



RENEW WOODLAWN FACT SHEET

Renew Woodlawn Homeownership Program provides prospective homebuyers, whose household income is up to 120 percent of the Area Median Income, incentives to purchase and rehabilitate homes in the Woodlawn Community of Chicago.

The goal of the program is to assist 20 homebuyers in purchasing and rehabbing vacant properties within the target community by Sept. 30, 2017.

Renew Woodlawn is funded by the U.S. Department of Housing and Urban Development - \$1,750,000; the National Foreclosure Settlement Awards - \$750,000; and the City of Chicago 2015 - \$200,000.

Grants are available to eligible homebuyers for down payments and other assistance.

The homebuyer subsidy is a non-interest, forgivable loan as long as the property remains owner-occupied for five years from the date of closing; buyers must maintain the property as their primary residence. If the homebuyer sells, leases, rents or refinances the property before the five-year time period has elapsed, the homebuyer will be required to return a prorated portion of the homebuyer subsidy as outlined in the recapture agreement signed at the time of closing. The prorated portion is 20 percent per year.

Buyers must obtain a fully amortizing, fixed rate first mortgage financing from a lender who has approved the Special Warranty Deed document, which will be recorded at the time of the Choice subsidy disbursement. The deed will have a 20-year affordability restriction that will remain in effect for any subsequent homebuyers and will survive any foreclosure action by a lender.

All income-qualified homebuyers are eligible for the \$15,000 Buyers Incentive. The Buyer Incentive will be applied first and will be applied to any closing costs and then will reduce the first mortgage amount. The Borrower must provide a minimum down payment of at least \$1,000 of their own funds or more subject to their first mortgage lender underwriting guidelines.

Homebuyers can purchase and rehab a vacant property or buy one that has already been rehabbed.

In order to be **eligible** for the Renew Woodlawn Homeownership Program, the property must:

- Have 1-4 Units;
- Be owner occupied; and
- Be located within the Woodlawn Community.

A borrower must attend an eight-hour Homeownership Workshop offered by a HUD-approved housing counseling agency.

The Renew Woodlawn target area is bounded by 60th St. on the north to 67th St. on the south and King Drive on the west to Stony Island Ave. on the east.

In the [buyer education](#) component, prospective homebuyers learn to manage a family budget and take on credit responsibly, as well as tips on how to shop for a home and how to close the deal. [Research](#) has shown that in most cases this type of training significantly reduces the chances of delinquencies and foreclosures.

Borrower(s) who receive federal subsidies and purchase a 2-4 unit property must agree to rent to Income Qualified Tenants for a 20-year period and must submit annual tenant income documentation for all units.

To request a Renew Woodlawn Homeownership application, prospective home buyers can contact:

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