

**St. Clair County
Intergovernmental Grants Department/
Community Development**

**Home Down Payment Assistance Funds
Homebuyers Assistance Program**

Policies & Procedures



Table of Contents

INTRODUCTION TO HOMEBUYER ASSISTANCE	4
TITLE II OF THE CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT ..	4
PROGRAM SUMMARY/ OBJECTIVES.....	4
NON-DISCRIMINATION AND FAIR PRACTICES.....	5
NON-DISCRIMINATION REQUIREMENTS	5
COMPLIANCE AND RESPONSIBILITIES	5
PROGRAM AWARENESS	5
CITIZEN PARTICIPATION PLAN	5
PROGRAM OPERATIONS	6
HOW THE PROGRAM OPERATES	6
ELIGIBILITY OVERVIEW	6
GENERAL ELIGIBILITY REQUIREMENTS.....	6
ELIGIBLE PROSPECTIVE HOME BUYER.....	6
INCOME ELIGIBILITY	8
FINANCIAL ASSISTANCE OVERVIEW	8
APPLICATION PROCESS	9
OVERVIEW	9
HOMEBUYER EDUCATION REQUIREMENTS	10
REQUIRED DOCUMENTATION FOR APPLICATION	10
LOAN TERMS AND FINANCIAL REVIEW	11
DETERMINING THE APPROPRIATE AMOUNT OF ASSISTANCE	12
PROCESS FOR REVIEW AND APPROVAL	12
LENDER AND REALTOR INVOLVEMENT	13
LENDERS' ROLE AND RESPONSIBILITIES	13
REALTORS' ROLE AND RESPONSIBILITIES	13
PROPERTY STANDARDS	14
ELIGIBLE PROPERTIES	14
COMPLIANCE WITH LEAD-BASED PAINT REQUIREMENTS.....	15
ENVIRONMENTAL REVIEW POLICY	15
LOAN CLOSING REQUIREMENTS.....	16
RESPONSIBLE LENDING STANDARDS.....	17
SUBORDINATION GUIDELINES	17

SUBORDINATION CRITERIA	17
REQUIRED STEPS FOR SUBORDINATION REQUESTS	18
REFINANCING	18
REFINANCING POLICY	18
STREAMLINE REFINANCING	18
CASH OUT REFINANCING.....	19
RECAPTURE & RESALE PROVISIONS.....	20
RECAPTURE	20
RESALE	20
AFFORDABILITY PERIOD COMPLIANCE	20
DEFAULTS	21
CONFLICT OF INTEREST POLICY	21
PROHIBITED CONFLICTS	21
PERSONS COVERED	21
EXCEPTIONS	22
OWNERS AND DEVELOPERS	22
ENFORCEMENT	22
HOMEBUYER’S RIGHT TO CANCEL	22
GRIEVANCE AND APPEALS	22
SELF-MONITORING.....	23
APPENDIX I	
PROGRAM FLOW	24
APPENDIX II	
FILE CHECKLIST	27
APPENDIX III	
INCOME DETERMATION	28
REVISION HISTORY	32

Introduction to Homebuyer Assistance

Title II of the Cranston-Gonzalez National Affordable Housing Act

TITLE II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625) provides essential support for affordable housing programs, including the HOME: HOME Investment Partnerships Program which funds homebuyer assistance, affordable housing development, and preservation. This law ensures that low- and moderate-income households have access to affordable housing opportunities.

Our homebuyer assistance program complies with the provisions of Title II, using funds and guidelines set forth under the HOME program and other affordable housing initiatives. This includes providing down payment assistance, supporting housing development, and ensuring eligibility for low- and moderate-income buyers.

Program Summary/ Objectives

The St. Clair County Intergovernmental Grants Department (IGD) / Community Development Division Homebuyers Assistance Program provides financial assistance to low- to very low-income households (as defined by annually updated HOME Income guidelines) for purchasing a home in St. Clair County—excluding municipalities not included in St. Clair County's Consortium. The program assists eligible homebuyers by:

A. Verifying Household Income:

Ensuring the household's annual income does not exceed HUD income eligibility requirements.

B. Providing One-Time Financial Assistance:

Offering up to \$2,500 toward a portion of the down payment, closing costs, and/or other eligible project costs.

C. Ensuring Housing Quality Standards (HQS) Compliance:

Requiring that the home meets HQS standards before loan closing.

D. Limiting Total Financial Assistance:

Capping total assistance at \$5,000 per household for both down payment and closing costs, subject to reasonable and customary costs (e.g., chain of title fee, recording fees, realtor commission) as outlined on the Loan Estimate. Additionally, ensuring the combined loan-to-value (LTV) ratio, including IGD assistance, does not exceed 110%.

E. Requiring Primary Residence Occupancy:

Ensuring that the homebuyer occupies the purchased home as their primary residence.

F. Providing a Forgivable Loan:

Offering IGD loans at a 0% fixed interest rate for up to 5 years in the form of a forgivable loan, subject to the Recapture Clause.

Non-Discrimination and Fair Practices

This policy establishes the non-discrimination requirements for all programs and activities funded under the HOME Investment Partnerships Program (HOME Program) in compliance with **24 CFR 92.350**. All recipients, subrecipients, developers, and other entities receiving HOME Program funds must adhere to federal fair housing and civil rights laws to ensure equal access to housing and program benefits.

Non-Discrimination Requirements

St. Clair County shall comply with all applicable non-discrimination laws and regulations, including those enforced by the U.S. Department of Housing and Urban Development (HUD) or any other applicable funding source, and shall ensure that no person is excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity funded in whole or in part by HUD and/or any other applicable funding source.

Compliance and Responsibilities

All entities receiving HOME Program funds must:

- Ensure housing opportunities are provided in a non-discriminatory manner.
- Provide reasonable accommodations for persons with disabilities to facilitate equal participation.
- Maintain records and documentation of compliance efforts.

Program Awareness

Homebuyers may learn about the program through multiple sources, including:

- The St. Clair County IGD website [St. Clair County Illinois > Departments > Intergovernmental Grants > Community Development \(RC Version: 9.13.3.0\)](#)
- Public hearings
- Lending institutions and real estate offices
- Citizen Participation Plan

Citizen Participation Plan

To ensure public input and involvement in the planning, implementation, and evaluation of the HOME homebuyer assistance program, in accordance with **24 CFR 91.105**.

Public Participation Opportunities:

- Hearings & Meetings: Gather input on funding priorities and program performance.

