

Purpose of the Program

The purpose of the Home Improvement Loan Program is to assist low-to-moderate income homeowners and owners of affordable rental units to make improvements to those units that provide a direct benefit to the inhabitants of those units.

Eligibility Requirements

Participation in the Home Improvement Loan Program is open to the following types of residential housing units:

Owner Occupied Single Family Homes

Owner Occupied Multi-Family Homes (2-4 Units)

Non- Owner Occupied/Investment Property (1-4 Units)

Long-Term Affordable Housing Units

Participating properties must be current on all real estate taxes, water/sewer usage, and sewer assessment. Properties can not be involved in a foreclosure proceeding and have a lien in the form of a reverse mortgage place on the property.

All housing units must meet the income guidelines in addition to the above referenced eligibility requirements.

Types of Improvements

The following types of improvements can be covered under the Home Improvement Loan Program replacement windows, heating systems, roofs, electrical systems, septic systems. Other improvements not listed above will be allowed on a case by case basis.

Property owners must correct Minimum Housing Code Violations and comply with HUD's Regulation on Controlling Lead-Based Paint Hazards. These regulations control how the work is to be performed and who is allowed to perform the work.

Financial Assistance

Financial assistance for the Home Improvement Loan Program is provided in the form of a low-interest fixed rate loan. The interest rate is a maximum of 4% for owner occupied single family and owner eligible multi-family (2-4 units) properties. The interest rate for non-owner occupied and non-owner eligible multi-family (1-4 units) is 6%.

The terms of the loan are negotiable in order to make the loan affordable to the borrower's. The amount of assistance and exact terms of the loan shall be determined by the Office.

Contractor Selection

Participants in the Home Improvement Loan Program can select any contractor they choose to perform the eligible work or can have the Office assist them in identifying a contractor to perform the work. Ultimate responsibility of contractor selection resides solely with the participant.

All contractor's must be licensed by the State of RI and must provide evidence of liability insurance coverage and worker's compensation coverage (if required by RI Law) in order to be allowed to participate in the Program.

Building Permits for all permitted work must be obtained by the contractor prior to commencement of work.

Additional licenses and certifications maybe required by the Office in accordance with RI General Law, RI Contractor's Registration Board, HUD's Regulation on Controlling Lead-Base Paint Hazards and the City of Warwick's Building Department.