Memphis HOPE Phase I

(Housing Opportunity Programs and Empowerment)

Funding Source	City of Memphis General Fund or other lawfully available City funds
Program Budget Allocation	$2,000,000 proposed allocation limit, subject to applicable appropriation
Maximum Assistance	Up to $25,000 per assisted property
Assistance Structure	0% interest, deferred, 3-year forgivable loan
Income Eligibility	Up to 120% of Area Median Income (AMI) — homeowner and renter households
Compliance / Lien Term	Three (3) years for both owner-occupied and rental properties
Phase I Application Period	November 16 – 25, 2026; In-person support by appointment only on November 17th, 18th, 21st, and 24th; Curing Period: November 26th to December 9th at 4:30 pm (10 business days)
Zone(s)	Designated HOPE Zone(s) within the City of Memphis
Administering Division	City of Memphis Housing and Community Development (HCD)

Program Description

Memphis HOPE (Housing, Opportunity, Programs and Empowerment) is a residential rehabilitation and neighborhood improvement program administered by the City of Memphis Division of Housing and Community Development (HCD). The program is designed to assist eligible homeowners and renters with essential home repairs, accessibility modifications, and exterior property improvements within the designated HOPE Zone(s). The program serves households with incomes at or below 120% of the Area Median Income (AMI), helping residents address deteriorating housing

conditions, improve health and safety, enhance accessibility, preserve existing housing, and promote neighborhood stability and revitalization.

Funded through Targeted Local Funds (City of Memphis General Fund or other lawfully available City funds referenced per the ordinance), subject to budget approval, the program has an estimated budget of $2 million. Eligible properties may receive up to $25,000 in rehabilitation assistance through a 0% interest, deferred forgivable loan with a 3-year compliance period, applicable to both owner-occupied and eligible rental properties. Improvements may include, but are not limited to, health and safety repairs, structural and major building system repairs, accessibility modifications, and approved beautification and façade improvements. Through these services, Memphis HOPE aims to improve residential living conditions, preserve the City's existing housing stock, and strengthen neighborhoods throughout the designated Zone(s).

Program Service Area – HOPE Zone Map



Click the link to check the address is within the zone: Zone 1 Eligibility Checker

Program Need

The City of Memphis has a significant need for residential rehabilitation assistance to address aging housing conditions, deteriorating building systems, accessibility barriers, and neighborhood disinvestment. Many low- and moderate-income households face financial challenges that limit their ability to complete necessary home repairs and improvements. Without adequate resources, deferred maintenance can lead to unsafe living conditions, increased repair costs, further property deterioration, and potential displacement of residents.

Essential repairs involving roofing, plumbing, electrical systems, heating and cooling, and structural components are often costly, making it difficult for homeowners and rental property owners to maintain safe and habitable housing. Additionally, seniors, individuals with disabilities, and residents with mobility limitations may require accessibility modifications to safely navigate their homes and maintain independent living. Deteriorating exterior conditions and neglected property improvements can also negatively affect neighborhood appearance, housing preservation, and long-term community stability.

The Memphis HOPE Program seeks to address these challenges by providing financial assistance for essential home repairs, accessibility modifications, and approved exterior and façade improvements within the designated HOPE Zone(s). By extending eligibility to households earning up to 120% of the Area Median Income (AMI), the program aims to serve a broader range of eligible homeowners and renters who may lack sufficient resources or access to affordable financing for necessary improvements.

Through targeted residential rehabilitation investments, Memphis HOPE aims to prevent further housing deterioration, reduce displacement risks, preserve existing residential properties, improve neighborhood conditions, and support the long-term stability and revitalization of Memphis communities.

Program Goals and Objectives

Goal 1: Improve Housing Conditions and Promote health and safety.

Objective: Improve the safety, quality, and habitability of residential properties by addressing essential home repair needs, hazardous conditions, and deteriorating building systems for eligible households within the designated HOPE Zone(s).

Activities:

- Conduct residential property inspections to identify health and safety hazards, structural deficiencies, and necessary repairs.
- Provide rehabilitation assistance for eligible improvements, including roofing, plumbing, electrical systems, heating and cooling, structural repairs, mold remediation, and fire safety improvements.
- Partner with qualified contractors to ensure rehabilitation work is completed professionally and in accordance with applicable building codes and safety standards.
- Conduct final inspections to verify the completion and quality of approved repairs.

Goal 2: Enhance Accessibility and Support Housing Stability.

