

OSCEOLA HOUSING INCENTIVE PROGRAM



- Working with community-focused builders and homeowners to say, “Oh... Hi Neighbor!”

O-HI The City of Osceola, Iowa, in conjunction with the Clarke County Development Corporation (CCDC), has initiated an exciting residential building program dedicated to new development and new home ownership.

The O-HI Program is a unique way for builders and homeowners alike to realize the dream of a new home while taking advantage of lower initial construction investment, quicker realization of your home’s equity, and immediate inclusion in our growing south-central Iowa community.



SCAN ME

HOW WOULD YOU LIKE 10% BACK ON YOUR HOME CONSTRUCTION BUDGET?

Qualified O-HI Program applicants receive 10% on new home construction within the city of Osceola, Iowa.

PROGRAM OVERVIEW:

- Intended for single-family homes
- New built - minimum Sq.ft. -1,200
- Located within the City of Osceola
- Home assessed value must be within \$250,000 – \$450,000
(O-HI Program award will be 10% of estimated assessed value)

Additional rules and exceptions apply. Please contact us for more information or go to our Web site at <https://osceolaia.net/o-hi>

WITH COSTS ON THE RISE, JUST SAY, “O-HI” TO AN EASIER WAY TO BUILD.

In 2025, the average cost of building a new home is projected to rise by 5% to 7%, primarily due to increasing material costs and ongoing labor shortages. While some materials like plywood may see minor declines, the overall cost of construction is expected to increase due to factors like tariffs on lumber and steel, and the persistent demand for skilled labor in construction.

According to NAHB’s most recent Cost of Construction Survey: Construction costs accounted for 64.4% of the average price of a new home in 2024 compared to 60.8% in 2022. The average builder profit margin was only 11% in 2024.

Using the O-HI Program, new home builders and homeowners can:

- Beat the rising costs of building /construction materials
- Lower the entry point to building new
- Immediately see new home savings
- Realize instant equity in the new home (verified through local banks)

O-HI Program qualification parameters:

- Targeted Housing Development = Low-density, single-family homes (no multi-unit or bi-attached, no manufactured/mobile homes)
- New built - minimum Sq.ft. - 1,200
- House must be built within the city of Osceola.
- Home assessed value must be within \$250,000 -- \$450,000 (O-HI Program award will be 10% of assessed value).
- O-HI Program can NOT be used in conjunction with any other incentive program (Tax Abatement, TIF, Development Agreements made prior to the current request, etc.).
- Home must be built / owner-occupied within 12-months of application.
- A single homeowner or developer can apply for no more than 2 (two) O-HI Program Awards in a rolling 12-month cycle.



Application Process:

1. Applicants contact the City of Osceola for application PRIOR to breaking ground or construction starts. An online application is also available at <https://osceolaia.net/o-hi> (or scan the QR Code on the promotional flyer).
2. Site plan must be submitted, approved, and issued by the City of Osceola.
3. Building permit must be submitted, approved, and issued by the City of Osceola.
4. Proof of financing must be provided via bank commitment and/or qualified investor letter.
5. Estimated assessed value of the home must be received from Clarke County Assessor's Office (documentation).
6. Builder must provide total estimate with contractor / sub-contractor quotes/documentation of all construction and materials costs including land, etc. (unless otherwise provided during permit application).
7. All documents and application must be submitted for review. The review process can take up to 30-days.
8. O-HI committee will review the application and present to city council.

O-HI Award Process:

The first 75% of O-HI award funds will be paid out upon proof that an equal or greater amount of construction costs have been incurred. The remaining 25% is issued upon certificate of occupancy.

Example: \$450,000 home assessed value = \$45,000 O-HI incentive award amount. The first 75% (\$33,750) is paid upon receipt of invoices totaling \$33,750 or more. The remaining 25% (\$11,250) is paid at the end of the project, upon certificate of occupancy.

Rules:

- Applications will be reviewed and awarded in the order they are received, and are subject to the availability of program funds.
- Failure to fulfill the agreement of the O-HI program may result in the forfeiture of all awarded funds.
- O-HI Program will be reviewed after 12-months of its initiation date (**June, 2025**), and annually thereafter.
- O-HI Program may be revised or discontinued at any time.

