

## Employer-Assisted Housing Program | Frequently Asked Questions

### 1) What is the Employer-Assisted Housing Program?

The University of Chicago’s Employer-Assisted Housing Program (EAHP) is a financial benefit available to employees who move near the University. Through this program, the University strengthens its connections to surrounding neighborhoods, retains valuable employees, and helps staff optimize their work-life balance. EAHP provides up to \$10,000 in down payment assistance and up to \$2,400 in rental assistance to eligible employees who move to one of the communities surrounding campus depending on home or rental location.

### 2) How and why has the Employer-Assisted Housing Program changed?

The University of Chicago and University of Chicago Medicine have managed the Employer-Assisted Housing Program since 2003, helping more than 240 employees purchase homes in neighborhoods near campus. In light of the changing housing market and recent economic downturn, the University evaluated the performance of the program. It identified several ways to evolve EAHP to better meet the goals of supporting a stronger mid-South Side, encourage employees to purchase homes in surrounding neighborhoods, and improve employee’s access to local housing opportunities to reduce commutes and related costs.

This new EAHP provides the opportunity for more employees to qualify by: removing previous income requirements for purchases in most communities; piloting a rental program in our focus area of Woodlawn; and, given Hyde Park and South Kenwood’s growth, tiering incentives to support employees who are investing in areas whose growth the University is working to support.

### 3) How do I qualify? Do I need to earn a certain income?

To qualify, you must be a full-time, benefits-eligible employee of the University of Chicago or University of Chicago Medicine, who has successfully completed your probationary period. To begin the process, you must email [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu).

Income limits only apply if you are purchasing in Hyde Park or South Kenwood. In order to purchase in either of these two neighborhoods, you must earn 120 percent or below of the Area Median Income. This amount is adjusted by the U.S. Dept. of Housing and Urban Development every year (the 2016 Area Median Income limits that apply to Hyde Park and South Kenwood can be found below).

As qualifications differ by neighborhood, the table below identifies which neighborhoods you qualify to purchase in based on your household income, previous homeownership experience, and where you currently live. All applicants must participate in homeownership or rental counseling. No income limits apply to renters given the pilot program is restricted to renters moving to the Woodlawn Focus Area.

#### Determine Your Eligibility to Purchase by Neighborhood

	Woodlawn Focus Area	Douglas, Grand Boulevard, Greater Grand Crossing, North Kenwood, Oakland, South Shore, Washington Park, and Woodlawn outside of Focus Area	Hyde Park/ South Kenwood*
<b>Down Payment Assistance Amount</b>	\$10,000	\$5,000	\$2,500
<b>First-Time Homeowners</b>	Eligible	Eligible	Eligible
<b>Current Homeowners: Outside 9 Neighborhoods</b>	Eligible	Eligible	Not Eligible
<b>Current Homeowners: Within 9 Neighborhoods†</b>	Eligible	Not Eligible	Not Eligible

#### Determine Your Eligibility to Purchase in Hyde Park/ South Kenwood\*

Household Size	Maximum Income Eligibility Requirements
1	\$64,680
2	\$73,920
3	\$83,160
4	\$92,280
5	\$99,720
6	\$107,160
7	\$114,480
8	\$121,920

Source: Illinois Housing Development Authority  
Note: Income limits are subject to change annually.

\*Household income must be 120 percent or less than the area median income (AMI). See adjacent table.

†Existing Woodlawn Focus Area homeowners not eligible.

**4) My spouse, significant other, or household member is also an employee of the University/UChicago Medicine. Can we both qualify?**

No, the one-time benefit is available to the household, not individual. If you or your spouse/domestic partner (one or the other) should leave the University or UCM, the forgivable loan can be transferred to the remaining employee.

**5) I have utilized the Employer-Assisted Housing Program in the past. Can I use it again under the new program parameters?**

No, the program is only available for down payment assistance for a household once. The only exception is if you use the new rental program and later decide to purchase. In that case, you can use the down payment assistance program after you have successfully completed the rental program.

