City of Louisville
COLORADO • SINCE 1878

CITY COUNCIL COMMUNICATION
AGENDA ITEM 5C

SUBJECT: **RESOLUTION NO. 28, SERIES 2025 – A RESOLUTION APPROVING A SERVICES CONTRACT WITH IMPACT DEVELOPMENT FUND**

DATE: **MAY 6, 2025**

PREPARED BY: **ROB ZUCCARO, AICP, COMMUNITY DEVELOPMENT DIRECTOR**

PRESENTED BY: **ROB ZUCCARO, AICP, COMMUNITY DEVELOPMENT DIRECTOR**

SUMMARY:
Presented for Council approval is an agreement between the City and Impact Development Fund (IDF) for Historic Preservation Fund (HPF) revolving loan processing services (see Attachment Nos. 1 and 2 for approval resolution and contract). The contract term is for two years and will automatically renew annually unless terminated by either party with 30 days' notice.

BACKGROUND / PRIOR DISCUSSIONS:
The City first established the HPF revolving loan program in 2014 by Resolution No. 4, Series 2014 and made minor amendments to the program in 2016 by Resolution No. 21, Series 2016 (Attachment Nos. 3 and 4 respectively). In 2019, the City updated all of its funding programs through Resolution No. 17, Series 2019 (Attachment No. 5). The program allows owners of properties with a local landmark designation to take out low-interest loans for qualifying preservation and restoration work on historic structures.

In 2016, following a competitive bid process, the City selected Funding Partners for Housing Solutions, Inc. to serve as the loan processor for the City. Funding Partners for Housing Solutions, Inc. has since changed its name to Impact Development Fund (IDF). The 2016 agreement (Attachment No. 6) has now expired, necessitating approval of a new agreement for loan processing services.

The services provided by IDF include processing the loan application and providing the City with loan approval documentation, collecting loan payments, and remitting those payments to the City. The service fees are listed in Exhibit B to the agreement. There is an origination fee for the loan paid by the applicant and an annual servicing fee paid by the City. The current contract's annual servicing fee is $2,500 or 1% of the loan portfolio.

ANALYSIS:
Staff is seeking Council's approval of the proposed loan servicing agreement with IDF. This will provide continuity for the City's current HPF revolving loan program. The City has two outstanding loans with approximately $150k of outstanding balance. Under the current contract, the annual servicing fee is approximately $1,500. The proposed contract includes an annual fee based on the following schedule:

Servicing Fee Schedule

Monthly and Deferred Payment Loans

Number of Loan Files:	Effective 02/01/2025
1-5	$1,000/year
6-10	$2,000/year
11-20	$3,000/year
21-30	$4,000/year
31-45	$5,000/year
46-60	$6,000/year
Over 61	Call for Pricing

Escrowed First Mortgage Loans

Number of Loan Files:	Effective 02/01/2025
Up to 15	$3,500/year
16+	$17/file/month

Credit Reporting

Number of Loan Files:	Effective 02/01/2025
1-5	$500/year
6 +	$900/year

2025 COUNCIL WORK PLAN:
Approval of the contract with IDF for loan processing services does not directly relate to the City Council's 2025 Work Plan. However, preserving and restoring historic structures does contribute to the City's overall safety and economic vitality by providing vibrant neighborhoods.

FISCAL IMPACT:
Budgeted?: **Yes**
Fees are paid through the Historic Preservation Fund, which currently has a fund balance of $3.8M.

ALTERNATIVE(S):
An alternative to approving the contract for HPF loan processing service with IDF is to issue a Request for Proposals for loan processing services and bringing back a contract with the preferred vendor.

RECOMMENDATION:
Staff recommends approval of the contract for HPF loan processing services with IDF. This will provide continuity of our current loans and loan program.

ATTACHMENT(S):

1. Resolution 28, Series 2025
2. Proposed Contract with IDF
3. Resolution No. 4, Series 2014
4. Resolution No. 21, Series 2016
5. Resolution No. 17, Series 2019
6. Current Contract with IDF

RESOLUTION NO. 28
SERIES 2025

A RESOLUTION APPROVING A SERVICES CONTRACT WITH IMPACT DEVELOPMENT FUND

WHEREAS, a Services Contract has been proposed between the City and Impact Development Fund to provide licensed mortgage loan originator services to the City for its Historic Preservation Revolving Loan Program; and

WHEREAS, by this resolution the City Council desires to approve the Services Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. The City Council hereby approves the Services Contract with Impact Development Fund, in essentially the same form as the copy of such Services Contract that accompanies this resolution.