Objective: Improve residential accessibility, promote independent living, and support long-term housing stability by removing physical barriers and providing necessary modifications for eligible homeowners and renters.

Activities:

- Identify accessibility barriers through property inspections and assessments of residents' needs.
- Provide eligible accessibility modifications, including wheelchair ramps, grab bars, handrails, accessible bathrooms, widened doorways, and safer entrances and walkways.
- Improve residential mobility and safety for seniors, individuals with disabilities, and residents with mobility limitations.
- Support aging in place and reduce the risk of displacement by helping residents maintain safe and accessible living environments.

Goal 3: Strengthen Neighborhood Conditions and Promote Community Revitalization

Objective: Preserve existing residential properties, improve neighborhood appearance, and encourage community reinvestment through targeted exterior rehabilitation and beautification improvements within the HOPE Zone(s).

Activities:

- Provide assistance for approved exterior improvements, including façade repairs, exterior painting, windows, doors, roofing, gutters, fencing, and entryway improvements.
- Support eligible landscaping, exterior lighting, walkway improvements, and other property beautification activities.

- Address deteriorating exterior conditions that negatively affect property appearance and neighborhood quality.
- Promote housing preservation and neighborhood revitalization by improving the condition and appearance of existing residential properties.

Goal 4: Ensure Efficient, Equitable, and Accountable Program Delivery

Objective: Establish an effective and transparent program delivery process that provides eligible households with timely rehabilitation assistance while ensuring responsible management of public funds, quality construction, and compliance with program requirements.

Activities:

- Conduct community outreach and provide accessible application opportunities for eligible homeowners and renters within the designated HOPE Zone(s).
- Verify applicant eligibility, including household income at or below 120% of Area Median Income (AMI), property eligibility, occupancy, and applicable documentation requirements.
- Implement standardized procedures for application review, property inspections, scope development, contractor procurement, construction oversight, and project closeout.
- Coordinate with qualified and prequalified contractors to facilitate timely and cost-effective completion of approved rehabilitation projects.
- Administer the program within the approved budget of $2 million, with approximately $1.75 million allocated for direct residential rehabilitation assistance. The number of homes assisted will depend on approved rehabilitation scopes, actual project costs, funding availability, and program capacity.
- Maintain appropriate program documentation and monitor compliance with the 3-year deferred forgivable loan requirements for both owner-occupied and eligible rental properties.
- Evaluate program performance by tracking the number of households assisted, completed rehabilitation projects, expenditures, and improvements to housing conditions.

Program Activities

The Memphis HOPE Program will implement a structured process to ensure eligible homeowners and renters receive necessary residential rehabilitation assistance while maintaining efficient

program administration, construction quality, and compliance with established program requirements.

1. Application and Intake: HCD will conduct community outreach and accept applications from eligible homeowners and renters within the designated HOPE Zone(s). Applications will be accepted online and in person during the designated application period. Applications will undergo an initial screening to determine basic eligibility. Eligible applicants may be placed on a waitlist based on available funding and program capacity.

2. Eligibility Review and Verification: HCD staff will review submitted applications and supporting documentation to verify household income, property location, occupancy, ownership or rental status, and other applicable eligibility requirements. Household income must not exceed 120% of the Area Median Income (AMI) for both homeowners and renters.

For eligible rental properties, income eligibility will be determined based on the tenant household's income. The property owner or landlord must provide the necessary authorization, agree to applicable rental restrictions during the 3-year compliance period, and execute required program agreements.

Applicants who have previously received assistance through other HCD or housing rehabilitation programs may remain eligible for HOPE, provided they meet all applicable eligibility requirements. However, HOPE assistance shall not duplicate repairs, improvements, or services previously funded or currently being funded through another assistance program. HCD will review prior assistance to ensure that the proposed Scope of Work addresses separate eligible rehabilitation needs.

3. Property Inspection and Scope Development: A designated HCD Construction Inspector will conduct interior and exterior property inspections to identify health and safety hazards, accessibility needs, structural deficiencies, and eligible exterior improvements. Based on the inspection findings, HCD will prepare a detailed Scope of Work (SOW) identifying the required rehabilitation activities. The approved SOW will be provided to qualified contractors for submission of itemized cost proposals. HCD will review submitted pricing for reasonableness, verify funding availability, and obtain the necessary approvals before proceeding with rehabilitation activities.

