



HOME REPAIR LOAN PROGRAM APPLICATION

Name: _____ Today's Date: _____

Street Address: _____ City: _____ County: _____

Phone Number: _____ Message Phone Number: _____

E-mail Address: _____

Best way and time to get in touch with you: _____

(Please complete the following information for everyone living in the household)

Name of Household Member	Relationship to Applicant	Age	Monthly Income	Source of Income

Income Information:

Please attach copies of your income verification to this application. These would include copies of check stubs, social security deposits, unemployment awards, etc. If you have any questions about what to provide, or if you have income from self-employment, please call Diana at 529-4980. A copy of your **2017** tax return is helpful, but usually not required.

Indebtness Against Property:

Please list the lenders on your property, if any, and how much each is owed. These would be mortgage companies, home equity loans, any judgments that have been filed against your property, or any unpaid taxes.

Name of Mortgage Lender:	Monthly Payment:	Total Balance Owed:	Anticipated Pay-Off Date:



1520 Kelly Place, Suite #140, Walla Walla, WA 99362-8607 509.529.4980 Fax: 509.529.4985

TO: Interested Parties

FROM: Blue Mountain Action Council
Housing Department

RE: Home Repair Loan Program

Thank you for your interest in the Blue Mountain Action Council's (BMAC) Home Repair Loan Program. This program is designed to provide limited repairs and rehabilitation to homeowner-occupied houses. The program is funded through the U.S. Department of Housing and Urban Development, the Community Development Block Grant Program and the Sherwood Trust.

Please take time to review this letter. Please feel free to contact Ted Koehler, Housing Services Director at BMAC, if you have any questions or you need translation assistance.

There are some very specific guidelines that must be followed, which include:

- The house must meet health and safety standards once the work is completed. These standards address health and safety issues, and issues regarding the structural integrity of the house. All of these standards must be able to be met in order for BMAC to consider working on a house.
- The house must undergo a Lead-Based Paint Risk Assessment if it was built in or before 1978, which will identify any lead-based paint hazards. It is important to note that the presence of lead-based paint does not necessarily mean that a lead-based paint hazard exists. Any lead-based paint hazards that are identified, though, must be addressed. BMAC is certified to perform these assessments and to perform lead-paint hazard education work.
- The work on each house is financed through a low-interest, deferred payment loan. This loan is secured through a Deed of Trust, a Promissory Note and an ALTA Title Policy. These documents must be signed prior to the start of work.
- BMAC must maintain an average cost of \$18,000 and cannot exceed \$40,000 on any given job.

The following process will be used to determine if a house qualifies for the Home Repair Loan Program:

Step 1 (One to four weeks, depending on how fast information can be gathered)

Verification of family income: BMAC staff must verify the family's gross annual income. The method and information used to qualify for this program is different from the Weatherization or Energy Assistance programs. Please return to Diana at BMAC any and all information that verifies the family income for the past year. This would include payroll information from a paycheck, social security award letters or bank deposit verification, unemployment records, or any other information that you feel may be needed. It is up to you to provide this information to BMAC within three weeks of the date of this request. If you have any questions, please call BMAC and ask to speak to Diana. Once this information is reviewed, BMAC staff may get in touch with you to clarify the information. The attached application sheet asks for the best way to get in touch with you. Please fill it out as accurately as you can.

Initial verification of ownership: BMAC staff will check with the County Assessor's office to determine ownership and assessed value of the house. If there are any issues raised regarding ownership, BMAC will request information from you to help us establish verification of ownership.

Indebtness against the property: BMAC staff needs to determine the equity you have in your property. Please provide us with letters from any lender on your property that clearly indicates how much you currently owe on the particular loan. These debts would include your mortgage, if you have one, any unpaid taxes, any home equity loans, or any judgments that have been filed against your property. Please contact Diana if you need help in finding out how to get this information.

Credit Report: BMAC staff will be reviewing your debt-to-income ratio, which is your total monthly debts divided by your total gross income. Please list on the attached application your total monthly debts. BMAC staff will also be reviewing your credit report, to ensure that you are not at risk of bankruptcy. You may not be able to get a loan through this program if you have more than five outstanding collections or owe more than \$5,000 in outstanding collections, excluding medical collections. You are encouraged to apply even if you feel your credit is not good. BMAC will be using this information as part of the decision making process, and is not as strict as banks or other lending institutions. BMAC staff will counsel families with credit issues on what to do to take care of their credit issues in order to qualify for a loan through this program. All of this information is kept strictly confidential. Please contact Diana at 529-4980 to schedule a time to perform your credit report. This needs to be done at the BMAC office, and the cost will be paid by BMAC.

