



Frequently Asked Questions

What is the UniverCity Neighborhood Partnership?

The City purchases homes in select areas around campus and downtown using low-interest loans provided by several local lenders. The homes are then renovated and sold to eligible homebuyers. The program is dedicated to ensuring that the University of Iowa Campus and surrounding neighborhoods remain vital, safe, affordable, and attractive places to live and work for both renters and homeowners. To date, over 60 properties have been renovated and sold as owner-occupied homes. The City plans to purchase 3-5 homes a year.

How does the program work?

Just as any homebuyer considers the assessed value, location, and condition of the home, these things are taken into account when purchasing properties in the program. Staff evaluates necessary and desirable improvements that convert the home back to single-family owner occupancy. The renovation work is bid out to local contractors, who get to work quickly on renovating the house. The homes will receive up to \$50,000 in renovations. Once renovated, the homes are available for sale to income-qualified buyers. The \$50,000 is not included in the sale price and forgiven once the home has been owner-occupied for five years. A deed restriction is placed on all homes ensuring that they remain owner-occupied for 30 years.

The home is sold to the selected purchaser at the original purchase price plus carrying costs. Carrying costs include interest on the City's mortgage while owning the home, any utilities or fees, charges for general upkeep such as shoveling or mowing, and renovation cost above the \$50,000 forgivable loan.

Who qualifies to purchase these homes?

To participate in the program, you must be pre-qualified for a mortgage and your gross household income must fall within specific income limits. The chart below displays the maximum incomes. Household income is defined as the total gross income for all adult household members, except those under 24 years of age who are enrolled in college.

Household Size	Income Limits
1	\$99,260*
2	\$113,400*
3	\$127,540*
4	\$153,020*
5	\$144,760*
6	\$164,360*

*If the sale price is over \$190,000, households with gross income above 140% of the area median income (AMI), but below 160% AMI may qualify for the program if the household has certain substantial and ongoing monthly debt obligations such as student loans, medical bills, and child care.

How were the homes selected?

Homes were selected based on certain criteria. First, the house must be located in one of the designated neighborhood districts (see maps on homepage). Because the goal of the program is to balance owner occupancy with rentals, we looked for areas that are not clearly tipped in one direction—not solidly owner-occupied and not solidly rental. Staff also identified homes in areas where the condition of the housing and the underlying zoning support single-family dwellings. Finally, qualified inspectors assessed the homes to see if they could be renovated to good condition within our budget.

When can I tour a home?

Once your application is submitted and you are deemed eligible to purchase a home through the UniverCity Program, you can schedule a tour with staff. Tours are scheduled once the properties are substantially complete. For safety reasons, applicants are not allowed to tour the property once under construction. In addition, open house events for the general public are held periodically.

How does the application process work?

Applications for homeownership are accepted continuously. Once applications are completed and submitted, including a mortgage preapproval letter from a lender and signed copies of the most recent tax returns for all adults in the household, we will contact you by email or phone to let you know we have received the documents. Next, your income and application information are verified. Once the verification process is complete we will contact you to find out your initial housing preferences and allow you to tour any homes with finished renovations.

How do I make an offer on a home?

Once renovations are substantially completed for a home, all applicants will be given an opportunity to make an offer by a specified deadline. If multiple offers are received, staff will typically review application date as well as ability to close in a timely manner in order to minimize carrying costs.

If I decide to purchase the home, can I have it inspected?

Yes, you can have the home inspected to ensure that it is in good condition. However, there is no bargaining on the price—the house is sold at the set price, as is.

For more information, contact:

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