- Public Comment Periods: Provide feedback on plans and reports.
- Community Outreach: Engage residents, especially low-income households

Notices for hearings, meetings, and public comment periods will be published in accessible formats, including online postings on the St. Clair County IGD website [St. Clair County Illinois > Departments > Intergovernmental Grants > Community Development \(RC Version: 9.13.3.0\)](#). Meetings will be held in accessible locations, with accommodations available upon request.

Program Operations

How the Program Operates

The St. Clair County Intergovernmental Grants Department (IGD) administers the Homebuyers Assistance Program using funding allocated from the [HOME Investment Partnerships Program](#) under [24 CFR Part 92](#), as regulated by the U.S. Department of Housing and Urban Development (HUD). Additional funds may be available periodically. Referrals to the program may come from local lending institutions, realtors, the St. Clair County Housing Authority, and other partners.

Eligibility Overview

General Eligibility Requirements

To participate, homebuyers must be pre-approved for an eligible mortgage loan, including:

- FHA, Conventional, or VA loans
 - FHA Repair Loans (203K) or other repair loan products are **NOT** accepted
 - Bond for Deed loans are **NOT** accepted

Eligible Prospective Home Buyer

1. A prospective homebuyer must be **low to moderate income** and have an annual household income that does not exceed the current [HOME Income](#) guidelines. This criterion must be met at the time of closing. However, there is no requirement for the homebuyer to remain low to moderate income throughout the affordability period.
2. Clients applying for HOME funds are not required to be first-time homebuyers. A first-time homebuyer is defined as a client (and their spouse) who has not owned a home within the three years prior to purchase. Clients applying for other funds IGD may administer could be subject to additional requirements.
3. The homebuyer must occupy the purchased property as their **principal residence**. This requirement will be incorporated into the mortgage and loan documents.

4. Clients must invest a minimum of \$1,000.00 cash toward the purchase.
5. Homebuyers must have sufficient cash resources, including savings, checking, money market, or other non-retirement accounts, ensuring that after closing, they maintain at least two times the total monthly housing expenses (including principal, interest, taxes, insurance, and any associated fees).
6. Lenders must complete a debt worksheet on behalf of the homebuyer, listing debts and expenses included in the front-end and back-end ratio calculations (e.g., PITI, car loans, student loans, credit cards, and other applicable expenses)
7. The maximum amount of assistance provided by IGD will be determined as follows:
 - a) **\$4,000** for a buyer at **80% of the area median income**
 - b) **\$5,000** for a buyer at **50% of the area median income**

Exceptions may apply based on debt-to-income levels:

- a) **Homebuyers with a front-end ratio below 30% will only receive \$4,000, regardless of income level.**
- b) **Homebuyers with a back-end ratio below 36% will only receive \$4,000, regardless of income level.**
- c) **Debt-to-income ratios above 36% will take priority over income.**
- d) **The back-end Debt-to-income ratios cannot exceed 45%**

These factors are subject to change based on lender criteria and need/gap financing. The maximum amount of assistance may be reduced depending on debt-to-income ratios.

Eligible project costs include down payment and closing cost assistance as defined, along with points and other closing-related costs outlined in the loan estimate. Participating lenders are encouraged to reduce or waive any points on a home purchased under this program.

IGD will provide gap financing (no cash back or principal reductions) for a portion of the down payment and closing costs in the form of a forgivable loan, at 0% interest, subject to certain restrictions explained in the Recapture Clause. The home buyers will be required to provide a minimum of 50% of the down payment and other applicable financing cost not covered in the **\$4,000.00-\$5000.00** maximum assistance allocation.

Income Eligibility

Prior to providing any HOME assistance, IGD will verify that each homebuyer assisted through the lender qualifies as low-income per the income determination requirements of 24 CFR 92.203. IGD will determine the family's income eligibility for HOME assistance.

To qualify for funds, the household's annual gross income may not exceed eighty percent (80%) of the county's AMI for HOME as established by the U.S. Department of Housing and Urban Development (HUD) and adjusted for family size, at the time funds are committed. (Must document residency for all household members).

Acceptable methods for determining income are described in HUD's publication, *Technical Guide for Determining Income and Allowances for the HOME Program*, including any amendments to the guide. In addition to the Technical Guide, IGD also utilizes internal [Income Determination Guidance](#) documents that outline standard procedures, interpretation of income types, and documentation requirements to ensure compliance with [24 CFR 92.203](#).

IGD utilizes the adjusted gross income as defined for IRS Form 1040 reporting to determine whether a household is income eligible. However, all sources of income used in the calculation must be verified in accordance with [24 CFR 92.203](#), which requires at least two months of income verification. IRS Form 1040 alone is not sufficient verification.

Income Verification Requirements

- **Second-Party Verification** – documents provided by the applicant (e.g. pay stubs, tax returns, bank account statements, etc.) may be appropriate for verifying certain types of income.
- **Annual Gross Income Calculation**– must be calculated by projecting the prevailing rate of income of the household at the time the household is determined to be income eligible. Annual gross income must include income from all household members.

Please note...FHA Repair Loans (sometimes called 203K) or any other repair loan products will not be accepted by IGD. Bond for Deed loans are not accepted. All homes must pass the HUD Quality Standard Inspection before closing. All properties must pass a Housing Quality Standard Inspection (HQS) (which will include a lead hazard visual inspection for all properties built prior to 1978 or if the inspector suspects a possible lead hazard condition) inspection by the St. Clair County IGD inspector.

Financial Assistance Overview

IGD requires homebuyers to complete housing counseling with a HUD-approved counseling agency in accordance with [24 CFR Part 214](#) and [24 CFR 92.254\(a\)](#). IGD will provide assistance with a portion of the required down payment and applicable closing costs, subject to buyer approval. IGD provides assistance through a 0% forgivable loan, covering a portion of the:

- Down payment (up to \$2,500)

- Closing costs (if approved), subject to maximum total assistance of \$5,000 per household

This assistance complies with 24 CFR 92.254, which governs affordability requirements for homeownership assistance. Assistance is subject to a Recapture Agreement included with a Second Mortgage on the property. The loan is forgivable over a five-year affordability period at 0% interest, with IGD filing a second mortgage lien for the term of affordability.

Application Process

Overview

IGD evaluates applications on a case-by-case basis in compliance with 24 CFR 92.203.

Applicants must provide:

- A completed application
- All required documentation for IGD to determine income eligibility.