You will be notified in writing of the status of your application once the above activities have been completed. If you are still being considered, then you will proceed to the next step.

Step 2 (Approximately two weeks after above letter is sent)

BMAC staff will make an appointment to visit you in your house. This appointment will take about an hour. The purpose of this visit is to determine the general scope of work that would be required for the project. Staff will need to access each room in the house. This is an opportunity for staff to do a general assessment of the house and for you, the homeowner, to discuss any questions that you have about the program. This information will help in determining the general scope of work that would need to be done if the house is selected for the program.

After this visit, BMAC will be reviewing information and will determine if the house can be further considered for the program. A Lead-Risk Paint Risk Assessment may be scheduled. Based on the results of the visit and risk assessment, BMAC staff will determine if your house can be considered for the program or if your house would not be able to meet the program guidelines and parameters. You will be notified in writing if your house can be or cannot be further considered. If it can be further considered, then BMAC staff will set up another appointment to do a more thorough inspection of the house.

Step 3 (Two to four weeks)

BMAC staff will set up an appointment to do a more thorough assessment of your house. This will take from two to five hours, depending on the size of your house and the presence of lead-based paint. After this inspection, BMAC staff may need to get bids from subcontractors for certain types of work, such as electrical, plumbing, roofing, etc. If the subcontractors need to get into your house, BMAC staff will give them your phone number so that they can schedule an appointment with you. You will also be made aware of the subcontractors who will be contacting you. If you do not have a phone, you will be responsible to make arrangements with the subcontractors that BMAC has recommended.

While this is going on, BMAC staff will complete your file, which will involve clearance from the Office of Historical Preservation and a Title Report. The title report will be used to make sure that you are the legal owner. If there are problems with ownership, equity or excessive costs, BMAC will let you know in writing what the problem(s) is/are and will be up to you to solve the problem(s) before any further work will occur. If all is well, then BMAC will continue working on the job.

BMAC staff will develop a Scope of Work and cost estimate for the job. This will be mailed to you so you can review it before meeting with BMAC staff to discuss the scope of work. You will be contacted to come into BMAC's office to discuss the scope of work and cost estimates. Final paperwork will be signed at this time. This will include the Deed of Trust and the Promissory Note. Be sure to bring in picture identification at this time, as these documents must be notarized. Cost estimates are based on bids from subcontractors and estimates for labor and materials for work performed by BMAC crew. Included in the cost estimates are a 19% overhead charge and a 15% contingency charge. The overhead charge is for BMAC's cost to develop and manage the project and the contingency charge is to cover unforeseen repairs. Additional job costs will be discussed with you if they come up during the job, and will be added to the Scope of Work through a change order process. Taxes and required permits are also included in the cost estimates for the job.

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Subcontractors are selected from BMAC's approved list. These subcontractors have been verified to have current licenses, bonding and insurance, and pay Labor and Industries insurance for their employees. Subcontracts that have not performed work in a timely manner or in an unsatisfactory way are taken off the list. New subcontractors must complete BMAC's Subcontractor Application process before they can be considered for work.

The initial Deed of Trust and Promissory Note will be for the estimated amount, which includes the 15% contingency. Once all work is completed, and all costs are computed, you will sign a Deed of Trust Modification a new Promissory Note for the actual costs of the job. This is done in case the actual job costs exceed the cost estimates for you, which happen if unforeseen repairs are required. You will be given copies of these documents.

You will be given a copy of the Scope of Work that has been developed and agreed. This is the work that will be performed during the job. BMAC will not do additional work, nor pay for additional work done by a subcontractor, if it is not agreed upon in writing through BMAC's change order process. You will also sign any subcontractor agreements, and be given copies of these.

Step 4 (May take up to 6 months, depending on Scope of Work, availability of subcontractors and weather)

This is the time that the work on your house is completed. During this time your cooperation is needed to accommodate the subcontractors and crews who will be doing this work. This will include moving furniture from areas where work will be done, and cleaning up any debris or other clutter. BMAC staff will coordinate the work with you. You will be responsible for being available at the arranged times.

If during the course of work on your house you have any questions and/or concerns, please call BMAC as soon as possible. Once the work is completed, the final phase of the program is reached.

Step 5

BMAC staff will schedule a time with you to inspect the work that was done, and you will be asked to sign a Project Completion form. If there are things that were not done, or not done to your satisfaction, this is the time to discuss these issues with BMAC staff.

After the Project Completion form is signed, the final costs for the job are calculated and a new Promissory Note and a Deed of Trust Modification will be drawn up. You will be contacted to sign these documents, which will usually occur within 30 days of the signing of the Project completion form. At this point, the job is completed.