

# **Helping the Homeowner:**

## **A Loan Program for Residential Rehab**



**A Presentation to the 2012 Revitalization Conference**  
**May 10<sup>th</sup>, 2012**

# The Cleveland Restoration Society



*...uses the powerful tool of historic preservation to revitalize our diverse communities, strengthen the regional economy, and enhance the quality of life in northeastern Ohio.*

- ❖ Is the largest non-governmental, regional historic preservation organization in Ohio.
- ❖ Has a staff of 9 full-time professionals.
- ❖ Is headquartered in a restored historic building in downtown Cleveland.
- ❖ \$1M annual operating budget.

# Celebrating 40 Years of:

**Advocating** for the protection and appreciation of northeastern Ohio's history and historic built environment.

**Educating** the public about the economy and importance of repairing and re-using existing buildings.

**Leading** the way in showing through example that historic preservation is an essential tool towards developing economic growth and community revitalization.

**Encouraging** policy makers to make choices that will protect the City and region's important historic landmarks.



# Programs and Activities:

## Advocacy

- ✓ Strengthening Local Landmarks Ordinances
- ✓ Promoting the use of preservation as an economic growth strategy in City planning and governance

## Preservation Services

- ✓ Sacred Landmarks assistance for repair and re-use
- ✓ Support for historic commercial structures
- ✓ Help with National Register and local designations

## Community Education

- ✓ Free informational workshops and seminars for the public
- ✓ Publication of an e-newsletter and the bi-annual *Façade* magazine
- ✓ Access to information from the Preservation Resource Library

**And...**

# The Heritage Home Program<sup>SM</sup>



# Historic Preservation = Neighborhood Development



- ✓ **Positive Reinvestment**
- ✓ **Increase in Property Values**
- ✓ **Investor Confidence**
- ✓ **Neighborhood Stability**

# What We Provide:

**A tool for homeowners that assists in repairing older homes by providing financial assistance and “know-how.”**

**One that:**

- **Gives guidance to homeowners**
- **Provides financial incentive for preservation**



# What is the Heritage Home Program<sup>SM</sup> ?

## 1) Technical Advice

- Site visits and project guidance
- Evaluation of contractor estimates & bids
- Color consultations
- Recommendations for maintenance issues
- Suggestions for increasing energy efficiency and sustainability
- Impartial product & service reviews





**BEFORE**



**AFTER**

## HHP Provided:

- ✓ Historic photographs to help owner replicate original porch railing
- ✓ Historic color consult
- ✓ Advice on appropriate repair and maintenance procedures



## HHP Provided:

- ✓ Architectural style description
- ✓ Assistance with researching the history of the home
- ✓ Advice about window restoration and options for do-it-yourself repairs.
- ✓ Contractor referrals





## HHP Provided:

- ✓ Historic color consult
- ✓ Wood window repair resources and information on appropriate replacement options



## HHP Provided:



A whole-house walk-through with the Program's Preservation Construction Manager to:

- ✓ Help prioritize work to be done
- ✓ Minimize owner's anxiety over minor maintenance issues
- ✓ Discuss easy remedies for smaller maintenance issues.



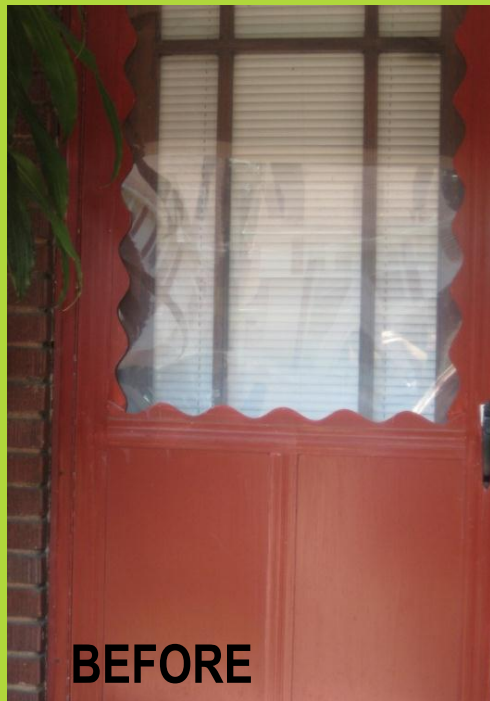
HHP Provided:

✓ Historic color consult



## HHP Provided:

- ✓ Advice on appropriate styles for a storm door replacement
- ✓ Instructions on how to refinish the historic front door
- ✓ Informational resources about historic paint, paint restoration, stone repair materials and referrals to stone repair technicians



# What is the Heritage Home Program<sup>SM</sup> ?

## 2) Low-Interest Loan

- Low, fixed-interest rate – currently as low as 1.4%.
- Construction specifications are provided for exterior projects
- Interior and exterior projects can be financed





