

**Keystone  
Renovate and Repair  
Loan Program  
for Cumberland and  
Perry Counties**



**Housing and Redevelopment Authorities  
of Cumberland County  
114 North Hanover Street  
Suite 104  
Carlisle, PA 17013**

**For Information Call: Pat Mrkobrad  
717-249-0789 x 136  
or  
(TOLL FREE) 1-866-683-5907 x 136  
or e-mail [pmrkobrad@cchra.com](mailto:pmrkobrad@cchra.com)**



The **Renovate and Repair Loan Program** is designed to help households in Cumberland County with income up to \$105,450 rehabilitate or improve their homes. This Program is intended to finance renovations to improve the basic livability of the home, as well as repairs to items of health, safety, energy efficiency, accessibility, & code violations. Luxury or purely cosmetic items are not permissible under this Program. Not only does this Loan Program provide an attractive interest rate, but it also provides the homeowner with guidance on the repairs or improvements to be done!

This Loan Program is funded by Pennsylvania Housing Finance Agency through F & M Trust and the Housing and Redevelopment Authorities of Cumberland County.

- Maximum loan amount is \$35,000. Minimum loan amount is \$2,500.
- The loan will be fully amortized over 10, 15, or 20 years.
- Current interest rates are published on PHFA's website [www.phfa.org](http://www.phfa.org).
- The mortgage for the loan is recorded as a lien against the property.

### **BORROWER ELIGIBILITY & QUALIFYING GUIDELINES**

- The borrower(s) must be an owner or in the process of purchasing a home; must reside in the home as the principal residence or, in the case of a homebuyer, plan on residing in the home as the principal place of residence; must meet the Program's credit guidelines (middle FICO score of at least 620); must be current on property taxes; total monthly debt to income ratio cannot exceed 45% of the gross monthly income.
  - For situations where the borrower is using the loan funds to accommodate the needs and/or living space of an adult family member with disability who does or will reside in the home as a permanent and principal residence upon completion of the work, only the income of the adult family member with the disability is utilized for determining compliance with the income limit.

## PROPERTY GUIDELINES

The proceeds of the loan shall be used to renovate and/or repair only those existing residential properties that meet the following criteria:

- located in Cumberland County
- owner occupied by the applicant as a principal and permanent residence
- not a business, investment or vacation/recreational home
- a completed property (not in the process of being constructed)
- For a condominium or town house, only the portion of the real estate owned by the applicant is eligible.
- The residence must be in a condition that can be made habitable and sanitary upon the completion of appropriate repairs with the funding available from the loan and any other available home improvement funding sources.
- Flood insurance is required if home is located in a 100 year flood zone.
- Homeowners insurance in an amount equal to at least all the loans secured by the property is required.
- 2 unit properties are eligible where the applicant resides in 1 of the units as a principal residence but owns both units.
- Manufactured or factory-built homes are eligible if it is located on property owned by the applicant or being purchased by the applicant; wheels have been removed and home has been placed on a permanent foundation; security for the loan to purchase the home is secured by a mortgage covering the property; all utility connection including water and sanitary facilities are operable; the home is carried on the tax rolls of the locality as real property.
- The secured renovate and repair loan when combined with all other existing debts secured by the property cannot exceed 120% combined loan to value ratio. An appraisal will be done to determine property value.



## FOLLOW THESE STEPS TO TAKE ADVANTAGE OF THE

### RENOVATE & REPAIR LOAN PROGRAM

- **CALL the Redevelopment Authority for pre-qualification and program information.**
- **RECEIVE A REFERRAL to F & M Trust.**
- **MAKE LOAN APPLICATION with F & M Trust.**
- **RECEIVE LOAN APPROVAL from F & M Trust.**
- **LOAN RESERVATION & RATE LOCK with PHFA.**
- **MEET WITH REDEVELOPMENT AUTHORITY'S INSPECTOR for a home evaluation and work write up. The home evaluator can assist the homeowner with decisions and provide a list of contractors. The homeowner makes the final decisions on work to be done. A few minimum requirements must be met in order for the homeowner to receive the Renovate & Repair Loan.**
- **OBTAIN ESTIMATES AND SIGN A CONTRACT for the work to be completed.**
- **LOAN CLOSING**
- **RENOVATION & REPAIRS BEGIN!**
- **FINAL INSPECTION of completed work.**
- **DISBURSEMENT OF FUNDS to the contractor.**

**EQUAL HOUSING**

**OPPORTUNITY**