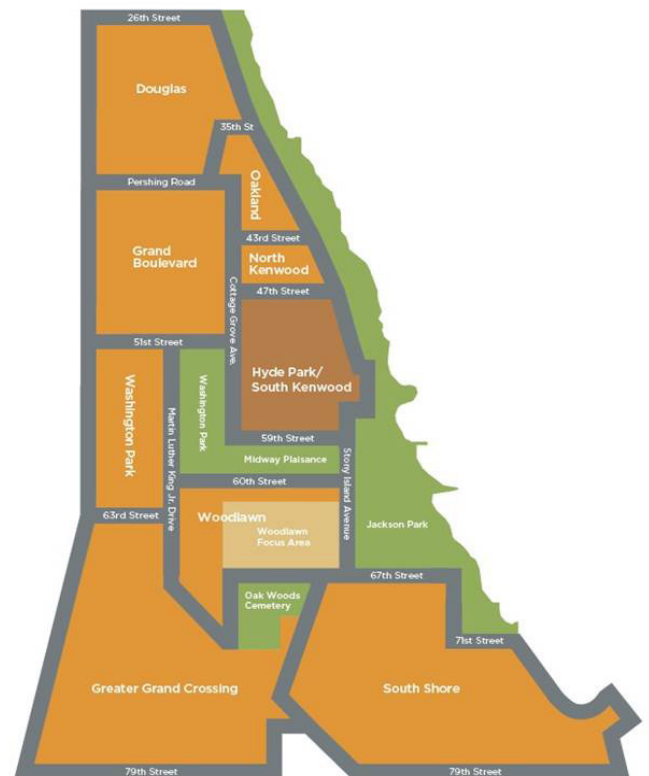
**6) Where can I live?**

You can purchase in any of nine communities surrounding campus as long as you qualify under the guidelines listed in response to question 2, above. Those nine communities are: Douglas, Grand Boulevard, Greater Grand Crossing, Hyde Park, Kenwood (note the difference in benefits for North and South Kenwood), Oakland, South Shore, Washington Park, and Woodlawn.

The rental program is currently only available in the focus area of Woodlawn. See the map to the right to identify the boundaries of each community.

**7) I already own a home, but am interested in moving. Can I participate?**

Yes, in certain neighborhoods. If you currently own a home within the nine neighborhoods, you can still qualify to purchase in the Woodlawn Focus Area. If you own a home outside of the nine neighborhoods, you can qualify for the benefit in all communities except Hyde Park and South Kenwood. To purchase in Hyde Park or South Kenwood, you must be a first-time homebuyer. Note that with any purchase or rental, the home must serve as your primary residence. In the case of homeownership, if at any time the home ceases to serve as your primary residence, the University will reclaim the remainder of your five-year forgivable loan.



**8) How does the down-payment assistance work?**

At closing, the assistance is considered part of your down payment and recorded as a second lien on your loan. A portion of your loan is forgiven each month for the next five years you remain employed at the University or Medical Center. If at any point within the five years you sever employment for any reason, sell your home, or the home ceases to serve as your primary residence, you will be required to repay the balance of the forgivable loan. Note that the loan is a taxable event.

**9) How does the rental assistance work?**

To rent in the Woodlawn Focus Area, you will be reimbursed for your first and last month rent, up to a maximum of \$2,400 in total. The reimbursement will be calculated based on your actual monthly rent as stated on your lease. It will be issued in two installments. You will receive the first installment once you have signed your lease, paid your deposit, and occupied the home for 30 days. The second will be issued once you have successfully fulfilled your one-year lease. To receive your first reimbursement, you must provide the contact information for your landlord or rental manager, a copy of your lease, a canceled check, and rental counseling

proof of completion. To receive your second reimbursement, you must contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu), and provide your landlord or property manager's contact information so that the University can verify your successful one year of tenancy. Note that the rental assistance is taxable.

#### 10) Is the rental assistance available to me if I'm re-signing a new lease for a home I already inhabit?

No. Given the limited resources of the program, the benefit is only available to help employees who do not currently live in the Woodlawn Focus Area to relocate there.

#### 11) What happens if I need to terminate my lease early?

If you terminate your lease before the successful completion of one year, you will forgo your second reimbursement.

#### 12) Can I receive the rental assistance and then later receive the homebuyer assistance?

Yes, as long as you successfully complete the one-year rental program and meet all other program guidelines, including attending homeownership counseling.

#### 13) I currently live in one of the nine neighborhoods. Can I use the program?

It depends.

- If you are a first time homebuyer living in one of the nine neighborhoods, you can access the program to move anywhere within the nine neighborhoods, as long as you meet other program guidelines.
- If you already own a home in one of the nine neighborhoods, you can access the program to purchase in the Woodlawn Focus Area.
- If you currently rent outside of the Woodlawn Focus Area, you can access the pilot rental program to rent within it.
- If you currently rent in the Woodlawn Focus Area, you are not eligible for the pilot rental program, but you can access the program to purchase a home there.

Please refer to the table on page one.

#### 14) How do I determine if the home I'm interested in is in the Woodlawn Focus Area?

The Woodlawn Focus Area extends north to 60th Street, south to 67th Street, east to Stony Island, and west to Cottage Grove Avenue. To confirm whether the home you're interested in is within a qualified area, contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu).



#### 15) How do I learn more about the neighborhoods?

Visit the EAHP website to access neighborhood profiles. There you will find a history of each community, fun things to do, interesting facts, and helpful links, including information on community organizations, safety and school data, and the contact information for elected officials.