Section 2. The Mayor is hereby authorized to execute the Services Contract on behalf of the City, and the Mayor is hereby further authorized to negotiate and approve such revisions to the Services Contract as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Services Contract are not altered.

PASSED AND ADOPTED this 6th day of May, 2025.

____
Christopher M. Leh, Mayor

ATTEST:

____
Genny Kline, Interim City Clerk

SERVICES CONTRACT

This Services Contract (**Contract**) is dated as of May 6, 2025, between **the City of Louisville, Colorado,** a municipal corporation (**City**) with an address at: 749 Main Street, Louisville, Colorado 80027 and **Impact Development Fund (Contractor)**, a Colorado non-profit corporation with an address at: 200 East 7th Street, Suite 412, Loveland, Colorado 80203; each, "Party", and collectively "Parties". This Contract shall be effective as of the date executed by all Parties (Effective Date).

I. Contract Purpose and Term.

A. Contractor was previously selected, through a competitive proposal process, to provide licensed mortgage loan originator services to the City for its Historic Preservation Revolving Loan Program (Program). Contractor has been providing such services to the City since 2016, and the Parties desire to enter into a new contract for services to continue their formal contractual relationship to implement the Program, which entails the extension of credit to individuals or legal entities.

II. Service Provisions.

A. Services. The Contractor will perform those duties set forth in each Scope of Work attached as Exhibit A and incorporated herein by reference (Services). Services may include necessary loan application processing functions under one or more distinct programs offered through the City or City-controlled enterprise unit(s) (Distinct Programs). Additional Scopes of Work may be added under this Contract at any time upon mutual agreement of the Parties, in writing and signed by both Parties. Contractor represents it has the authority, capacity, experience, and expertise to perform all Services in compliance with the provisions of this Contract and all applicable law, regulation, or executive order. The City reserves the right to remove any of the Services from Exhibit A upon written notice to Contractor. The City reserves the right to use other resources to perform certain Services at the City's discretion and upon written notice to Contractor. Nothing in this Contract obligates the City to a minimum or maximum level of activity upon which the Contractor may rely. In the event of any conflict between this Contract and Exhibit A, the provisions of this Contract shall prevail. Without limiting the foregoing, Contractor will perform and conduct, in a satisfactory and proper manner, the Services in compliance with the Program Criteria, set forth as Exhibit D, and the Contractor Loan Servicing Policies and Procedures, set forth in Exhibit E, and all applicable laws.

B. Price. The City shall pay the Contractor, based on the service rates listed on the Residential Fee Schedule, Exhibit B. The City previously paid the Contractor, upon full execution of the previous Contract, a one-time set up fee for the Program. If additional programs are sought, the City shall pay a one-time set up fee, as described in Exhibit B to initiate all necessary activity, legal review, and implementation requirements specified or implied within each respective Program. Additional consideration for each Program may be itemized under Exhibit B. Such consideration does not supersede initial implementation costs to the City. The City shall make payment within thirty (30) days of receipt and approval of any subsequent invoices, which shall identify the specific Services performed for which payment is authorized.

C. Term. The term of this Contract shall begin on the Effective Date and continue for a period of two (2) years through and including May 5, 2027 (Initial Term). After the Initial Term, this Contract shall automatically renew for additional one-year terms on May 5 of each calendar year so long as IDF continues to provide the Services, unless the City notifies the Contractor at least thirty (30) days before the end of the then- current term that the City does not wish to renew the Contract.

D. Appropriation. To the extent this Contract constitutes a multiple fiscal year debt or financial obligation of the City, it shall be subject to annual appropriation of funds sufficient and intended therefore by the Louisville City Council. The City shall have no obligation to continue this Contract in any fiscal year in which no such appropriation is made.

E. Independent Contractor. The Parties agree the Contractor is an independent contractor and is not an employee of the City. All personnel assigned by the Contractor to perform Services under the terms of this Contract shall be, and remain at all times, employees or agents of the Contractor for all purposes. Contractor will make no representation it is a City employee for any purpose. As an independent contractor, the Contractor is not entitled to any workers' compensation benefits or unemployment benefits from the City. **CONTRACTOR WILL**

SATISFY ALL TAX AND OTHER GOVERNMENTALLY IMPOSED RESPONSIBILITIES INCLUDING, BUT NOT LIMITED TO, PAYMENT OF STATE, FEDERAL AND SOCIAL SECURITY TAXES, UNEMPLOYMENT TAXES, WORKERS' COMPENSATION, AND SELF-EMPLOYMENT TAXES. NO STATE, FEDERAL OR LOCAL TAXES OF ANY KIND SHALL BE WITHHELD OR PAID BY THE CITY.