4. Contractor Selection and Procurement: HCD will utilize qualified, licensed, insured, and City-registered contractors through an established contractor prequalification and project-specific procurement process. Approved scopes of work will be issued for competitive bidding in accordance with applicable City procurement requirements. Selected contractors will execute

the necessary agreements, obtain required permits, and receive authorization to begin construction.

5. Rehabilitation and Construction Oversight: Approved contractors will perform the authorized rehabilitation work, including health and safety repairs, accessibility modifications, and eligible beautification or façade improvements. HCD will monitor construction progress, coordinate with property owners and residents, review necessary changes, and conduct inspections to ensure compliance with approved scopes of work, applicable building codes, and quality standards.

6. Project Completion and Closeout: Upon completion of rehabilitation activities, HCD will conduct a final inspection, verify satisfactory completion of the approved work, resolve outstanding deficiencies, and obtain required property-owner and resident acknowledgments. HCD will finalize project records, payment documentation, and verify that applicable deferred forgivable loan agreements, lien documents, and rental affordability agreements, where applicable, have been properly executed in accordance with approved program procedures. A 3-year compliance period shall apply to both owner-occupied and eligible rental properties, with compliance obligations governed by the terms and effective dates established in the executed program agreements.

7. Compliance Monitoring and Lien Release: HCD will coordinate with designated Compliance staff to establish and implement monitoring procedures throughout the 3-year compliance period applicable to both owner-occupied and eligible rental properties.

For rental properties receiving HOPE assistance, property owners shall comply with the program's established maximum rent limits based on unit size throughout the 3-year compliance period. Rental rates may be adjusted during this period, provided they do not exceed the applicable maximum rent limits established by the program.

The rental affordability requirements shall be documented in the executed program agreement, identifying the assisted property or rental unit, applicable rent limits, compliance period, monitoring requirements, and remedies for noncompliance.

HCD may conduct periodic compliance reviews to verify occupancy, ownership, rental amounts, and adherence to applicable program requirements. Monitoring procedures shall be established in coordination with HCD Compliance and Legal.

Upon successful completion of the 3-year compliance period and satisfaction of all applicable requirements, the City will process loan forgiveness and lien release in accordance with approved program policies and executed legal documents.

Program Impact and Evaluation

The Memphis HOPE Program will evaluate its effectiveness by tracking rehabilitation activities, measuring improvements in housing conditions, assessing neighborhood impacts, and monitoring the responsible use of program funds. HCD will maintain program records and establish performance measures to assess program outcomes, ensure quality rehabilitation services, and support continuous program improvement.

- **Performance Metrics:** The program will track key performance indicators, including the number of applications received, households determined eligible, homes rehabilitated, projects completed within each repair category (Health and Safety, Accessibility, and Beautification/Façade Improvements), contractors engaged, average rehabilitation cost per property, and average time from application approval to project completion. Production will be evaluated based on the approved program budget of $2 million, available rehabilitation funding, actual project costs, contractor capacity, and operational resources. The number of homes assisted will be determined based on program implementation and available funding.
- **Program Outcomes:** The program aims to improve residential health and safety, enhance accessibility, preserve existing housing, and strengthen neighborhood conditions. Outcomes will be evaluated through initial property inspections, construction progress inspections as necessary, final inspections, documentation of completed improvements, and feedback from participating homeowners and renters. The designated HCD Construction Inspector will document existing property conditions, identify necessary rehabilitation activities, monitor construction quality, and verify that completed improvements comply with the approved Scope of Work (SOW), applicable building codes, and program requirements. Final inspections will confirm satisfactory completion of approved rehabilitation activities and identify any outstanding deficiencies requiring corrective action before project closeout.
- **Compliance and Accountability:** HCD will maintain accurate financial and project records to monitor program expenditures, contractor performance, construction quality, and adherence to established eligibility requirements. Properties receiving assistance will be subject to a 3-year compliance period under the deferred forgivable loan structure. Compliance monitoring procedures, reporting requirements, and loan and lien enforcement provisions will be established in coordination with HCD Compliance and Legal and implemented in accordance with approved program policies and executed agreements.

- **Program Sustainability:** The HOPE Program will be supported through Targeted Local Funds, subject to budget approval and funding availability. HCD will evaluate program performance, community rehabilitation needs, contractor capacity, and available financial resources to determine future funding allocations and program priorities. Performance data and program outcomes will inform ongoing improvements to program administration and support the long-term preservation and revitalization of residential properties within the designated HOPE Zone(s).