## **\$55,000 loan**

- ✓ Total interior rehabilitation
- ✓ Remove vinyl siding

## **\$50,000 loan**

- ✓ Exterior wood repair
- ✓ Exterior painting
- ✓ Window restoration
- ✓ Storm windows
- ✓ Porch repair



## **\$7,455 Loan:**

- ✓ Roof tear off and replacement
- ✓ New gutters and downspouts



## **\$22,249 Loan:**

- ✓ Front stoop repair
- ✓ Demolition and reconstruction of rear room
- ✓ Exterior painting



## **\$35,000 Loan:**

- ✓ new roof
- ✓ new HVAC and electrical
- ✓ floor refinishing

## **\$25,000 Loan:**

- ✓ Porch repair
- ✓ Exterior painting
- ✓ Garage rebuild
- ✓ Driveway replacement
- ✓ Landscaping



## **\$56,300 Loan:**

- ✓ Window repair
- ✓ Enclose a back porch to make a sunroom
- ✓ Rebuild a dormer
- ✓ Add a full bath upstairs



## **\$24,475 Loan:**

- ✓ Construct a pergola
- ✓ Continue interior/ exterior rehabilitation

## **\$30,381 Loan:**

- Additional restoration

## **\$100,000 Loan:**

- Waterproofing
- Electrical upgrades
- Kitchen remodel
- Rear porch repair
- Insulation

# General Eligibility Requirements:

- The house is at least 50 years old – it does not need to be “historical.”
- The house contains 3 units or less and is zoned as residential



# What types of projects are eligible for the loan?

## **EXTERIOR:**

- ✓ Additions
- ✓ Roof repair and replacement
- ✓ Painting
- ✓ Porch repair
- ✓ Masonry work
- ✓ Window repair and replacement
- ✓ Storm windows
- ✓ Basement waterproofing
- ✓ Landscaping
- ✓ Driveway replacement

## **INTERIOR:**

- ✓ Kitchen and bath remodels
- ✓ Wood floor refinishing
- ✓ Interior painting
- ✓ HVAC system upgrades
- ✓ Electrical and plumbing system upgrades
- ✓ Reconfiguring interior spaces
- ✓ Energy audits & insulation
- ✓ Built-ins

**And Much More!**

# Heritage Home Program<sup>SM</sup> Loan FAQs

- **As low as 1.4% fixed-interest rate**
- No out-of pocket costs
- Minimum loan amount = \$3K
- Loan is based on available equity or equity established by an after-rehabilitation appraisal
- Interest from the loan is tax deductible
- 5-12 year term allows homeowner to make larger investment



# Heritage Home Program<sup>SM</sup> - How its Funded

- **Foundation Grants**
- **Linked Deposits to buy down interest rates from:**
  - Cuyahoga County – No limits
  - OHFA – Limited to Low and Moderate Income
  - Ohio State Treasurer – Limited to Eco Projects
- **Payments from Participating Cities**
- **Homeowner Fees**
  - Administrative Service fees
  - Escrow fees



# Program Participant Feedback

"Thanks for the opportunity to improve my property. All representatives of Cleveland Restoration Society were extremely helpful and professional."

"This program is an essential tool for the preservation of historic and classic older homes. I would really recommend it to anyone who is passionate about restoring homes."

"Thank you for this wonderful program. The help that the Cleveland Restoration Society [provided] has allowed us to restore our home to the quality we had dreamed of."



**BEFORE** **AFTER**





**BEFORE**



**AFTER**

LOW INTEREST REHAB LOAN  
CLEVELAND  
RESTORATION SOCIETY  
216-426-1000  
www.crsociety.org  
Cleveland's Historic Homes  
Restoration Society



**BEFORE**

**AFTER**





BEFORE



AFTER



**BEFORE**



**AFTER**





**BEFORE**



**AFTER**



**BEFORE**

**AFTER**





**BEFORE**



**AFTER**

LOW INTEREST HOMEOWNERS  
CLEVELAND  
REHABILITATION SOCIETY  
216-426-1000  
HOURS: 9:00 AM - 5:00 PM  
Cleveland, OH



**BEFORE**



**AFTER**



**BEFORE**

**AFTER**



## Going Forward:

*With new, and strengthened partnerships we hope to:*

### **Bring the Heritage Home Program<sup>SM</sup> to Communities across Ohio**

- ✓ Ability to provide the low HHP interest rates to more homeowners
- ✓ Use of information from the HHP proprietary database for community leaders and government to track use and successes
- ✓ Access to “remote” technical assistance using new technologies and assistance from local partner organizations

# Wanted, Local Partners:

- ✓ For creditability with Local County and City Officials
- ✓ To interface with homeowners
- ✓ Share in the fees



**For more information, please contact:**

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**Thank you!**



**CLEVELAND  
RESTORATION  
SOCIETY**