Lender must provide:

- Debt ratio worksheet
- Other required lender documents

Realtors must provide:

- Required documents with seller signatures
- Signed purchase contract (including all addendums)

Assistance will only be provided for a portion of the down payment (up to \$2,500.00) and gap financing (no cash back or principal reductions) costs for the purchase of existing detached single family, owner-occupied dwellings in St. Clair County (except for the municipalities not included in St. Clair County's Consortium). **All applications submitted must include all requested documentation in order to be approved for funding.** Approval is first-come, first-served, based on available funding.

Homebuyers must demonstrate:

- Ability to meet lender loan standards
- Compliance with IGD program regulations
- Maintenance of property insurance (full replacement value) and flood insurance (if the property is located in a flood zone), with IGD listed as a second mortgage holder
- An escrow account with the lender for taxes and insurance is required
 - IGD may, at its option, and after giving the client notice and a reasonable opportunity to cure any neglect or default, obtain insurance or flood insurance (if applicable), in

accordance with regulation 12 CFR Part 1024 and 42 USC 4012a. Any amounts paid for this insurance shall be immediately due and payable by the client to IGD, and, until paid, will be added to and become part of the Obligations. These amounts will be secured by the lien on the Mortgaged Premises and Chattel Property, taking priority over any other rights, titles, or interests claimed on the Mortgaged Premises subordinate to this Mortgage. Any payments made by the client shall not relieve the client of any default, and the exercise of the right to make such payments shall be optional for IGD. IGD will not be liable to the client for any failure to exercise this right.

- Additionally, if the client desires, at IGD's sole discretion, to have the amount required for premiums, taxes, assessments, and similar charges escrowed, the client must immediately deposit the required amount into an escrow account designated by IGD, as outlined in 12 CFR Part 1024. However, this escrow account will not be a trust account or an interest-bearing account.

Homebuyer Education Requirements

Prior to receiving an application, IGD requires that homebuyers complete a HUD-approved homeownership course, as mandated by 24 CFR 92.254 (a)(3). This course must include, but is not limited to, the following components:

- The decision to purchase a home
- The process of selecting and purchasing a home
- Issues that may arise during homeownership, including financing, refinancing, default, foreclosure, and other financial decisions

Homebuyers are required to provide a valid certificate of completion from counseling course before receiving application, in accordance with 24 CFR 92.254(a)(3).

Once the buyer(s) has completed the accredited counseling course, they can either:

- Contact the St. Clair County Intergovernmental Grants Department at (618) 825-3226 to schedule an appointment and pick up an application, or
- Email the counseling certificate to IGD at karen.latta@co.st-clair.il.us, and the application will be emailed to the client.

Required Documentation for Application

Homebuyers participating in this program must submit to IGD the following documentation set forth by 24 CFR 92.508.

1. **Completed IGD Application** – Must include all required documentation as specified by IGD.
2. **Identification and Social Security Verification:**
 - a) Valid photo ID for all household members over the age of 18, showing the current address.
 - b) Social Security cards for all household members.

3. **Income Verification:**

- a) Two months of consecutive and current pay stubs.
- b) Any applicable award letters (e.g., Social Security, pension, disability, etc.).
- c) Child support documentation, if applicable.
- d) Two years of the most recent tax returns.
- e) Two to three months of current bank statements for all active accounts.
- f) Any other applicable income documentation.

- 4. **Certificate of Completion** – Proof of completion of a HUD-approved homebuyer counseling course.
- 5. **IGD General Release Form** – Allows IGD staff to communicate with relevant agencies regarding the buyers; must be signed by all buyers.
- 6. **IGD Program Provision Form** – Acknowledges that the applicants have read, understood, and agreed to IGD's Homebuyer Assistance Program provisions; must be signed by all buyers.
- 7. **IGD Lead-Based Paint Notification Form** – Required by HUD, provided by IGD, and signed by all buyers.

Loan Terms and Financial Review

Installment loan terms (for both IGD and conventional loans) will be determined on a case-by-case basis and may change based on:

- Market conditions
- Buyer's ability to pay

IGD reserves the option to defer or forgive loan payments on its loans based on:

- 1. The number of years the qualifying homebuyer remains in the home (24 CFR 92.254(a)(4)); and
- 2. A demonstration of financial need that equates with the degree of subsidy

IGD will evaluate the housing and overall debt of each HOME assisted homebuyer to determine the amount of assistance that is appropriate to help the homebuyer meet the cost involved in homeownership while still meeting other necessary, recurring expenses. An assessment of the homebuyer's debt will be made by completing the debt worksheet which calculates two key ratios (front-end ratio and back-end ratio).

While a debt-to-income analysis will compare a homebuyer's monthly income to their total monthly recurring debt, it does not assess the effect of other substantial monthly living expenses on a borrower's ability to repay a mortgage. Low-income homebuyers, whose available monthly income is lower than that of the average or median homebuyer, maximum loan-to-income and debt-to-income ratios alone may not be sufficient to ensure that residual income is sufficient to cover other necessary living expenses. Therefore, consideration of recurring monthly expenses and residual income can determine a homebuyer's ability to sustain a mortgage as well as the appropriate amount of assistance provided.

IGD will identify the particular types of recurring monthly expenses of the homebuyer.

For more information, refer to HOME Income Determination - HUD Exchange, 24 CFR 92.203(b) -- Income determinations, and 24 CFR 92.254 -- Qualification as affordable housing: Homeownership.

Determining the Appropriate Amount of Assistance

IGD will determine the appropriate amount of assistance based on the homebuyer's individual financial circumstances. The total maximum amount of assistance provided by IGD to a homebuyer will be determined as follows:

- \$4,000 for a buyer at 80% of area median income.
- \$5,000 for a buyer at 50% of area median income.

This factor may be waived based on debt-to-income levels.

- Back-end ratios less than 36% may only receive \$4,000 regardless of income level.
- Debt to income ratios above 36% will take priority over income and receive \$5,000.00.
- Back-end debt to income ratio cannot exceed 45%.

The above factors are subject to change based on the lender's criteria of need/gap. Maximum amount of assistance may be lower based on debt-to-income ratios.

- **Loan-to-Value (LTV):**

The combined LTV, including the IGD loan, will not exceed **110%** to be in compliance with 24 CFR 92.203.

- **Factors for Assistance:**

To ensure the home is affordable and sustainable, IGD will examine:

- Housing and overall debt
- Monthly expenses
- Assets or cash reserves
- Appropriateness of the amount of assistance set for in (24 CFR 92.203(b) and 24 CFR 92.254.

- **Sustainability:** The evaluation will ensure assisted homebuyers' ability to afford and sustain homeownership.