Program Benefits

The Memphis HOPE Program provides essential residential rehabilitation assistance to eligible homeowners and renters by improving housing conditions, addressing health and safety concerns, enhancing accessibility, and supporting neighborhood revitalization. Through targeted investments in existing residential properties, the program seeks to improve residents' quality of life, preserve affordable housing opportunities, reduce the financial burden of necessary repairs, and promote long-term housing stability within the designated HOPE Zone(s).

Key benefits of the Memphis HOPE Program include:

- **Improved Health and Safety:** Addresses hazardous living conditions through essential repairs to roofing, electrical systems, plumbing, heating and cooling systems, structural components, and other conditions that may affect residents' health and safety.
- **Enhanced Accessibility and Independence:** Provides accessibility modifications, including wheelchair ramps, grab bars, handrails, accessible bathrooms, and safer entrances and walkways, helping seniors, individuals with disabilities, and residents with mobility limitations navigate their homes safely and independently.
- **Housing Preservation and Stability:** Supports the rehabilitation and continued use of existing residential properties by addressing deferred maintenance, preventing further deterioration, and helping eligible homeowners and renters remain in safe and habitable housing.
- **Financial Assistance and Reduced Repair Burden:** Provides eligible households with access to rehabilitation assistance of up to $25,000 per property through a 0% interest, deferred forgivable loan with a 3-year compliance period, reducing the immediate financial burden associated with necessary home improvements.
- **Neighborhood Beautification and Revitalization:** Enhances neighborhood appearance through approved exterior repairs, façade improvements, landscaping, painting, lighting,

and other property improvements that contribute to well-maintained residential streets and stronger neighborhood conditions.

- **Reduced Risk of Displacement:** Helps address housing deficiencies that could otherwise contribute to unsafe living conditions, escalating repair costs, or the loss of existing housing, supporting residential stability for eligible homeowners and renters.
- **Improved Quality of Life:** Promotes safer, more comfortable, accessible, and functional living environments that support residents' overall well-being and ability to remain in their communities.
- **Preservation of Existing Housing Stock:** Encourages reinvestment in existing residential properties, supports long-term property maintenance, and helps reduce neighborhood deterioration through targeted rehabilitation improvements.

Overall, the Memphis HOPE Program seeks to strengthen Memphis neighborhoods by combining essential housing rehabilitation, accessibility improvements, and neighborhood beautification with financial assistance that helps eligible residents maintain safer, healthier, and more stable living environments.

Eligibility Requirements

Eligible Participants

Applicants must meet the following eligibility requirements to qualify for assistance through the Memphis HOPE Program:

- Zone(s): The property must be located within the designated Memphis HOPE Zone(s) and within the City of Memphis.
- Income Eligibility: Household income must not exceed 120% of the Area Median Income (AMI), based on household size and applicable income limits. This requirement applies equally to homeowner and renter households. The program will not prioritize or rank otherwise eligible applicants based solely on whether their household income falls below a lower AMI threshold. All applicants must satisfy the same 120% AMI maximum income eligibility requirement, subject to the Program's other eligibility and selection criteria.
- Primary Residence: The property must serve as the primary residence of the homeowner or tenant receiving assistance.

- Ownership Requirements: Homeowner applicants must legally own and occupy the property. Property owners, including participating landlords, must have owned the property for at least 12 months.
- Rental Property Eligibility: Renters may qualify for assistance if they meet the program's income, occupancy, and other eligibility requirements. The property owner or landlord must provide written authorization for inspections and rehabilitation work and agree to execute all applicable program and loan documents.
- Property Taxes: Property owners must be current on applicable property taxes or have an approved payment arrangement.
- Mortgage Status: Property owners must be current on mortgage obligations, where applicable.
- Property Insurance: Property owners must maintain applicable homeowner's or property insurance coverage.
- Utilities: Applicable utility accounts must be current or subject to an approved payment arrangement.
- Property Access: Applicants and participating property owners must provide access for interior and exterior inspections, photographic documentation, construction activities, and required final inspections.
- Property Condition: Properties must be reasonably accessible and free from excessive debris, trash accumulation, animal waste, or unsafe environmental conditions that prevent inspections or rehabilitation work. Identified conditions must be corrected within 30 days, as directed by HCD.

