



# Housing Renewal Program

## Iowa now has a program to tackle problem properties

The Housing Renewal Program (HRP) is a tool to acquire properties in need of significant rehabilitation. The properties receive a minimum of \$25,000 in health and safety improvements. Finished houses are sold to families under 120% of the area median income. This includes hard working families with low and moderate incomes. These are teachers, home health care workers, bus drivers, and more.

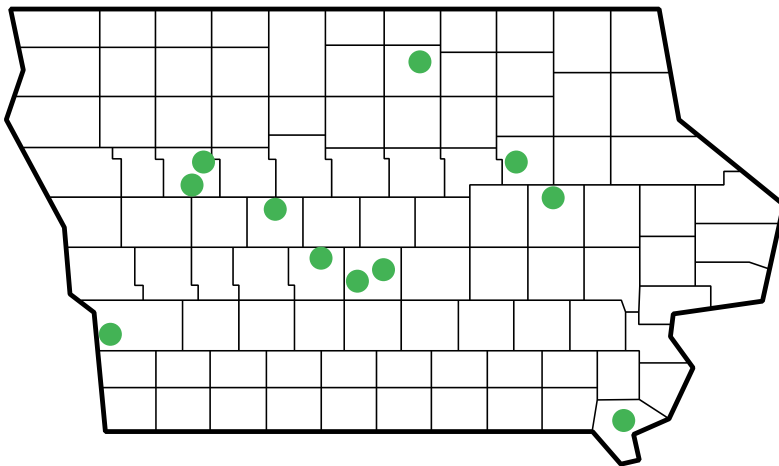
### The Problem it Solves:

Developers pass over certain properties because the project has too much risk. Even after repairs, the property value remains lower than the cost of improvements. The developer loses money. No financial institution will loan money for this type of project. Therefore, these properties are left untouched for many years.

### Key Features:

HRP lowers the risk for developers and lenders with two key features:

- HRP provides up to \$100,000 of capital for the project on day one. This helps developers secure additional financing for the project.
- HRP guarantees the developer loss. The loss is forgiven and the remaining capital is returned to the Housing Renewal Fund for future projects.



### Current Projects:

- Waterloo
- Perry
- Churdan
- Mason City
- Wall Lake
- Des Moines
- Council Bluffs
- Bondurant
- Mount Auburn
- Lake View
- Fort Madison

### HRP has allowed us to:

- Purchase problem properties from landlords.
- Pay for back taxes and title issues to be cleared.
- Partner with small towns by lowering risk.



## Featured Property: Fort Madison

### Southeast Iowa Regional Planning Commission

**Property Features:** This property was owned by a Chicago- based company that purchased it through a tax sale. This company owns 33 tax sale properties in Lee County alone. It has been untouched for several years and an eyesore in the community. HRP provided funds to acquire the property and pay legal fees to clear the title and tax issues. After many months of legal work, rehab has started on this property. The community hopes this will spark other investments into this neighborhood.

