
City-owned homes*



7 EASY STEPS to **HOME OWNERSHIP!**

*Not limited to first-time homebuyers.
No maximum income limits for the program.*

HOMEBUYER ASSISTANCE PROGRAM

The City of Milwaukee is committed to assisting homebuyers with the purchase and rehabilitation of **City-owned foreclosed homes**. If you are interested in home ownership you may want to consider the great opportunities available under the City of Milwaukee's Homebuyer Assistance Program which is being offered as a part of Mayor Tom Barrett's **Strong Neighborhoods Investment Plan**.

The Homebuyer Assistance Program provides funding to help prospective homeowners rehabilitate foreclosed homes they will occupy as their primary residence. Both financial and technical assistance are provided as part of the program. The program is being administered by the City's **Neighborhood Improvement Development Corporation (NIDC)**.

FINANCIAL ASSISTANCE PROVIDED

Fully forgivable Homebuyer Assistance second mortgage loans of up to \$20,000 are available to assist eligible homebuyers with the rehabilitation of City-owned foreclosed homes. Homebuyer Assistance is limited to no more than one half of the total cost of the purchase and rehabilitation of the property. The City is working with a number of lenders who can provide first mortgage loans to eligible potential homebuyers going through the program.

(Please note: Applicants who propose to purchase a property in cash must be prepared to also provide proof of matching funds to cover the costs of rehabilitation not covered by the Homebuyer Assistance program.)

Program applications available:

www.milwaukee.gov/NIDC or call (414) 286-5610

View city-owned properties for sale:

www.milwaukee.gov/CityHouses



1

COUNSELING CERTIFICATE

Complete 8 hours of homebuyer counseling from a HUD-approved Homebuyer Counseling Agency. Waivers available for previous homeowners. View approved counseling agencies at: www.milwaukee.gov/NIDC



2

BANK LOAN PRE-APPROVAL

Receive a "pre-qualification" or "pre-approval" for your first mortgage from a local lender (or have documentation of available funds if using cash). Buyers must contribute at least \$1,000 of their own funds toward the purchase and rehabilitation of the property. A list of participating lenders is available at: www.milwaukee.gov/NIDC



3

HBA LOAN PRE-APPROVAL

Submit application for Homebuyer Assistance pre-approval. Homebuyer Assistance is not available if you have already purchased the City-owned property. Applicants must apply and be approved for the loan before purchasing the foreclosed property in order to be eligible.



4

MAKE OFFER TO PURCHASE

Work with a real estate agent to locate an eligible City-owned foreclosed property with 1-4 housing units. Remember, foreclosed properties may need significant repairs. Allow 45 days between offer and closing date to develop final scope of work and finalize financing.



5

TECHNICAL ASSISTANCE

Work with City Rehabilitation Specialist to finalize scope of work, obtain bids and select your contractor. Buyers may be required to make additional repairs beyond those identified in "code compliance" scope of work to minimize the chance that critical systems will require major repairs during the initial years of ownership.



6

CLOSE ON NEW HOME & START REHAB

Construction can begin after purchase. Your Rehabilitation Specialist will continue to work with you to ensure that work is done correctly and will approve payments to contractors. Work must be complete within 90 days. One 90 day extension may be approved for weather related work.



7

MOVE IN & ENJOY YOUR NEW HOME!

Once you have lived in the property for five years after project completion, the HBA loan will be fully forgiven. Loans are forgiven on an annual pro rata basis over a five year period. If a property is sold during the initial five year period, you must repay the loan balance.