FY 2026 Annual Household Income Limits – 120% AMI

Household Size	Maximum Annual Household Income (120% AMI)
1 Person	**$77,850**
2 Persons	**$89,000**
3 Persons	**$100,100**
4 Persons	**$111,250**

5 Persons	**$120,150**
6 Persons	**$129,050**
7 Persons	**$137,950***
8 Persons	**$146,850***

**Relative to area median family income, $92,700, effective date, May 1, 2026*

Eligible Properties

The following residential property types may qualify for assistance, subject to applicable program requirements:

- Single-family detached homes.
- Single-family attached homes.
- Duplex residential properties.
- Eligible owner-occupied and tenant-occupied properties within the designated HOPE Zone(s).

Assistance and Compliance Requirements

- **Maximum Assistance:** Eligible properties may receive rehabilitation assistance of up to $25,000 through a 0% interest, deferred forgivable loan, subject to approved rehabilitation costs and available program funding.
- **3-Year Compliance Period:** Both owner-occupied and eligible rental properties shall be subject to a 3-year compliance period. For rental properties, the 3-year compliance period begins on the effective date of the executed agreement under which the property owner contracts with the City to receive program services or assistance. Property owners must execute applicable loan agreements, lien documents, and other required program documentation.
- **Rental Property Responsibilities:** For eligible rental properties, the tenant household's income shall be used to determine income eligibility under the program's 120% AMI requirement. The property owner or landlord shall be responsible for authorizing rehabilitation activities and executing applicable assistance agreements, loan documents, lien instruments, and rental compliance agreements. The property owner shall be responsible for any repayment obligations arising under the rehabilitation loan agreement. Tenants shall not be responsible for repayment of the property owner's rehabilitation loan.

- **Rental Affordability Requirements:** For each rental unit receiving City-funded rehabilitation assistance, the property owner shall comply with the Memphis HOPE Program's established maximum rent schedule and applicable affordability requirements for a period of three (3) years, beginning on the effective date specified in the executed assistance agreement. Rental rates may increase during the 3-year compliance period, provided they do not exceed the applicable maximum rent limit established by the program for the assisted unit size. The rental affordability obligation shall be documented in an executed agreement identifying the assisted property or unit, applicable rent limits, monitoring requirements, and remedies for noncompliance.

Proposed Maximum SMALL AREA Fair Market Monthly Rent Schedule [38109]

Unit Size	Proposed Maximum Monthly Rent
Studio	$910
1 bedroom	$990
2 bedrooms	$1,080
3 bedrooms	$1,430
4 bedrooms	$1,640

NOTE: Proposed limits are based on FY 2027 HUD Small Area Fair Market Rents for the 38109 area, effective 10/1/26 and subject to HCD Compliance and Legal review, final program adoption, and subsequent year HUD Fair Market Rent limits.

- **Application Approval:** All applications are subject to eligibility verification, funding availability, property inspection, and final approval by the City of Memphis Division of Housing and Community Development (HCD). Meeting the eligibility requirements does not guarantee program assistance.

Eligible Activities

The Memphis HOPE Program provides residential rehabilitation assistance to eligible homeowners and renters within the designated HOPE Zone(s). Eligible activities include improvements that address health and safety concerns, improve accessibility, preserve existing housing conditions, and enhance the appearance of residential properties.

Assistance will be provided under three primary categories: **Health and Safety Repairs, Accessibility Improvements, and Beautification/Façade Improvements.** All proposed activities are subject to property inspections, eligibility verification, approved Scope of Work (SOW), program funding availability, and applicable City of Memphis requirements.

1. Health and Safety Repairs

Improvements intended to correct hazardous conditions, address deteriorating building components, and maintain safe and habitable residential properties.

- **Smoke and Carbon Monoxide Detectors:** Installation or replacement of smoke and carbon monoxide detectors.
- **Electrical Repairs:** Repair or replacement of unsafe wiring, electrical outlets, panels, and other electrical hazards.
- **Roof Repairs:** Repair of roof leaks, damaged roofing materials, and structural deterioration.
- **Plumbing Repairs:** Repair or replacement of leaking pipes, damaged plumbing fixtures, and unsafe water supply or drainage components.
- **Window Repairs:** Repair or replacement of broken, damaged, or hazardous windows.
- **Mold Remediation:** Removal of mold and correction of underlying moisture or water intrusion problems.
- **Structural Repairs:** Correction of unsafe or deteriorating floors, ceilings, walls, stairs, foundations, and other structural components.
- **Bathroom Safety Improvements:** Installation of slip-resistant flooring, grab bars, improved lighting, and safer shower or bathtub access.
- **Stair Safety Improvements:** Repair of damaged steps, installation of handrails, and improved stairway lighting.
- **Heating and Cooling Repairs:** Repair or replacement of deficient heating, ventilation, and air-conditioning systems to maintain safe indoor temperatures.
- **Fire Safety Improvements:** Installation of fire extinguishers, improvements to emergency exits, and correction of identified fire hazards.
- **Door and Lock Repairs:** Repair or replacement of damaged doors, locks, and related components to improve residential security and emergency access.
- **Ventilation Improvements:** Correction of inadequate ventilation and indoor air quality concerns.

