



Shoreview Home Energy Improvement Loan

The City of Shoreview is offering a home energy improvement loan to residents to encourage home renovation and increase the home values within the City of Shoreview. Current available dollars for loans are based upon the fund balance for any given period.

For further information on the loan program please contact:

HousingResource Center - NorthMetro

1170 Lepak Court
Shoreview, MN 55126
Phone: 651.486.7401
Fax: 651.486.7424
www.housingresourcecenter.org
www.gmhchousing.org

Program funded by the Economic Development Authority, City of Shoreview. Funds used are not derived from general tax dollars but are from a special revenue source designated for housing.

City of Shoreview
City Hall
4600 Victoria St. N
Shoreview, MN 55126
Phone: 651.490.4600
Fax: 651.490.4699
<http://www.shoreviewmn.gov/>

PROGRAM GUIDELINES

Loan Amount:

The maximum loan amount is \$20,000. Minimum loan amount is \$2,000.

Interest Rate & Loan Term:

The interest rate is updated quarterly and is two points above the Prime Rate for a 30 year fixed first mortgage. At time of loan application, the borrowers interest rate and loan payment are fixed for the entire term of the loan.

The maximum loan term is 10 years. Full repayment of the loan is due upon sale, transfer of title, refinance or if the property ceases to be owner occupied. The interest paid on the loan will be returned to the borrower should the borrower reside at the residence for which the loan was used for the entire ten years from the time the loan is incurred.

Loan Security:

All loans will be secured by a mortgage in favor of the City. The loan may be secured in a subordinate lien position behind other loans in accordance with the City's loan subordination policy. Applicant will be required to obtain title insurance on this loan for the City of Shoreview.

Property Eligibility:

- Single family detached owner occupied properties that are not connected to an association for purposes of property maintenance.
- Zero lot line single family detached owner occupied properties located within the City of Shoreview that may or may not be connected to an association for purposes of property maintenance.
- Single family attached owner occupied properties (such as townhomes), located in the City of Shoreview, which may or may not be connected to an association. Single-family attached is defined as a dwelling unit located in a building consisting of not more than twelve dwelling units which are attached by common vertical walls and each having a separate or combined entrance or entrances.
- Estimated market value as determined by Ramsey County property tax statement for the current year not to exceed 120% of the median value of a single family home in Shoreview. (Current market value cannot exceed \$314,640)

City of Shoreview

Borrower Eligibility:

a. Debt to Income Limit:

Borrower's gross monthly debts cannot exceed 50% annual gross income.

b. Credit:

Standard underwriting criteria apply including review of a credit report.

c. Income Limit:

The total gross annual household income cannot exceed 120% of the Shoreview median household income, as follows:

Household Size	Income Limit
1	\$96,736
2	\$104,416
3	\$112,096
4	\$119,776
5	\$125,896
6	\$132,076
7	\$138,196
8	\$144,376

Program Disclaimer:

The City of Shoreview and representative agencies associated with administration of this program are not liable or responsible for any violations of the association by-laws and/or covenants by the applicant for improvements undertaken through this loan program.

Eligible Improvements:

New roof and energy upgrades to the home that include, energy efficient heating and cooling systems, additional or replacement insulation, energy efficient replacement windows and doors, and energy efficient water heaters.

Properties that are governed by an active Homeowner's Association must receive written approval for planned exterior improvements in accordance with the guidelines of this loan program and association by-laws and/or covenants.

Emergency Repair or Replacement:

Any project begun before a loan closing has taken place will be ineligible for participation in the program, unless the project is considered an emergency repair or replacement. Emergency repair or replacement is the unscheduled replacement or repair work generally resulting from equipment failure, accidents or unanticipated causes where it is critical to restore/maintain the home for the safety, health and welfare of the occupants.

Emergency projects must be approved by the Housing Resource Center construction manager prior to the homeowner signing a contract or beginning any work.

Homeowners that have a project approved as an emergency have 30 days from the date of approval to apply for a loan. Loan funds may be used for refinancing of short-term emergency financing of eligible improvements or to reimburse the homeowner.

Ineligible Improvements:

Housing additions, internal renovations, landscaping, recreational/luxury improvements, working capital, debt service or refinancing of existing debts.

Application Process:

Completed applications will be processed by the HousingResource Center on a first-come, first-served basis, as funds are available until all program funds are committed. After loan approval you will be notified to come for a loan closing to sign a Promissory Note, Mortgage and subordination disclosure.