

IMPACT LOAN FUND

RENTAL IMPROVEMENT FUND

Funds are available to finance repairs and renovations for landlords to improve apartments for affordable rentals. Landlords who have issues with lead paint and L&I violations are eligible to bring properties back on line.

Eligible Projects and Borrowers

- Landlords who **own fewer than 10** rental units
- Loan amount less than \$25,000
- Improvements that result in rental units leased at affordable rates for the term of the loan

Standard Closing Requirements

- L&I inspection
- Construction estimate satisfactory to ILF
- City of Philadelphia Rental License upon completion
- Certificate of Occupancy after completion

Loan Amount

- From \$10,000 up to \$24,999
- A separate loan may be available for additional improvements or refinance of a first mortgage loan

Interest Rate

- Interest rate: 8% fixed.

Loan Term

- Up to 10-year loan term
- Up to 25-year amortization schedule

Fees

- Application Fee: \$150
- Origination Fee: 2%
- Legal Fee: \$250 (if using form docs)
- Lenders Title Insurance and Recording Fees
- Inspection Fees apply: \$350 initial inspection, \$250 each draw inspection
- Credit check fee: \$25 applies to additional guarantors

HOW TO APPLY

Visit www.impactservices.org/loan-fund

For questions contact:

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Repayment

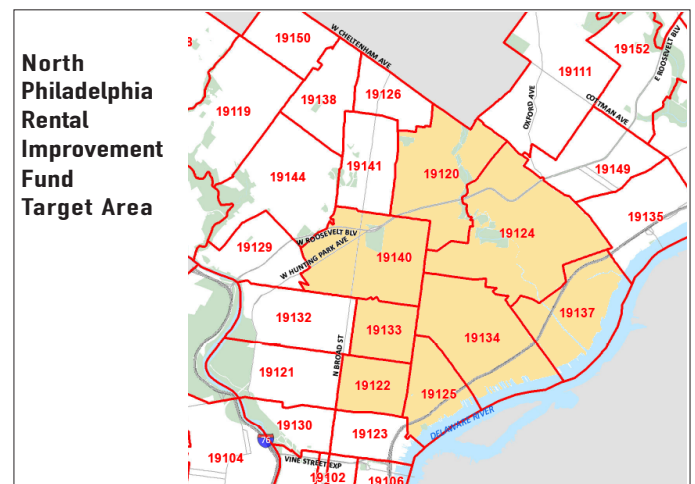
- Amortization schedule to achieve a 75% Loan To Value within 5 years based on available cashflow
- Draw period of 3 months to complete improvements

Financing Guidelines

- 15% minimum equity in property. Additional cash may not be required
 - Cashflow from estimated lease rates to cover debt service at 1.15x-1.25x
 - Transaction costs must be paid out of pocket
- Funds are disbursed as work is completed (no cash advances)

Collateral and Other Requirements

- First or Second lien on the property up to 85% Loan To Value
- Lender's Title Insurance
- Personal guarantee of Borrower and Spouse, if applicable
- Insurance in Place
- Real Estate Taxes paid and current
- Improvements to address L&I violations and lead paint mitigation
- Participation in a Fair Housing Training program



* Terms may change periodically. Visit the website for the most current information.