2. Accessibility Improvements

Modifications designed to eliminate physical barriers, improve mobility, and support safe and independent living for residents with accessibility needs.

- **Wheelchair Ramps:** Installation or modification of ramps at residential entrances.
- **Handrails and Grab Bars:** Installation of handrails and grab bars along stairs, hallways, bathrooms, and entrances.
- **Doorway Modifications:** Widening doorways to accommodate wheelchairs, walkers, and other mobility devices.
- **Accessible Bathrooms:** Installation of walk-in or roll-in showers, accessible toilets, and other bathroom accessibility features.
- **Accessible Kitchen Improvements:** Lowering countertops or modifying kitchen features to improve accessibility.
- **Accessible Entrances:** Replacing steps with level entrances or other accessible entry configurations.
- **Walkway Improvements:** Repairing uneven sidewalks, adding smooth surfaces, and reducing trip hazards.
- **Accessible Door Hardware:** Installation of lever-style handles and other accessible door-opening mechanisms.
- **Exterior Accessibility Lighting:** Installation or improvement of lighting around entrances, steps, and walkways.
- **Accessible Parking Improvements:** Modifications to existing residential parking areas to provide safer access to the home.
- **Threshold Modifications:** Removal or modification of raised thresholds and uneven transitions between rooms or at entrances.

3. Beautification and Façade Improvements

Exterior improvements intended to enhance residential property appearance, address visible deterioration, preserve existing housing, and improve neighborhood conditions.

- **Landscaping:** Planting trees, shrubs, and flowers, and installing mulch, decorative rock, or other approved landscape improvements.
- **Flower Beds:** Creating, restoring, or improving garden beds and landscaped areas around residential properties.

- **Exterior Painting:** Painting or repainting siding, trim, shutters, doors, porches, and other exterior surfaces.
- **Entryway Improvements:** Repair or replacement of front doors, installation of porch lighting and house numbers, and improvements to residential entrances.
- **Outdoor Lighting:** Installation or improvement of pathway, landscape, porch, and exterior accent lighting.
- **Fencing:** Installation or repair of approved decorative fencing, gates, and privacy screens.
- **Hardscaping:** Installation or improvement of walkways, patios, retaining walls, decorative stone, and other approved exterior features.
- **Windows and Shutters:** Replacement of deteriorated or outdated windows and installation or repair of decorative shutters.
- **Roof and Gutter Improvements:** Repair or replacement of worn roofing and gutter materials to improve the condition and appearance of the property.

General Requirements for Eligible Activities

All eligible activities shall be subject to property inspection, verification of program eligibility, preparation and approval of a Scope of Work (SOW), availability of program funds, and applicable City of Memphis requirements.

Approved rehabilitation activities may include improvements from multiple categories, provided the total assistance does not exceed the maximum program assistance of $25,000 per property.

All rehabilitation work must be performed by qualified contractors in accordance with applicable building codes, safety standards, permitting requirements, and approved project specifications.

Required Documentation

Applicants seeking assistance through the Memphis HOPE Program must submit the necessary documentation to verify household income, property eligibility, ownership or rental status, and compliance with program requirements. Documentation requirements may vary depending on whether the applicant is a homeowner or renter.

1. Proof of Identity and Residency

- Valid government-issued photo identification.

- Proof that the property is the applicant's primary residence, such as a utility bill, current lease agreement, or other acceptable documentation.
- Completed and signed Memphis HOPE Program application.

2. Proof of Household Income

- Documentation verifying household income adopted by this program in accordance with HUD Part 5 income determination requirements.
- Recent pay stubs, employer verification, or other documentation of employment income.
- Social Security, Supplemental Security Income (SSI), disability, pension, retirement, or other benefit statements, if applicable.
- Documentation of self-employment income or other household income sources, as applicable.