III. General Provisions.

A. City Code of Ethics. Contractor acknowledges the City's Code of Ethics identifies independent contractors who perform official actions on behalf of the City, which involve the use of discretionary authority, will not receive any gifts seeking to influence their official actions on behalf of the City, and City officers and employees similarly shall not receive such gifts. Contractor agrees to abide by the gift restrictions of the City's Code of Ethics.

B. Compliance with Applicable Laws/Nondiscrimination.

1. The Contractor will comply with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the City including, without limitation, laws applicable to discrimination and unfair employment practices and to the origination of mortgage loans and other credit and lending activities. Contractor will provide all services hereunder in a manner consistent with all laws and requirements pertaining to civil rights, nondiscrimination and constitutionally protected classes and rights, applicable to the provision of municipal services to members of the public. The Contractor will solely be responsible for payment of all applicable taxes and for obtaining and keeping in force all applicable permits and approvals.

C. Confidentiality. The Contractor hereby acknowledges and agrees to adhere to the Confidentiality policies and procedures outlined by the City in Exhibit C.

D. Delegation. Contractor reserves the right to delegate all of its obligations, requirements, and performance standards for each Program covered by this Contract to one of its wholly-owned subsidiaries or a new wholly-owned subsidiary created. The delegation to a subsidiary entity will be determined by Contractor at the time of Program implementation and is determined by the type of City program, the program audience, and services and duties provided by Contractor. Contractor will provide written notice of any delegation to the City and outline the Contractor's subsidiary entity's work to be done toward the Scope of Services for each respective Program in Exhibit A. The term "Contractor" as used herein refers to Contractor or its designated subsidiary, as appropriate. The Contractor will not assign this Contract to any entity to which it holds less than a one hundred percent (100%) controlling interest without the City's prior written consent.

E. Governmental Immunity Act. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the notices, requirements, immunities, rights, benefits, protections, limitations of liability, and other provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq*. and under any other applicable law.

F. Indemnification. To the fullest extent permitted by law, the Contractor agrees to indemnify and hold harmless the City, and its elected and appointed officers and its employees, from and against all liability, claims, and demands, on account of any injury, loss, or damage, which arise out of or are connected with the Services hereunder, if such injury, loss, or damage is caused by the negligent act, omission, or other fault of the Contractor or any subcontractor of the Contractor, or any officer, employee, or agent of the Contractor or any subcontractor, or any other person for whom Contractor is responsible; the disclosure of any confidential information not permitted by this Contract; or the misrepresentation or breach of any of Contractor's representations, warranties, or covenants contained in this Contract. The Contractor will investigate, handle, respond to, and provide defense for and defend against any such liability, claims, and demands. The Contractor will further bear all other costs and expenses incurred by the City or Contractor and related to any such liability, claims and demands, including but not limited to court costs, expert witness fees and attorneys' fees if the court determines these incurred costs and expenses are related to such negligent acts, errors, and omissions or other fault of the Contractor. The City shall be entitled to its costs and attorneys' fees incurred in any action to enforce the provisions of this Section. The Contractor's indemnification obligation will not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the City.

G. Inspection and Audit. The City and its duly authorized representatives shall have access to any books, documents, papers, and records of the Contractor related to this Contract for the purpose of making audits, examinations, excerpts, and transcriptions.

H. Insurance Requirements.

1. Policies. The Contractor and its subcontractors, if any, will procure and keep in force during the duration of this Contract the following insurance policies and will provide the City with a certificate of insurance evidencing upon execution of this Contract:

   (i) Comprehensive general liability insurance insuring the Contractor and naming the City as an additional insured with minimum combined single limits of one million dollars ($1,000,000) each occurrence and two million dollars ($2,000,000) aggregate. The policy will be applicable to all premises and operations. The policy will include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy will contain a severability of interests provision.

   (ii) Professional liability insurance insuring the Contractor against any professional liability with a limit of at least one million dollars ($1,000,000) per claim and annual aggregate.

   (iii) Workers' compensation insurance and all other insurance required by any applicable law.

2. Requirements. Required insurance policies will not be cancelable or subject to reduction in coverage limits or other modification except after thirty (30) days prior written notice to the City. The Contractor coverage is "occurrence". Comprehensive general policy will be for the mutual and joint benefit and protection of the Contractor. The Contractor's general liability insurance shall be endorsed to include the City as additional insured. Such policies will provide the City, although named as an additional insured, be entitled to recover under said policies for any loss occasioned to it, its officers, employees, and agents by reason of negligence of the Contractor, its officers, employees, agents, subcontractors, or business invitees. Such policies will be written as primary policies not contributing to and not in excess of coverage the City may carry.

