

EXAMPLE

Victor is a skilled carpenter. He is working with Near East Area Renewal (NEAR) to buy an abandoned home near the intersection of 10th and Rural streets for his young family to live. The house is listed for \$23,000 but needs \$97,000 in estimated repairs, as outlined in a detailed inspection report (\$82,000 in materials and \$15,000 in sweat equity/labor), to make it an asset for himself and the neighborhood.

Victor wants to use his carpentry skills to lay wood flooring, rebuild the staircase and install cabinetry and trim. He meets with INHP to demonstrate his knowledge and share the inspection report.

INHP approves Victor’s request. He receives a first mortgage for \$101,400 and is required to provide a down payment of \$3,600.

Then, INHP values Victor’s sweat equity at \$15,000, so he is granted a second, forgivable mortgage for that amount. In addition, INHP pays NEAR to oversee the construction process until the home passes the final inspection.

Victor performs the work he has promised to complete, and he uses his second mortgage to fund the kitchen renovation. Once the home is complete, Victor’s family moves in, and he stays current on his mortgage payments, property taxes and insurance.

After five years, the INHP second mortgage has been completely forgiven. In total, Victor will have spent \$3,600 out-of-pocket; he will continue to pay off his first mortgage regularly.



REHAB MATCH®



GET STARTED

Visit [INHP.org/rehab-match](https://www.inhp.org/rehab-match) to see the designated areas within each neighborhood and fill out a pre-qualification form.

HOME VALUE GUARANTY

Not sure you want to do the rehab work yourself? Check out our Home Value Guaranty program at [INHP.org/hvg](https://www.inhp.org/hvg).



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BUYER BENEFITS:

3 PERCENT  
DOWN  
PAYMENT

LOW-INTEREST  
LOAN

20-YEAR  
LOAN OPTION

# INHP'S REHAB MATCH PROGRAM

The INHP Rehab Match is a loan match program that rewards you for purchasing a vacant or abandoned home in one of five designated Indianapolis neighborhoods plus any Renew Indianapolis (a community land bank) property. If you personally complete INHP-approved repair projects to the home, your efforts will be matched up to \$15,000.

## DESIGNATED AREAS

**1. WITHIN RIVERSIDE NEIGHBORHOOD**

North boundary: 29th Street  
South boundary: Burdsal Parkway  
East boundary: Central Canal  
West boundary: Harding Street

**2. WITHIN CROWN HILL NEIGHBORHOOD**

North boundary: 38th Street  
South boundary: 31st Street  
East boundary: Illinois Street  
West boundary: Boulevard Place

**3. WITHIN MAPLETON-FALL CREEK NEIGHBORHOOD**

North boundary: 36th Street  
South boundary: Fall Creek Parkway  
East boundary: Fall Creek Parkway  
West boundary: Kenwood Avenue

**4. WITHIN ST. CLAIR PLACE NEIGHBORHOOD**

North boundary: Brookside Parkway  
South boundary: Michigan Street  
East boundary: Dearborn Street  
West boundary: Varies (visit INHP.org for details)

**5. WITHIN ENGLEWOOD NEIGHBORHOOD**

North boundary: Michigan Street  
South boundary: Washington Street  
East boundary: Parkview Avenue  
West boundary: Highland Avenue



**6. RENEW INDIANAPOLIS**

Any property available through the land bank Renew Indianapolis (RenewIndianapolis.org)

## WHO'S ELIGIBLE

Homebuyers who earn up to 120 percent of HUD's Area Median Income (AMI) are eligible for this program. The buyers must be able to skillfully perform some of the repairs needed. The buyers must live in their homes as their primary residence.



## THE PROGRAM: HOW IT WORKS

- Form:** Visit [INHP.org/rehab-match](https://INHP.org/rehab-match) to fill out an interest form.
- Resources:** INHP will provide resources to help you choose a qualifying property, such as how to connect with real estate agents, nonprofit community-based organizations and/or for-profit developers.
- Real estate agent support:** A real estate agent can help you choose a property in one of five designated areas, or help you find a home available through Renew Indianapolis.
- Repairs list:** Through inspection, the homebuyer provides INHP with a list of repairs needed to make the home habitable.
- Match approval:** Through a formal vetting process with INHP, the buyer must demonstrate he or she can skillfully perform some of the repairs from the inspection list. If approved to perform the work, INHP will assign the buyer's "sweat equity" a value, up to \$15,000. INHP will consider comparable bids from contractors, and the market rate of materials and labor to determine the value.
- Mortgages:** INHP will qualify the homebuyer, and if approved, provides two mortgages.
  - FIRST MORTGAGE:** INHP provides the buyer a first mortgage based on the home's value once the list of repairs are made (the as-completed value). The low-interest mortgage requires a 3 percent down payment.
  - SECOND MORTGAGE:** Once the buyer is approved to perform specific work, INHP will issue a second mortgage based on the sweat equity value. It is a five-year forgivable mortgage, and the buyer is not required to pay on it if the terms of the program are met. The buyer can use the second mortgage to fund home improvements.
- Construction oversight:** At the same time, INHP pays a non-profit partner (i.e. a community development corporation) to help the buyer by overseeing the construction process until the home passes final inspection.
- Five years:** As long as the buyer lives in the home as his or her primary residence for five years, the buyer's second mortgage is forgiven. Its balance will be forgiven by 20 percent each year. The buyer will continue to be responsible for paying his or her first mortgage.
- If prior to five years:** If the buyer sells the home before five years have passed, both mortgages will be paid off at the time of closing. The buyer will repay the unforgiven portion of the second mortgage.

### Rehab Match offers:

- 3 percent down payment
- Low-interest financing
- Unique 20-year loan option with approximately the same monthly payment as 30-year loan
- Up to \$15,000 in "sweat equity" for work performed