Household income must not exceed **120% of the Area Median Income (AMI)**, based on household size and applicable income limits. This requirement applies to both eligible homeowner and renter households.

3. Proof of Property Ownership (Homeowners and Rental Property Owners)

- Recorded deed or other acceptable proof of legal property ownership.
- Documentation verifying that the property has been owned for at least 12 months.
- Current mortgage statement or mortgage account verification, if applicable.
- Proof that City and County property taxes are current or subject to an approved payment arrangement.
- Proof of current homeowner's or applicable property insurance coverage.
- Documentation verifying the status of applicable utility accounts or approved payment arrangements.

4. Additional Documentation for Rental Properties

- Current lease agreement or other acceptable proof of tenancy and primary residency.
- Written authorization from the property owner or landlord permitting property inspections and approved rehabilitation activities.
- Property owner identification and proof of legal ownership.

- Property owner acknowledgment and agreement to comply with applicable HOPE Program requirements.
- Executed loan, lien, and compliance agreements by the property owner, as required by HCD.

5. Property Inspection and Rehabilitation Documentation

- Signed authorization permitting interior and exterior property inspections.
- Consent for photographic documentation of existing property conditions and completed improvements.
- Authorization for contractor access, necessary permits, and approved construction activities.
- Signed acknowledgment of the approved Scope of Work (SOW), as applicable.

6. Loan and Compliance Documentation

- Executed 0% interest, deferred forgivable loan agreement.
- Deed of Trust, lien documentation, and other applicable legal instruments required by the City.
- Signed acknowledgment of the 3-year compliance period and applicable program obligations.
- Any additional documentation necessary to establish, monitor, and release the City's secured interest in the property.

Additional Documentation Requirements

HCD may request additional documentation when necessary to verify eligibility, establish property ownership, confirm income, evaluate property conditions, or ensure compliance with program requirements.

Submission of the required documentation does not guarantee approval. All applications are subject to eligibility verification, property inspection, funding availability, and final approval by HCD.

APPENDIX I

Supporting Information

1. Program Funding and Projection Methodology

The Memphis Phase I HOPE Program has an estimated budget of **$2,000,000**, supported through Targeted Local Funds, subject to budget approval. The program provides financial assistance for residential rehabilitation activities under three primary categories: Health and Safety Repairs, Accessibility Improvements, and Beautification/Façade Improvements.

Projected production is based on the availability of program funding, anticipated rehabilitation costs, contractor capacity, and administrative resources.

The following preliminary budget allocation establishes an estimated production target based on the program's funding availability.

Program Category	Estimated Cost per Home	Projected Homes	Estimated Allocation
Health and Safety Repairs	$25,000	56	$1,400,000
Accessibility Improvements	$9,000	25	$225,000
Beautification/Façade Improvements	~$4,900*	25	$122,350
Total Direct Rehabilitation		**106**	**$1,747,350**
Administrative Costs (licenses, software, and hardware)			**$20,650**
Staffing (Inspector, Coordinator, Program Analyst)			**$232,000**

Actual amount is $4,894.

***Note**: The proposed allocations and production targets are preliminary planning estimates and are subject to HCD review and approval.*

2. Projected Housing Assistance

Based on the proposed allocation, the Memphis HOPE Program anticipates assisting approximately **85 residential properties**.

The actual number of properties assisted may vary depending on:

- The nature and severity of rehabilitation needs identified during property inspections.
- The average cost of approved repairs and improvements.
- The availability of qualified contractors and construction resources.
- The number of eligible applications received within the designated HOPE Zone(s).
- The availability of program funding and administrative capacity.
- The number of properties requiring improvements across multiple rehabilitation categories.

For planning purposes, each assisted property is counted once under its primary rehabilitation category to avoid duplication in the projected production total.

3. Factors Contributing to Residential Rehabilitation Needs

Several factors contribute to the need for residential rehabilitation assistance within Memphis neighborhoods:

- **Aging Housing Stock:** Older residential properties may require repairs to roofing, plumbing, electrical systems, structural components, and other essential building systems.
- **Financial Barriers:** The rising cost of construction materials, labor, and essential repairs can limit homeowners' and renters' ability to address deteriorating housing conditions.
- **Deferred Maintenance:** Delayed repairs may contribute to further property deterioration, increased rehabilitation costs, and unsafe residential conditions.
- **Accessibility Needs:** Seniors, individuals with disabilities, and residents with mobility limitations may require modifications to maintain safe and accessible living environments.
- **Neighborhood Conditions:** Deteriorating residential exteriors and inadequate property maintenance may negatively affect neighborhood appearance and long-term community stability.
- **Housing Preservation:** Rehabilitation of existing residential properties can help reduce displacement risks, maintain available housing, and support neighborhood reinvestment.

