

FREQUENTLY ASKED QUESTIONS **LCHIP AND LCHRP LOAN PROGRAMS**

- 1. How much does it cost?** Costs for processing the loan are incurred such as credit report, title search, survey, closing costs and contractor repairs. These costs are built into the loan amount and financed over the term of the loan.
- 2. How long will the process take?** The loan process should take no more than 30-45 days. The construction process will be determined by the amount of renovation being completed and weather conditions.
- 3. What contractor do I use to complete the work?** The County of Loudoun has contractors under contract to perform the work.
- 4. Who handles the payments to the contractors?** The County of Loudoun sets up a purchase order and pays the contractors directly upon completion of each stage of the project, pending inspection and approval by the Home Improvement Coordinator and Program Manager
- 5. Can I add an addition to my house?** Generally not, unless there is a health issue that requires an addition. The first items renovated will be code violations and health issues. Other items can be added for general repair, maintenance and property enhancement.
- 6. What is the first step to see if I qualify for the loan?** Please complete the on-line application for the Loudoun County Home Improvement Program (LCHIP) at www.loudoun.gov/housing.
- 7. Can you renovate a house when there is a low Loan to Value (LTV) or don't have a mortgage?** Yes. We have a maximum LTV of 80% except in extenuating circumstances. We do not have a minimum LTV.
- 8. Can we combine house projects?** Yes. This is not a single item repair program. We will look at the entire house and all items that are in need of renovation. They will be prioritized by health code

violations, building code violations, general deterioration and property enhancements.

- 9. Can we replace our heating system?** Yes
- 10. Does the tax exemption apply only to this program?** No. For more information on the “Partial Tax Exemption on Revitalized Real Estate” call 703-777-0290
- 11. Is there a minimum amount for the project?** Yes - \$3,000.00
- 12. Could this loan inhibit me from obtaining other loans?** Please check with your lending institution.
- 13. Can you refinance this loan?** Yes. You may refinance with another lender as long as you incorporate the payoff of this loan into the new loan amount. Contact the Home Improvement Coordinator for more information.
- 14. Can the Home Improvement Coordinator do the inspection prior to pre-qualifying for the loan?** No. We need to receive the application documents and review them prior to inspection, to include a signed “Inspection Agreement”.
- 15. How is the gross income determined?** It is your income before taxes. The income can be from work, social security, spousal support, and pension or retirement income and may be a combination of all of these. Income for all applicants and adult household members is considered.
- 16. Are the interest rates set?** Yes, they can be at 0% to 4% for qualified candidates.
- 17. Can you use the program to prep a home for sale?** Yes, As long as the homeowner qualifies and the home is owner occupied. Households that own a second home are not eligible for these programs.
- 18. Can the homeowner do the work?** No, Loudoun County contracts with skilled construction contractors to complete all construction. The Home Improvement Coordinator monitors and inspects all work

performed to ensure that work is performed correctly prior to paying the contractor.

19. What if the home is sold? The balance of the loan has to be paid in full from the proceeds of the home sale.

20. How do I find out more information? Call 703-777-0353 and ask for the Home Improvement Coordinator, Robert McCarthy.

FREQUENTLY ASKED QUESTIONS
EMERGENCY HOME REPAIR AND ACCESSIBILITY GRANT
PROGRAM

- 1. How much does it cost?** The grant is totally forgivable.
- 2. How long will the process take?** The loan process should take no more than 30-45 days. The construction process will be determined by the amount of renovation being completed and weather conditions.
- 3. What contractor do I use to complete the work?** The County of Loudoun has contractors under contract to perform the work.
- 4. Who handles the payments to the contractors?** The County of Loudoun sets up a purchase order and pays the contractors directly upon completion of each stage of the project, pending inspection and approval by the Home Improvement Coordinator and Program Manager
- 5. Who can qualify for a grant?** A homeowner who is the age 62 or older or households with persons with disabilities in the home may qualify
- 6. Do I have to own my own home in the County of Loudoun to qualify?** Yes
- 7. Can the Home Improvement Coordinator do the inspection prior to pre-qualifying for the loan?** No. We need to receive the

application documents and review them prior to inspection, to include a signed “Inspection Agreement”.

- 8. Can I get two grants?** No, only one grant is permitted per household.
- 9. Can the homeowner do the work?** No, Loudoun County has contractors that do all construction.
- 10. How do I find out more information?** Call 703-777-0353 and ask the Home Improvement Coordinator, Robert McCarthy.