Process for Review and Approval

The CDBG/HOME Specialist is responsible for collecting documentation, determining initial eligibility and signing approval letter. Once initial eligibility is determined, file is submitted to Program Coordinator for review and approval. File is then forwarded to Executive Director for final review and approval.

Lender and Realtor Involvement

Lenders' Role and Responsibilities

IGD will partner with for profit and non-for-profit lenders that provide first mortgage loans to HOME-assisted homebuyers. IGD has implemented certain safeguards, as required at 24 CFR 92.254(e). Because the lender may have a financial incentive to provide HOME assistance to homebuyers, the lender's objective in assessing the qualifications of the buyer or the eligibility of a property for HOME assistance is potentially jeopardized. The required safeguards include:

- **Income eligibility:**
IGD will verify, prior to provision of any HOME assistance, that each homebuyer assisted through the lender qualifies as low-income per the income determination requirements of 24 CFR 92.203. IGD will determine the family's income-eligibility for HOME assistance itself, or will verify the income determination done by the lender. Non-occupying co-borrowers are to provide documentation of their residency outside of the client's household. IGD has the discretion to require proof residency to establish household composition for income eligibility verification purposes.
- **Unit inspection:**
Before IGD provides the assistance, IGD must inspect the property to ensure it complies with the applicable HOME property standards of 24 CFR 92.251. Because third parties are not contracted by IGD, such as consumer inspectors or FHA appraisers; their inspections cannot be utilized to determine compliance with HOME property standards requirements.
- **Fees and charges:**
IGD will determine the fees and other amounts the lender charges to the homebuyer for the first mortgage financing are reasonable in comparison to current market condition, set forth by 24 CFR 92.206(c).

Lenders participating in this program should assist buyers in securing the appropriate signatures and submitting the following documentation to IGD:

- First mortgage commitment letter or documentation.
- Debt Worksheet to determine overall debt, monthly expenses, assets and cash reserves.
- Lender's itemized statement of need (Loan Estimate).
- A copy of the appraisal (with pictures) identifying the subject property location.
- Title Commitment Policy

Realtors' Role and Responsibilities

Realtors participating in this program should assist the buyers in securing the appropriate signatures and submitting to IGD the following documentation:

1. A sales contract (and all addendums), with the Inspection Amendment (signed by the seller); and
2. A Uniform Relocation Act document (signed by the sellers).

Because St. Clair County has the power of eminent domain and is using Federal Funds in this program, certain requirements of the Uniform Relocation Act (URA) that are set forth in 24 CFR 92.353 must be met. The URA requirements applicable to this program include IGD's responsibility to inform the property seller in writing that:

- St. Clair County will not use its power of eminent domain to acquire the property;
- IGD does not have a specified area, within St. Clair County, required for this Homebuyers program (except for municipalities not included in St. Clair County's Consortium);
- The property in question is not to be part of a planned or designated project area where substantially all property within the area is to be purchased within a specific time frame; and
- The property in question is not rental property occupied by a tenant who will be displaced by the purchase of the property.

Property Standards

Eligible Properties

- Set forth by 24 CFR 92.254(a) the property must be used as the buyer's primary residence (no exceptions).
- Eligible properties include:
 - Existing homes
 - Newly constructed homes
 - Set forth by 24 CFR 92.251(e), manufactured homes (only if land is acquired or the client already owns acceptable private property and meets HUD requirements).
- Set forth by 24 CFR 92.254(a), the property must be a detached, single-family dwelling.
- Ineligible properties:
 - Rental properties
 - Manufactured homes that do not meet HUD requirements or lack land acquisition/private property ownership.
- Set forth by 24 CFR 92.254(a), the maximum purchase price must not exceed HUD's maximum mortgage limits or maximum purchase price limits.
- If the property is located in a floodplain, adequate flood insurance is required.

Compliance With Lead-Based Paint Requirements

HUD requires compliance with lead-based paint (LBP) regulations (outlined at [Lead-Based Paint Regulations - HUD Exchange](#)) for all HOME-assisted properties built before 1978 to protect homebuyers from lead hazards. St. Clair County follows [24 CFR Part 35](#) to ensure compliance.

Requirements

- **Lead Hazard Evaluation:**
 - A visual assessment is required for all pre-1978 properties.
 - If deteriorated paint is found, a lead risk assessment must be completed by the seller prior to approval of funding request.
- **Hazard Reduction & Clearance:**
 - Identified lead hazards must be addressed through interim controls or abatement, depending on the level of HOME assistance.
 - A clearance inspection must be completed by the seller or homeowner to confirm the property is safe before the approval of funding request and loan closing.
- **Buyer Notification & Disclosure:**
 - Buyers must receive:
 - EPA's "Protect Your Family from Lead in Your Home" pamphlet
 - Lead Disclosure Form
 - Any available lead hazard reports
- **Ongoing Compliance:**
 - If applicable, property owners must follow lead-safe maintenance during the affordability period.

Environmental Review Policy

To ensure compliance with [24 CFR Part 58](#) and [24 CFR 92.352](#) in the administration of HOME homebuyer assistance, protecting environmental resources and public health.

Before committing HOME funds, the responsible entity (St Clair County IGD) must complete an environmental review per [24 CFR Part 58](#) and [24 CFR 92.352](#). Per [24 CFR 58.22](#), HOME funds cannot be committed before environmental review completion and HUD/state approval.

Projects are classified as:

- **Exempt:**
No further review required if the activity does not impact the environment (e.g., mortgage assistance with no rehabilitation).
- **Categorically Excluded Not Subject to (CENST):**
Applies to activities that do not alter environmental conditions and do not require further review.
- **Categorically Excluded Subject To (CEST):**

If the activity may affect environmental resources, additional compliance steps are needed.

- **Environmental Assessment (EA) or Environmental Impact Statement (EIS):**
Required for projects with significant environmental impacts.

The review must consider compliance with laws such as:

- National Historic Preservation Act
- Endangered Species Act
- Floodplain Management and Wetlands Protection
- Contamination and Toxic Substances Regulations
- Noise Abatement and Control

All environmental reviews must be documented in the project file, including findings, determinations, and required notices.