4. FY 2026 Income Eligibility Limits – 120% AMI

The Memphis HOPE Program serves eligible homeowners and renters with annual household incomes at or below 120% of the Area Median Income (AMI).

Income eligibility shall be determined based on household size and the applicable income limits adopted by HCD for the program.

According to the U.S. Department of Housing and Urban Development (HUD), the FY 2026 Median Family Income (MFI) for the Memphis, TN-MS-AR HUD Metro Fair Market Rent Area is $92,700 for a four-person household.

FY 2026 Annual Household Income Limits – 120% AMI

Household Size	Maximum Annual Household Income (120% AMI)
1 Person	$77,850
2 Persons	$89,000
3 Persons	$100,100
4 Persons	$111,250
5 Persons	$120,150
6 Persons	$129,050
7 Persons	$137,950*
8 Persons	$146,850*

**Relative to area median family income, $92,700, effective date, May 1, 2026*

Sources:

- U.S. Department of Housing and Urban Development (HUD), FY 2026 Section 8 Income Limits.
- City of Memphis and Shelby County Community Redevelopment Agency (CRA), Essential Housing Program 2026–2027, page 7.

The 120% AMI thresholds for households of 1–6 persons are published in the CRA's 2026 income table. The 7- and 8-person thresholds are calculated estimates using the FY 2026 HUD Median Family Income and standard household-size adjustment factors, rounded to the nearest $50. These estimates require HCD verification before official adoption.

Income Eligibility Requirements:

- Household income must not exceed 120% of the applicable Area Median Income (AMI).

- The 120% AMI eligibility threshold applies to both homeowner and renter households.
- For eligible rental properties, income eligibility will be determined using the tenant household's income.
- Household income will be verified through the program's approved income determination procedures, adopted by this program in accordance with HUD Part 5 income definitions.
- Income eligibility will be determined using the income limits adopted by HCD and applicable at the time of the eligibility review.
- HCD will adopt HUD income requirements where applicable, review, and update income limits annually to reflect changes in HUD income data.

5. Program Zone(s) and Implementation Considerations

Memphis HOPE will provide rehabilitation assistance to eligible residential properties located within the designated HOPE Zone(s) in the City of Memphis.

HCD will utilize the approved program Zone(s) map to verify property eligibility during the application screening process.

Program implementation and production will depend on available resources, contractor participation, eligible applications, rehabilitation costs, and compliance with established program requirements.

HCD will periodically evaluate program expenditures, rehabilitation outcomes, and community needs to support effective program delivery and inform future funding and implementation decisions.

Required Documentation

Income Documents

Applicable documents for all household members:

- Child Support/Alimony: Current documentation showing child support or alimony received;
- Recent Pay Stubs: Two (2) months of the most recent pay stubs;
- 2025 Federal Tax Return: Copy of the most recently filed 2025 tax return;
- Income from Assets: Documentation of income received from assets, if applicable;

- Retirement Income: Current documentation of retirement income, if applicable;
- Social Security Benefits: Most recent Social Security (SS, SSI/SSDI) benefits statement;
- Temporary Assistance for Needy Families (TANF): Current documentation of TANF benefits, if applicable;
- Unemployment Compensation: Current documentation of unemployment compensation, if applicable;
- Workers' Compensation or Disability Compensation: Current documentation of workers' compensation or disability compensation, if applicable;
- Utility Bills: Two (2) months of recent utility bills; and
- Government-Issued Identification: Government-issued state identification for all household members 18 years of age and older.

Homeowners – Additional Required Documents

Homeowners must also provide the following:

- City of Memphis Property Taxes: Current documentation showing Memphis City property taxes;
- Shelby County Property Taxes: Current documentation showing Shelby County property taxes;
- Mortgage Statements: Three (3) months of current mortgage statements;
- Homeowners Insurance: Current homeowners insurance documentation;
- Proof of Ownership: One of the following recorded documents:
    - Warranty Deed
    - Quitclaim Deed
    - Other recorded deed showing proof of ownership

Important

Additional documentation may be requested if needed to verify household income, ownership, or eligibility. The application will not be processed if not complete.