I. Marketing and Advertisement. Any and all Program descriptions, including print, broadcast or electronic media, intended to promote the availability of financial services must be submitted to Contractor for final approval prior to release. Contractor reserves the right to amend or supplement such descriptions as necessary, in its opinion, to maintain compliance with federal and state regulation.

J. Miscellaneous. This Contract contains the entire agreement of the Parties relating to the subject matter hereof and, except as provided herein, may not be modified or amended except by written agreement of the Parties. In the event a court of competent jurisdiction holds any provision of this Contract invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Contract. This Contract shall be governed by the laws of the State of Colorado, and venue shall be in the County of Boulder, State of Colorado.

K. Notices. Written notices shall be directed as follows and shall be deemed received when hand-delivered, emailed with proof of receipt, sent by overnight commercial courier, or three (3) days after being sent by certified mail, return receipt requested:

City: Rob Zuccaro
Community Development Director
City of Louisville
749 Main Street
Louisville, CO 80027
Tel. 303-335-4594
Email: rzuccaro@louisvilleco.gov

Contractor: Megan Ferguson
Chief Executive Officer
Impact Development Fund, Inc.
200 E. 7th Street
Loveland, CO 80537
Tel. (970) 494.2021
E-Mail: Contracts@impactdf.org

L. Red Flag Rules. Contractor will implement reasonable policies and procedures to detect, prevent and mitigate the risk of identity theft in compliance with the Identity Theft Red Flag Rules found at 16 Code of Federal Regulations part 681. Further, Contractor must take appropriate steps to mitigate identity theft if it occurs with one or more of the City's covered Services.

M. Special Provisions. The Contractor hereby certifies it meets all licensing, insurance, and bonding requirements as required by state law to perform the Services.

N. Termination.

1. Without Cause. Either Party may terminate this Contract without cause upon thirty days prior written notice to the other. The City shall be liable to pay the Contractor for Services performed as of the effective date of termination, but shall not be liable to the Contractor for anticipated profits, or any other damages other than payment for services performed as of the effective date of termination.

2. For Default. Each and every term and condition hereof shall be deemed to be a material element of this Contract. In the event either Party fails to perform according to the terms of this Contract, such Party may be declared in default. If the defaulting Party does not cure said breach within ten (10) days of written notice thereof, the non-defaulting Party may terminate this Contract immediately upon written notice of termination to the other. In the event of such termination by the City, the City shall be liable to pay the Contractor for Services performed as of the effective date of termination, but shall not be liable to Contractor for anticipated profits or any other damages; provided, however, the Contractor will not be relieved of liability to the City for any damages sustained by the City by virtue of any default under this Contract, and the City may withhold payment to the Contractor for the purposes of setoff until such time as the exact amount of damages is determined.

O. Time of the Essence. Time is of the essence in performance of the Services and is a significant and material term of this Contract.

IV. Signatures. The Parties to this Contract, through their duly authorized representatives, have executed this Contract on the dates set out below, and certify they have read, understood, and agreed to the terms and conditions of this Contract. Each person signing this Contract warrants they have authority to bind the City or Contractor. This Contract may be executed by electronic signature in accordance with C.R.S 24-71.3-101 *et seq*.

Contractor: Impact Development Fund	**City:** City of Louisville
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________
Date: ______________________	Date: ______________________

ATTEST:

____

City Clerk

STATE OF ________)

) ss.

COUNTY OF ________)

The foregoing instrument was acknowledged before me this ___ day of __________, 20_ by ___________________________.

(Insert name of individual signing on behalf of the Contractor)

Notary's official signature

S E A L

Commission expiration date

EXHIBIT A – SERVICES

HISTORIC PRESERVATION REVOLVING LOAN PROGRAM

The Contractor will provide licensed mortgage loan originator services in compliance with C.R.S. § 12-61-901 *et seq*. for the City's Historic Preservation Revolving Loan Program (Program).

The City shall email Program applications to the Contractor to include:

- Total Program funding available for the specific Program Project (Project);
- Work items and costs eligible for Program funding for each application;
- Design review ranking of each application work item.

