

LANDLORD LOAN PROGRAM

NeighborWorks® Rochester now has available a landlord loan product to help small investor-owners with the repair needs of their rental units. This loan was created in response to the growing need for accessible resources that can help landlords maintain their property and to meet lead paint code requirements. ***The landlord loan product is designed for the small investor owning 15 or fewer units.***

This product may be right for you if you have owned your rental property for the past 24 months and can show a positive cash flow.

Program Requirements

- Only one to four family dwellings will be considered.
- **All units under consideration will require a property inspection and lead risk assessment conducted by a NeighborWorks® Rochester Housing Analyst.**
- Any lead hazards identified must be addressed as part of the loan if the loan request is to be considered.
- Landlords can do the work themselves if they can demonstrate they have the expertise to do the approved work. Landlords will need to have EPA/HUD approved Lead Safe Work Practices certification and a passing clearance report will need to be issued in order to release payment.
- Landlords that do not qualify to perform their own work will receive construction management services from a NeighborWorks® Rochester Housing Analyst.
- **Property taxes must be current and all mortgages must be current.**

Underwriting Highlights

Our landlord loan underwriting includes, but is not limited to, the following:

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| Maximum LTV: | 95%. |
| Credit Score: | 600 minimum |
| Experience: | 2 years minimum as landlord. |
| | Landlord Must live in Rochester MSA. |
| Cash Flow Analysis: | Required* |
| Profit/Loss Statement for total holdings: | Required |
| Lien Position: | 1 st & 2 nd only |
| Tax Returns: | 2 years |
| Rent Verification: | Written lease for all units in dwelling – property must be rented. |
| Deed: | Required |
| Hazard Insurance: | Required |
| Current CofO: | Required. Loan can be used to update CofO. |

There is a \$60 application fee and a \$45 fee for a Comparative Market Analysis (CMA) to determine the property's value, that is payable at the time of application. All other fees can be added to the loan as closing costs.

Other Fees

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| ➤ Processing | \$50 |
| ➤ Credit Report | \$10/person |
| ➤ Risk Assessment/Inspection: | \$100 |
| ➤ Closing: | \$100 |
| ➤ Title Search: | \$100 |
| ➤ 1% Origination | |
| ➤ 5% Construction Management | |

Interest Rate/Loan Term

- Interest is between 7% and 9% based on risk
- Loan terms up to 10 years can be considered