Loan Closing Requirements

1. Set forth by 24 CFR 982.401, Housing Quality Standards (HQS) Inspection:
 - a) The St. Clair County Homebuyer Program staff will schedule the HQS inspection with an IGD inspector.
2. Set forth by 24 CFR Part 35 Lead-Based Paint Screening (For Homes Built Before 1978):
 - a) The IGD inspector will conduct a visual lead-based paint screening.
 - b) If potential hazards are found, the seller must:
 - i. Schedule and pay for a clearance inspection by a lead-licensed inspector.
 - ii. If clearance is not passed, schedule and pay for a risk assessment.
 - iii. Hire an Illinois-licensed lead contractor for necessary repairs.
 - iv. Obtain a final clearance inspection, with reports provided to St. Clair County, the realtor, and the buyers.
 - c) The IGD inspector must conduct a final inspection before approving the property
3. Repairs & Seller Responsibilities outlined in 24 CFR 92.504 :
 - a) IGD inspectors will inform the seller of any required repairs.
 - b) The buyer and seller must negotiate responsibility for repair costs.
4. Housing Quality Standards (HQS) Compliance outlined in 24 CFR 982.401 :
 - a) The property must meet HUD HQS standards/ All homes purchased through the program must pass a HUD Housing Quality Standards (HQS) inspection before closing
 - b) All required repairs must be completed and approved by IGD before closing.
 - c) Lien waivers must be obtained for completed repairs.
5. Occupancy Permits:
 - a) Some communities may require occupancy permit inspections before move-in.
6. Insurance Requirements:

- a) The property must have homeowner's insurance and flood insurance (if applicable).
- b) St. Clair County IGD must be listed as the second lienholder on the policy.

Responsible Lending Standards

IGD will thoroughly review each HOME-assisted homebuyer's primary mortgage to assess the financial risk associated with predatory or risky loan terms and features, ensuring the long-term sustainability of low-income beneficiaries.

To promote feasible financing opportunities, homebuyers should obtain FHA, conventional, or VA financing. The following requirements must be met for IGD assistance and all other mortgage financing provided to the homebuyer:

- The first mortgage loan cannot be an interest-only loan, balloon payment loan, or a reverse mortgage.
- Interest rates must not exceed four percent above IGD's first-time homebuyer rate. If the loan is an adjustable-rate mortgage, the rate cannot increase more than two percentage points over the treasury rate.
- IGD may reject fees and closing costs that are deemed unreasonable.
- The mortgage loan cannot exceed the appraised value of the subject property.
- The term of the first mortgage cannot exceed 30 years.
- The homebuyer must make a minimum cash investment of \$1,000.
- The first mortgage lender must escrow for taxes and insurance.
- The LTV ratio, including IGD's loan, cannot exceed 110%.
- The back-end debt-to-income ratio cannot exceed 45%.

Subordination Guidelines

St. Clair County will consider subordination requests on a case-by-case basis. The County will use the following as guidelines, but reserves the right to consider other situations, for subordinations:

Subordination Criteria

- **Housing Cost Impacts:**
The County will consider subordination for an interest rate reduction of at least 1.5% and/or a mortgage loan product change (e.g., switching from a balloon or adjustable-rate mortgage [ARM] to a fixed-rate mortgage). The County will only subordinate to a fixed-rate mortgage; reverse mortgages and equity loans will not be considered.
- **Increase in Home's Value:**
If the subordination request is related to repairs or renovations that increase the home's value, the County requires bids from contractors to accompany the request. The cash-out portion can only be used for housing repairs or renovations.

- **Medical Necessity:**

In cases of medical necessity, bills and doctor's statements must accompany the request. The County reserves the right to reject any subordination request that includes debt consolidation.

Required Steps for Subordination Requests

The County reserves the right to request any additional information it deems necessary for the review of all subordinations.

A \$100.00 subordination fee will be charged for all subordination requests filed as an administrative cost.

Refinancing

Refinancing Policy

St. Clair County does not plan to use HOME funds to refinance existing debt secured by multifamily housing that has been rehabilitated with HOME funds, in accordance with the refinancing guidelines under 24 CFR 92.206(b).

Streamline Refinancing

(financing for rate or product change only)

- **Timing Restrictions:**

Subordinations will not be allowed within the first year of financing, and only once every two years thereafter.

- **Loan Balance Restrictions:**

The new loan balance cannot exceed the existing loan balance (excluding reasonable lender fees).

- **Lender Fees:**

Lender fees cannot exceed 3% of the existing loan balance and may be rolled into the new loan.

- **Loan-to-Value (LTV) Limits:**

The LTV ratio cannot exceed 95%. (Equity stripping is not permitted)

- **Required Documentation**

The following documents are required when submitting a subordination request:

1. **Non-refundable fee:** A check or money order for \$100 made payable to St. Clair County I.G.D.
2. **Client Request Letter:** A letter from the client requesting consideration for a subordination, explaining why they want to refinance (e.g., lower rate or better loan product). The letter should confirm the client understands the total loan amount, interest rate, and the new loan product.

3. **Mortgage Commitment:** The lender must submit a mortgage commitment that includes the new loan's terms, total loan amount, interest rate, and loan product. The County must be listed in second position, and an escrow account for taxes and insurance must be included in the new loan.

- **Title and Appraisal Documents:**

- A copy of the title commitment; or
- A HUD-1 settlement statement or a list of charges; or
- The new appraisal (Note: St. Clair County reserves the right to request an appraisal review if the appraised value has increased by more than 5% in a year. The client will be responsible for the cost of this appraisal.

- **Review Timeline:**

St. Clair County requires a minimum of 10 working days to review the documents and make a determination.

Cash Out Refinancing

(Only for housing repairs/renovations or medical necessities)

1. Subordination will not be allowed within the first year of financing and only once every two years thereafter.
2. The new loan cannot raise the interest rate more than 1%.
3. The lender fees cannot exceed 3% of the existing loan balance.
4. The lender fees can be rolled into the new loan.
5. The loan-to-value (LTV) cannot exceed 95% (equity stripping is not permitted).
6. The following documents are required at the time of the request:
 - a.) A non-refundable check for \$100.00 made out to **St. Clair County I.G.D.**
 - b.) A letter from the client requesting consideration for a subordination and explaining why they want to refinance (i.e. Lower rate and/or better loan product, medical necessity, or home improvements; be sure to include bills or bids). This letter should state that the client understands the total loan amount, interest rate, and the new loan product.
 - c.) The lender will submit a mortgage commitment, which will include the terms and conditions of the new loan, total loan amount, interest rate, and loan product. They will need it reiterated that the County will remain in second position and that an escrow account for taxes and insurance have been included in the new loan.
 - d.) A copy of the title commitment, HUD 1 or list of charges, and the new appraisal **(Special Note: St. Clair County reserves the right to have an appraisal review if the appraised value has increased more than 5% a year and the client will be responsible for payment)**
 - e.) St. Clair County will require a minimum of 10 working days to review the documents and make a determination.