#### 16) Why are there different down-payment assistance increments in different communities?

The University and its employees have an important role to play in creating strong neighborhoods. We have tiered the Employer-Assisted Housing Program to provide incentives towards growing neighborhoods that will benefit from further investment, as well as help employees live conveniently close to campus, with more options to get to work, such as walking, biking, or taking public transportation. The program's greatest incentive is geared towards the Woodlawn Focus Area, historically the second most popular community for EAHP participants. This portion of Woodlawn not only houses the University's South Campus, allowing employees to walk to work, but it is seeing new investment, including the new UChicago Reva and David Logan Center for the Arts on 60th Street, Orthogenic School on 63rd Street, UChicago South Field at 61st and Woodlawn, and the Woodlawn Park housing redevelopment along Cottage Grove between 61st and 63rd streets.

Ultimately, purchasing or renting a home is a very personal decision, and you must choose a home and neighborhood that best fits the needs of your household. We hope that by providing this incentive, you will consider some of the wonderful communities that surround and host the University and Medical Center campuses as you weigh your many options.

## 17) What steps do I need to take to utilize the program?

### Homeownership Program

*Step 1:* Get pre-approved for a loan

*Step 2:* Complete the EAHP Homeowner Application

*Step 3:* Contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) for an initial consultation

*Step 4:* Find your home

*Step 5:* Complete home inspection

*Step 6:* Complete homebuyer online education course (contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) for access)

*Step 7:* Contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) for one-on-one counseling

*Step 8:* As all paperwork, employment verification, and loan documents are processed to prepare for closing, continue to work with your mortgage company and realtor on other matters.

*Step 9:* Close on your home.

### Rental Program

*Step 1:* Find your rental in the Woodlawn Focus Area.

*Step 2:* Complete the EAHP Rental Application

*Step 3:* Contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) prior to signing your lease, to verify funds are available and you qualify under program guidelines.

*Step 4:* Complete rental counseling

*Step 5:* Sign your lease

*Step 6:* Provide your lease and all necessary deposits and rent payment documentation to [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu).

*Step 7:* After completing 30 days of your signed lease, submit the lease, a copy of your deposit via canceled check, and proof of your former address to [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu).

*Step 8:* In 30 to 60 days, confirm your reimbursement has been processed through payroll to be applied to a future paycheck.

*Step 9:* After one full year of a successful lease, contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) to process your second reimbursement. Your landlord, property owner, or manager will be contacted to verify information before processing the reimbursement. Requests for reimbursement must be submitted no longer than sixty days from the last day of the lease.

## 18) I'm interested in homeownership, but not sure if I'm ready. What can I do?

The University provides confidential homeownership counseling, and contracts with Neighborhood Housing Services (NHS) of Chicago to prepare our employees for the many responsibilities of homeownership. If homeownership is not right for you at this time, you might consider the rental program as a first option. You may still qualify for the homeownership program later. NHS is a nonprofit neighborhood revitalization organization that has been committed to helping homeowners and strengthening neighborhoods throughout Chicago, South Suburban Cook County, and Elgin since 1975. Contact [eahp@lists.uchicago.edu](mailto:eahp@lists.uchicago.edu) to obtain a referral to NHS.

## 19) What happens if I leave the University after participating in the program?

For the homeownership program, if you sever employment with the University or UChicago Medicine for any reason before the end of your five-year loan term, the remainder of the loan will be recaptured in the form of monthly payments until the five-year term is up and remaining balance has been repaid. This provision is enforced through a second lien position on the mortgage. In second lien position, the loan must be repaid in order to sell or refinance your home in the same way that your primary mortgage would need to be repaid.

For the rental program, if you sever employment within the one-year lease term, you will forgo the second reimbursement payable at the end of the one-year lease term.

**20) Is this benefit taxable?**

Yes. For the rental program, the tax is deducted through your reimbursement. Both the reimbursement and the tax will be applied to your paycheck at the same time. As such, what will appear on your check will not be the full month's rent, but rather the amount of rent minus the tax. For the homeownership program, the tax is deducted monthly over the five-year loan.

**21) I work for a University affiliate. Do I qualify?**

It depends on your employment status through the affiliate. To qualify, you must be classified as a full-time, benefits-eligible employee of the University of Chicago or UChicago Medicine.

**22) Are there any timing constraints for the homeownership or rental programs?**

For University employees, funding is renewed at the beginning the fiscal year (July 1) and available on a first-come, first-served basis.

**23) Is a sublet agreement considered equivalent to a conventional lease agreement?**

Yes, if the sublet term is equal to or greater than one year.

**24) Can I sublet in the Woodlawn Focus Area and later participate in the rental program?**

No, you cannot sublet in the Woodlawn Focus Area and then participate in the rental program at a later time.

**25) Can I take advantage of the rental program if i have roommates?**

Yes, you can take advantage of the rental program, but only for your equal share of the rent.

**26) Can I use homeowner program funds to purchase a multi-unit building?**

Yes, if the building is no larger than four units and you occupy one unit as your primary residence.