



## Ready to Fix Up Your Home?



We provide affordable financing for your home renovation project.



Not sure you can qualify? Our criteria is more flexible than traditional lending sources. Let's see what we can do together.



Our team will help you navigate through the process of upgrading your biggest asset--your home.

### Highlights

- No interest or payments for up to 90 days
- Loans from \$2,000 to \$25,000
- Flexible repayment plans for most loans

### What is Homefit Upgrade?

Homefit Upgrade is a renovation loan program for low- and moderate-income households in Salt Lake, Tooele and Summit Counties. Loans are offered through Utah Community Investment Fund, an affiliate of the Community Development Corporation of Utah. Homefit Upgrade provides loans for much needed home improvements such as remodels, landscaping, roofs, additions and much more. Exclusions apply. Contact us for more information at 801-994-7222.



## Ready to Get Started?

- 1 Decide what your renovation project is! Maybe an upgraded bathroom or kitchen? Exterior improvements such as landscaping or painting? How about a new furnace, air conditioning or windows? Once you've decided, find a licensed contractor to give you an estimate of the costs of your project.
- 2 Next, download the Homefit Upgrade Loan Application at <https://www.cdcutah.org/housing-services/home-improvements>. You can also contact Denise at [denise@cdcutah.org](mailto:denise@cdcutah.org) for a copy as well. Make sure you send in all required paystubs, bank statements and W-2, along with a written description of the work you want performed.
- 3 Our team will review your Homefit Upgrade Loan Application and then contact you to discuss the details of the loan and answer any questions. If you don't meet the criteria, we will help by connecting you to our other services so you can reapply!
- 4 Once your loan application and all required documents are received, we will begin the the underwriting process. At this point you are required to pay a \$100 non-refundable application fee. Our Loan Processor will then evaluate your application. If you meet all the criteria, then you will receive an Automatic Approval. If you don't meet the criteria, don't worry! We will contact you and talk about other compensating factors that our internal loan committee should consider. The Loan Processor will then present your application to the loan committee for review.
- 5 Approved applicants will then be asked to supply a final cost estimate from a licensed contractor, a copy of the contractor's license, their insurance information and a copy of any required permits.
- 6 Get ready for closing! Once all the information has been received, our Loan Processor will set up a time for you to close on your loan. Then you are ready to begin on your project!
- 7 Renovation projects must be completed within 90 days (extensions can be granted if necessary). We will pay the contractor directly once we receive a request for payment from you.
- 8 You're done! The contractor is paid and you can sit back and enjoy your upgraded home!

INTEREST RATES AND REPAYMENT TERMS ARE SUBJECT TO SEVERAL CRITERIA, SUCH AS LOAN AMOUNT, CREDIT SCORE, DEBT RATIO, HOUSING COSTS, ETC.

HOMEFIT UPGRADE IS A LOAN PROGRAM OFFERED BY UTAH COMMUNITY INVESTMENT FUND, AN AFFILIATE OF THE COMMUNITY DEVELOPMENT CORPORATION OF UTAH.



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801-994-7222



## Program Information

### PROGRAM INFO

The Homefit Upgrade Renovation Loan program is designed to provide loans to low-to-moderate-income (LMI) households for home improvements. The home renovation loan captures a broad range of projects, allowing homeowners to access capital for a variety of housing needs. Home renovations can help revitalize communities, improve energy efficiency, lower power bills, provide financial stability, and improve living standards. Our competitive financing provides a way to renovate and improve your home without creating a financial hardship and is combined with our financial coaching services. Additionally, this loan provides fair financing terms helping safeguard you from using predatory and unfavorable credit options.

### ELIGIBILITY

- Homeowners who occupy their homes as a primary residence in Salt Lake, Tooele or Summit counties
- Are current on mortgage payments and taxes, have no liens on property. Consideration will be given to those with Down Payment Assistance, Homefit second mortgages, or other second mortgages if there is a possibility to refinance them as part of the Homefit Upgrade Renovation Loan.
- Have a household income (income from all adults, 18 years of age or older, who live in the home) no greater than 80% of the area median income (AMI) for Salt Lake, Tooele or Summit counties.
- Have a project that is included in the Approved Project list below.

### PROPERTY ELIGIBILITY

Limited to single-family homes, townhomes, condos but excludes manufactured and mobile homes. Currently, the Homefit Upgrade Renovation Program is available in the Salt Lake MSA (Salt Lake, Tooele and Summit Counties). Units must comply with all local codes for items being repaired/improved at the time of completion of the renovations. Additionally, a building permit may be required for certain renovation projects.



## Program Information Continued

### APPROVED PROJECTS

- Roofing- replace or repair
- Exterior- brick, stucco, vinyl repair, landscaping
- HVAC (heating/cooling)- upgrade or install energy model or upgrade or install energy model window units
- Windows- upgrade and replace with energy star model
- Water Heater- replace with energy star model
- Appliances- replace with energy star model (refrigerator, washer, dryer, dishwasher)
- Insulation- upgrade or install insulation in crawl space and/or attic, weatherproof and air seal home
- ADA improvements and upgrades to bathrooms, doorways, and exterior space
- Foundation, Plumbing, Electrical
- Environmental remediation such as mold, radon, asbestos and lead
- Renovations, additions
- Driveway and other concrete work
- Interior updates such as painting, flooring, cabinets, countertops, doors windows, etc.
- Other items if approved

Note: Home renovation loans are loans intended to raise the value of the home and not for luxurious additions or renovations such as a pool, hot tub, etc.

### PROCESS

Process should take no more than 30 days. This process gathers household financial information, construction costs and then allows for an automatic approval if all criteria is met. If an application does not meet all the criteria then it goes to a Credit Committee for additional review that includes evaluating compensating factors. The loan is either approved or denied at this point. The final step is a sign-off from the Lending Manager acknowledging the final decision.





## Program Information Continued

### LOAN TERMS AND RATES

- Loan terms – 10 years
- Interest rate – 3-8% (determined by FICO and loan-to-value)
- Loan amounts of \$2,000 minimum to \$25,000 maximum
- Combined loan-to-value (CLTV) – 105%
- Maximum debt-to-income (DTI) – up to 50%, if your DTI is 45% or higher, financial counseling is required.
- Minimum credit score for automatic approval - 640
- Credit scores below 640 may also qualify
- Auto Pay is required for monthly payments

### FEES

- Application Fee - \$100 (includes property value analysis, title report, review of application). Non-refundable.
- Credit Report-\$20-\$40, can be paid at closing
- Origination - 1% of loan or minimum of \$250
- Loan closing costs (title, recording, etc.)
- Mortgage Insurance - Will be charged at .05% of loan for applicants with a 600 or lower credit score.
- 15% of the total estimated cost of the project will be added to the loan as a construction contingency fee.
- Construction contingency and loan costs can be financed into the loan