Recapture & Resale Provisions

Recapture

The County's recapture provisions allow it to reclaim a portion of the HOME subsidy provided to the homebuyer. This recapture is limited to the total net proceeds from the sale (whether voluntary or involuntary) if the HOME-assisted property is sold or transferred before the HOME affordability period expires. This applies regardless of whether the sale price is considered "affordable" under the HOME Program or whether the buyer meets HOME income guidelines.

The County will also recapture HOME funds if net proceeds result from a sale triggered by a pending foreclosure (a "short sale") or the sale of a foreclosed property. In such cases, the County will recapture all or a portion of the HOME subsidy up to the total net proceeds available after the sale or transfer. Net proceeds are calculated as:

- Sales price
- Minus priority mortgage loan repayment (excluding HOME funds)
- Minus any closing costs

All HOME-assisted unit sales or transfers under the County's recapture provisions must meet the following criteria:

- The HOME-assisted homebuyer may sell or transfer the property to any willing buyer.
- If the property is sold or transferred during the affordability period, the homebuyer must repay the County for the HOME affordability assistance received at the time of purchase. The repayment amount will be pro-rated and limited to the net proceeds of the sale.
- These recapture provisions are enforced through a mortgage, note, and Recapture Agreement filed with the St. Clair County Recorder of Deeds. Upon receipt of recaptured funds, the County will issue a "Release" document to the homebuyer. The homebuyer is responsible for recording the release.
- Recaptured funds will be used exclusively for HOME-eligible activities.

Resale

The County does not use resale provisions in its HOME Program. When HOME subsidy is provided as a development subsidy, the County also provides homeownership assistance to the purchasers of the homes using HOME funds.

Affordability Period Compliance

When HOME funds are used to assist homebuyers, the affordability period ensures that the housing remains affordable for a specified duration based on the amount of assistance provided. Consistent with 24 CFR 92.254(a)(4), the County enforces the following minimum periods of affordability:

Homeownership Assistance HOME Amount per Unit	Minimum Period of Affordability (in years)
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

The total amount of HOME funds used to provide homeownership assistance to the homebuyer is used for purposes of determining the length of the period of affordability.

Defaults

- Any loans with a remaining balance greater than \$10,000 that enter default due to bankruptcy, foreclosure, non-payment, or similar circumstances will be forwarded to the St. Clair County IGD attorney for attempts to recapture the funds.
- Loans with a remaining balance of \$10,000 or less will not be forwarded to the IGD attorney and will instead be written off by IGD as uncollectible.
- Bankruptcy, foreclosure, or non-payment cases will be reviewed by Christina Anderson and staff to determine the appropriate course of action (recapture, write-off, etc.).

Additionally, any remaining balances above \$3,500 will require insurance information, bids, contracts, and proof of payment for work performed by contractors before executing the back of an insurance claim check.

Conflict Of Interest Policy

This policy applies to all individuals involved in HOME-funded activities, including participating jurisdictions, State recipients, subrecipients, and others in decision-making roles, as outlined in 2 CFR 200.318.

Prohibited Conflicts

In accordance with 2 CFR 200.318, individuals who exercise or have exercised responsibilities related to HOME-assisted activities cannot have a financial interest in those activities, including contracts or agreements, during their tenure and for one year thereafter. This includes immediate family members.

Persons Covered

The conflict of interest provisions apply to employees, agents, consultants, officers, or officials of jurisdictions or recipients receiving HOME funds, as defined in 24 CFR 92.356(c).

No member, officer, or employee of the municipality, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official

of such locality or localities who exercises any function or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the Grant, and that it shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this certification.

This Conflict of Interest policy is established in accordance with 24 CFR 92.356, 24 CFR 570.611, and 2 CFR Part 200.

Exceptions

Exceptions may be granted by HUD if it serves the purposes of the HOME program, as described in 24 CFR 92.356(d). To request an exception, the jurisdiction must:

- Disclose the conflict and make a public disclosure.
- Provide a legal opinion confirming no violation of state or local law.

Owners and Developers

In accordance with 24 CFR 92.356(f), owners, developers, sponsors, or related individuals may not occupy HOME-assisted units during the affordability period unless exceptions are granted based on specific criteria, such as being part of the target low-income group.

Enforcement

Failure to comply with this policy may result in disqualification from participation in HOME activities and the withdrawal of HOME funds, in accordance with the conflict of interest provisions of 24 CFR 92.356.

This policy ensures compliance with 24 CFR 92.356 and 2 CFR 200.318 to prevent conflicts of interest in the administration of the HOME program.

Homebuyer's Right to Cancel

Homebuyers participating in the HOME homebuyer assistance program do not have the right to cancel the purchase agreement under the program's regulations. However, homebuyers may have the right to cancel under other applicable federal and state consumer protection laws, such those outlined in the Truth in Lending Act- TILA.

We encourage Homebuyers to consult their lender regarding loan types and terms of the right to cancel.

Grievance and Appeals

The process ensures that the aggrieved party has the opportunity to formally express concerns and seek resolution through a structured and fair review by the St. Clair County IGD. The purpose of this Grievance and Appeals Process is to provide a clear, transparent, and accessible method for participants in the HOME Buyer Assistance Program to address concerns or

disagreements with decisions related to their participation. This includes, but is not limited to, issues regarding eligibility, assistance amounts, loan terms, or any other aspect of the program.

The IGD is not responsible for third parties such as lenders and realtors. Therefore, grievances and appeals to the IGD should be specific to the Homebuyer Assistance Program.

1. Filing the Appeal:

Participant should submit all grievances/appeals in writing, addressed to the HOME Homebuyer Assistance Program Specialist. They can mail their submissions or place them in the drop box at the St. Clair County IGD (St. Clair County Intergovernmental Grants Department 19 Public Square, Suite 200 Belleville, IL 62220).

2. Documenting the Appeal:

The Program Specialist will review the submission and forward it to the Community Development Coordinator within five (5) business days of receipt. The Community Development Coordinator will document the information at the time the appeal is received.

3. Investigating the Complaint:

The investigation of the complaint will be completed within 60 working days of the appeal being filed with the Community Development Coordinator.

4. Communicating the Results:

The results of the investigation and the recommendations made Community Development Coordinator will be sent in writing to the client.

