

CITY OF KETTERING

HOME ENHANCEMENT LOAN PROGRAM: HELP

Overview

Purpose of the Program

The City of Kettering has partnered with Day Air Credit Union to offer a loan program to assist homeowners with obtaining home improvement financing to make substantial updates, additions and improvements to Kettering homes.

Program Benefit

1. City of Kettering will participate by providing a 2% interest buy down with an additional 1/2% discount provided by Day Air Credit Union to approved borrowers.
2. Appraisal and title exam costs will be waived for the borrower.
3. All loans are subject to Day Air Credit Union's standard underwriting guidelines.

Program Guidelines

1. Home must be in Kettering and the homeowner(s) must live in the home.
2. Home must be a single-family dwelling.
3. Combined total gross income of all adults residing in the home shall not exceed \$150,500.

Loan Requirements

1. Minimum loan amount is \$10,000; maximum loan amount is \$50,000.
2. Maximum term of loan is 10 years.
3. The loan will be issued as a one-time, closed-end home equity loan with no additional money or refinances, unless approved by the City of Kettering.

Eligible Home Improvements

1. Expanded living space by construction of room additions or reuse of existing interior space.
2. Remodel and updating of bathrooms and kitchens
3. New bathrooms and new lavatories
4. New garages or additions to garages when the new garage or garage addition is in conjunction with expanded living space into garage space existing prior to improvements.
5. New roofing when the roofing is in conjunction with an addition to the single-family home.
6. Installation of ENGERY STAR® qualified storm windows and doors, siding, wall and attic insulation: and conversion, modification ore replacement of heating and cooling equipment, including the use of solar energy equipment. For any product for which there is no current ENGERY STAR® specification available, the product(s) to be installed/used shall be the product(s) which accomplishes the goal of the most efficient use of energy possible at the time of purchase.

Projects excluded from home improvement loans:

1. Swimming pools
2. Outdoor recreation, including tennis or basketball courts, hot tubs or lane pools
3. Outdoor porches and outdoor decks
4. Driveway replacement or repair
5. Detached garages, outdoor sheds and accessory buildings
6. Lawn maintenance and new landscaping
7. Repair or replacement of sidewalks, curbs or drive approaches
8. Projects already underway or completed

Loan Procedure

1. Borrower completes a Day Air Credit Union Home Equity Loan Application and a City of Kettering Home Enhancement Loan Request form at the Credit Union.
2. The borrower submits, with the completed application, the following information:
 - a. Homeowner's insurance
 - b. Proof of household income
 - c. Written estimates of work to be done and/or estimates of material needed
3. City of Kettering is notified by Day Air Credit Union of loan application
4. The borrower is required to meet with the City of Kettering Residential Plans Examiner to review the project and determine the residential permits that will be required to complete the project.
5. An appraisal, mortgage check and flood determination is obtained and the actual loan to value (LTV) is determined

Loan Closing

Upon approval of the loan by Day Air Credit Union, a loan closing is held with the borrower(s). Anyone listed on the deed and their spouse is required to attend the loan closing and sign the Mortgage and the Notice of Right to Cancel.

If the property is in the floodplain, the borrower must bring proof of flood insurance to the loan closing.

Loan Disbursement

Day Air Credit Union handles all loan proceeds. Loan proceed checks are made payable to the contractors, when applicable, for the cost of improvements.

If receipts are provided for payment of materials purchased, a minimum of \$250 in receipts is required before a check is prepared.

Check requests will be processed within 48 hours of Day Air Credit Union's loan officer receiving the request.

The final disbursement of loan proceeds will be made after the City is notified and a final inspection is completed and/or all permits have been finalized. The City will notify the loan officer when all permits have been closed. Day Air Credit Union will disburse the final payment.