- A copy of the report will be filed at the St. Clair County IGD

Self-Monitoring

The St Clair County Intergovernmental Grants Department (IGD)/ Community Development Group (CD) is responsible for ensuring that HOME funds are used in accordance with [24 CFR Part 92](#) , [CPD Monitoring Handbook \(Chapter 7: Exhibit 7-28\)](#), [\(HUD\) U.S. Department of Housing and Urban Development](#) , and all program requirements and written agreements. The IGD/CD shall take appropriate action when performance problems arise. Compliance monitoring will be conducted by the St. Clair County Intergovernmental Grants' Department Group's Community Development Group. Through self-monitoring, the Community Development Group can regularly assess its operations, identify areas for improvement, and address deficiencies proactively, well before external monitoring or reviews take place. The goal is to uphold the highest standards of compliance, efficiency, and effectiveness, ensuring all activities align with HUD's policies and the applicable regulations. Details of compliance monitoring are outlined in the Policy and Procedure Manual for Compliance Monitoring, available on [St. Clair County Illinois > Departments > Intergovernmental Grants > Community Development \(RC Version: 9.13.3.0\)](#).

Appendix I

St. Clair County IGD Homebuyer Assistance Program Program Flow

1. Potential Homebuyer/Lender/Realtor reaches out for information on the Homebuyer Assistance Program. Main points of program are communicated to interested parties. PDFs of the brochure, basic guidelines, list of HUD approved home counseling agencies, and income guidelines are emailed. If requested, information is mailed or picked up at St. Clair County IGD office. Contact information is entered on the HB Assistance Log spreadsheet.
2. Once a potential homebuyer has their lender pre-approval and IGD has received a copy of their home counseling certificate, the Homebuyer Assistance application and lead booklet are emailed to the potential homebuyer. If requested, the application is mailed or picked up at IGD office.
3. Income eligibility for the program is determined after the following documentation has been received: completed application, 2 months of current, consecutive income (paystubs, award letters, child support etc.), 2 years of current tax returns, 2-3 current statements for all bank accounts, photo IDs for all household members over 18, social security cards for all household members, debt ratio worksheet provided by lender, and signed purchase contract. Realtors can assist applicants by providing the signed purchase contract. Acceptable methods for determining income are described in the HUD publication “Technical Guide for Determining Income and Allowances for the HOME Program”. In addition to the Technical Guide, IGD also utilizes internal [Income Determination Guidance](#) documents that outline standard procedures, interpretation of income types, and documentation requirements to ensure compliance with [24 CFR 92.203](#). IGD will use annual gross income (IRS 1040 Adjusted Gross Income) as a guide to determine eligibility then compare household size and income calculation to the appropriate HUD income limits. This is the sum of income for all household members expected to reside in the household. The Adjusted Income Statement Worksheet and the CPD Income Eligibility Calculator <https://www.hudexchange.info/incomecalculator/> are completed to determine the income and asset inclusions. These forms are printed and become part of the income documentation for the applicant’s file.
4. After an applicant has been determined to be income eligible, the file is reviewed by the Community Development Coordinator. An approval letter is then mailed to the client’s current residence. A copy of the approval letter is also emailed to the client and their lender. If an applicant has been determined to be ineligible for the program, a denial letter

is mailed to their current residence and a copy of the denial letter is emailed to the applicant.

5. For approved clients, the Inspection Amendment must be signed by both the buyer and seller before the HQS inspection can take place. If IGD has a fully executed Inspection Amendment on file, an email is sent to the IGD Inspector to request a HQS inspection on the property. Contact information for realtors is provided. The Inspector reaches out to the realtors for scheduling and access to the property.
6. The Environmental Review is created and submitted into HEROS. Homebuyer Environmental Reviews are under the category of Categorically Excluded Not Subject To 58.5 (CENST). The ER cannot be completed until the HQS inspection has cleared, and the ER signature page has been fully executed and uploaded into HEROS.
7. Lenders provide the following required documentation: commitment letter, appraisal, title commitment policy, and loan estimate. Homeowners insurance must list IGD as second mortgagee. If the property is in a flood plain, flood insurance must be purchased, listing IGD as second mortgagee. Homeowners and flood insurance documentation is provided by either the client or lender.
8. Once the HQS inspection clears and the ER is complete, closing documents and payments can be submitted. If the HQS inspection fails, repairs must be made and the property re-inspected with a “pass” before ER can be completed and closing documents/payments can be submitted.
9. Closing documents (Homebuyer Agreement and 2nd Mortgage & Recapture Agreement) and Contract Review Form are created and submitted to the CD Coordinator and Executive Director for approval and signatures.
10. Funds are ordered using the following documentation: IDIS Setup for Homebuyer, HOME Drawdown, Request for New and/or Adjustments to Budget, and Disbursement Authorization forms. Backup documents to go along with the Disbursement Authorization form are Schedule A from the title commitment policy and a Project Cost Analysis. MIP reports are reviewed to determine which grant to use for payment. Program Income may also be used. Payments are submitted to the Budget Analyst.
11. A vehicle reservation is requested to attend the closing.
12. All required documents from the client and lender must be submitted to IGD before closing. A copy of the final Closing Disclosure from the lender is requested for IGD to review one business day prior to closing. Final CD must show that all requirements are met (i.e. clients must invest a minimum of \$1,000.00 into the purchase of their home, no cash back to client and no principal reductions etc.).

13. Pick up check prior to closing and make a copy to place in the client's file. Call the title company before leaving the office to confirm the appointment. Attend closing with IGD documents and check. Explain Homebuyer Agreement and 2nd Mortgage & Recapture Agreement documents to client. Obtain signatures from client and notarized signatures from the title company. The title company makes copies of both documents for the client.
14. Original Homebuyer Agreement stays with IGD. Original 2nd Mortgage & Recapture Agreement stays with the title company for recording. IGD is given a copy of the 2nd Mortgage & Recapture Agreement. The original will eventually be mailed to IGD after the document is recorded at the Recorder's Office.
15. Title company makes copies of the following signed lender documents for IGD: Settlement Statement, Closing Disclosure (highlighting escrow for insurance and taxes verification) and lender's Note and Mortgage.
16. IDIS Completion form is submitted to Budget Analyst. Client is added to One Roof and file is updated, labeled, and placed in appropriate file cabinet.
17. Expiring Insurance and Loan reports are run monthly in One Roof.
18. Insurance expiration dates are updated in One Roof as insurance documents are received at IGD. If homeowners insurance and flood insurance (if applicable) policies expire during the period of affordability (5 years) without receipt of updated documentation, contact either the client, insurance company, or lender to request updated homeowners and flood (if applicable) policies.
19. After the loan has expired, a notarized Release of Deed is prepared along with a letter of instructions to the client that they must take the Release of Deed to the St. Clair County Recorder's Office to get the document recorded for the lien to be taken off the title. One Roof is updated to reflect the lien has been released. If the client does not get the Release of Deed recorded at the Recorder's Office, the IGD lien will continue to show up on the title. A duplicate release can be issued for a \$10 fee, check or money order payable to St. Clair County IGD.
20. Files are retained for 5 years and then archived. File retention and record keeping are in accordance with HUD requirements and 24 CFR 92.508(c).

**ST. CLAIR COUNTY HOME PROGRAM
HOMEBUYERS ASSISTANCE PROGRAM**

Appendix III
ST. CLAIR COUNTY INTERGOVERNMENTAL GRANTS DEPARTMENT
COMMUNITY DEVELOPMENT BLOCK GRANT
INCOME DETERMINATION

All collected income is projected forward for 1 year.

Low Income

- A household at or below HUD published 80% of Area Median Income (AMI). This is used for 2.5% loans, new construction, lead hazard repair, homebuyer assistance, public facility projects.

Very Low-Income

- A household at or below HUD published 50% of AMI. This is used for rehabilitation, accessibility, and emergency grants.

Extremely Low-Income

- A household at or below HUD published 30% of AMI. This is used for rehabilitation, accessibility, and emergency grants.

St. Clair County IGD will use annual gross income (IRS 1040 Adjusted Gross Income) as a guide to determine eligibility then compare household size and income calculation to the appropriate HUD income limits. This is the sum of income for all household members expected to reside in the household.

Determining Household Size

Because income limits are adjusted based on household size, one of the first steps in determining eligibility is to correctly identify who is included in the applicant's household.

Some individuals may reside in the unit but **should not** be counted as household members for the purposes of determining household size or income eligibility. These include:

- Foster children
- Foster adults
- Live-in aides
- Children of live-in aides

These individuals are excluded from both the household size count and the total household income calculation, regardless of whether they receive income.

Proof of residency of everyone living in the household must be provided: school schedule, guardianship papers, driver's license.

All household members 18 years old and older must complete a 4506T form and complete a zero-income affidavit. This applies to all programs besides Homebuyer's Assistance Program.

IGD employees use the CPD Income Eligibility Calculator to determine the income and asset inclusions. This form is printed and placed in each client file.

Items counted as income include all household members related and unrelated, also temporarily absent household members.

- Wages for everyone 18 and older in the household – must provide 2 current consecutive months from application date – gross income will be used for determination.
- For anyone in the house not working, they need to fill out the zero-income affidavit.
- Any children (18 -24) going to college full time must provide a current school schedule. If they are working, we only count to \$480.00, only if they are not the head of the household. Clients who are attending college full time are considered head of the household if they are married (including same sex), veteran, has a dependent child, or is disabled then all their income is counted.
- Unemployment papers
- Social Security and/or Social Security Disability Income
- Pension and/or annuities
- Business income – could ask for up to one year of books
- Child support
- Alimony payments
- Income for foster children/legal guardianship
- Banking statements – 2 current consecutive months from application date– looking for constant deposits that will be counted as income.
- Tax returns – must be the most current year, signed. PJs may request several years of tax returns for self-employed individuals to see fluctuations or trends in business income. Obtaining tax returns can be helpful to establish household composition, including dependents, self-employment income, income not reported on the application.
- Assets – only items that are taxable, found by looking at tax returns
- Works for cash – review for periodic payments in checking and/or savings account statements. A cash verification form must be used.
- 1099 IRS forms
- If separated, must provide the recorded separation papers

Items not counted as income:

- SNAP
- No income counted for minor children (17 years and younger)

Other items asked for at the time of application:

- Death Certificates for anyone listed on mortgage and banking statements
- Legal Separation papers
- Divorce decree
- When providing legal separation or divorce decrees, IGD will need proof that the other person does not live in the house, documents including but not limited to driver's license, utility bill, lease agreement. They are also required to fill out a "BUILDING OWNER CERTIFICATION AND WORK AUTHORIZATION" form if still on the deed.

Temporarily absent members examples could be. St. Clair County IGD limits the time frame of temporary living to 4 months from the time of application, otherwise income will be counted.

- incarcerated for a short time and will return to household
- seasonal workers who will return
- active military members who will return to household

Permanently absent members examples could be. St. Clair County IGD will not count income and will require paperwork showing time frame.

- Nursing home residents
- Students temporarily away at school – students must be away at college for 9 consecutive months of the year, school schedule will be required
- Will be Incarcerated for a 1 year or more at the time of application, arrest papers will be required.

Deductions Chart:

- Any household in which:
 - The head, spouse or sole member is 62 years of age or older; or
 - Head, spouse or sole member is person with permanent disabilities that meet Social Security Administration's definition of "disabled person"
- Elderly/disabled households are entitled to deduction of \$400 per household
- Non-elderly/no-disabled households are NOT eligible for this allowance
- Deduct \$480 for each household dependent
- "Dependents" are any household members who are not the head, co-head or spouse but are:
 - Under the age of 18 years; or
 - Disables (any age); or
 - A full-time student (any age)

St. Clair County Intergovernmental Grants employees will ask if the client anticipates any income or household changes within the next 12 months. This could be pay raises, bonuses, birth/adoption of a child, child leaving for college or moving.

IGD will deny any potential clients if they have a balance of \$10,000.00 or more in their savings and/or checking accounts.

How to calculate income:

- If weekly paystubs: Add 8 paystubs, divide by 8 to get weekly average, multiply by 52.
- If bi-weekly paystubs: Add 4 paystubs, divide by 4 to get bi-weekly average, multiply by 26.
- If monthly paystubs: Add 2 paystubs, divide by 2 to get monthly average, multiply by 12.
- If bi-monthly paystubs: Add 4 paystubs, divide by 4 to get bi-monthly average, multiply by 24.
- Multiply monthly SSI/SS/Child Support, etc. by 12.

- Large or recurring deposits will be added together from the 2 consecutive months of banking statements, divided by 2 to get monthly average, multiplied by 12.
- Add all yearly income totals together to determine if the client falls within the HUD income guidelines.

If a contract is not signed within 6 months of receiving documents at the time of application, IGD will require updated information.

St. Clair County IGD reserves the right to ask for additional information if needed.

Revision History

Event	Date
Adopted revisions	3/28/2025
Adopted revisions	5/27/25
Adopted revisions	8/8/2025
Adopted revisions- updated conflict of interest section	9/12/2025