The City shall designate a Contact Person for this Program. Upon receipt of a project application, Contractor will request additional information from the applicant necessary to complete a loan application file. Contractor will review all provided materials for accuracy and completeness, make a credit decision, and notify the City Contact Person of its credit determination, to include all loan terms and conditions. In the event Contractor determines the applicant does not comply with Program standards, the City reserves the right to consider exceptions to its policy. Such exceptions must be provided in writing to Contractor such that Contractor is able to provide written notification of final credit determination to applicant(s) within three (3) business days of submitting the loan application. Final credit determination will include all applicable state and federal disclosures. The maximum loan amount approved by the Contractor is two hundred fifty thousand dollars ($250,000).

Once a Project has been completed and inspected by the City, Contractor will prepare loan closing documents to include a lien waiver and completion of work affidavit wherein the borrower must acknowledge the amount paid to Project upon loan settlement. Contractor will acknowledge all work is completed according to local standards and in a good and workmanlike fashion within the agreed upon timeframe and will verify all suppliers or subcontractors for the Project are paid in full with no further recourse to the borrower, and furnish lien waivers to the effect.

Contractor will provide and coordinate presentation of all loan documents to borrower at the time of loan settlement. Upon receipt and acceptance of completed and signed lien waiver and completion of work affidavit from the project workers and, if applicable, subcontractors, Contractor shall release loan proceeds directly to project workers upon confirmation all work is complete. Disbursement of funds is prohibited prior to expiration of the rescission period, as applicable.

Public recording and other third-party fees will be assessed and collected at time of loan closing, as detailed within a closing disclosure prepared by Contractor. Applicant may choose to pay the application fee at the time of closing or have it included in the loan principle (subject to loan maximum amounts).

The City shall reimburse Contractor for each loan disbursed upon receipt of an itemized invoice of all transactions, which will be provided by Contractor no more frequent than once per calendar month.

Contractor will retain all original documents and permanent loan file, record all appropriate documents as necessary and as the City may reasonably require, and issue release of collateral obligations for loan repayment upon final satisfaction of the promissory note. Instruments for divestment of any required conservation easement will be issued and recorded only after City Council approval. Copies of all executed loan documents will be provided to City of Louisville as supplement to the itemized transaction invoice.

EXHIBIT B

FEE SCHEDULE

Contractor is entitled to collect the following compensation to implement the described program(s), but will impose no other fees, charges, or surcharges to the City, borrower, or any other person in connection with the performance of services hereunder:

- Annually, Contractor will update their published Fee Schedule, with new rates. These rates will become effective for the City annually, upon notice and provision of published material. The most recently published Fee Schedule is listed as Page 2 and 3 of this Exhibit B.

- Public recording and release fees shall be payable by Program borrowers, collected at the time of related service.

- An annual fee equal to two thousand, five hundred dollars ($2,500), or one percent (1.0%) of all Program loans held in portfolio, whichever is less shall be payable by the City in each calendar year. Such fee shall reimburse for periodic billing, collection, and posting of borrower payments, issuance of IRS Form 1098 (as applicable), resolution of borrower inquiries or disputes, itemized return of Program capital from repayment, and submittal of monthly activity and account reconciliation reports to City.

EXHIBIT B
FEE SCHEDULE

The following schedule reflects the one-time administration fee assessed for the underwriting and closing of third-party loans. Fees are due and payable at time of loan settlement and may be paid by the borrower, program sponsor, or other party.

Servicing Fee Schedule

Monthly and Deferred Payment Loans

Number of Loan Files:	Effective 02/01/2025
1-5	$1,000/year
6-10	$2,000/year
11-20	$3,000/year
21-30	$4,000/year
31-45	$5,000/year
46-60	$6,000/year
Over 61	Call for Pricing

Escrowed First Mortgage Loans

Number of Loan Files:	Effective 02/01/2025
Up to 15	$3,500/year
16+	$17/file/month

Credit Reporting

Number of Loan Files:	Effective 02/01/2025
1-5	$500/year
6 +	$900/year

The annual fee is invoiced every January and is based on the number of loans serviced as of 12/31 of the prior year.

Habitat Silent Second Mortgages	$40/file/year
Yearly Occupancy Verification	$40/file/year
Loan Servicing Transfer Fee	$150/file
Accounts Receivable (30+ days past due)	4.50% APR

All servicing includes the following:

- 24/7 Online Account Access
- Automatic Withdrawal from Borrower's Account (if chosen)
- Borrower Monthly Statement
- Direct Deposit to Lender's Account (if chosen)
- Escrow management (RE Tax, Insurance, HOA)
- Information Updated Daily
- Late Notices
- Lender Monthly Statement
- Lender/Borrower Welcome Letter
- Live Customer Service Representative Monday through Friday 8:00 AM – 5:00 PM
- Year End Financial IRS Reports (1098/1099 Forms)

EXHIBIT B
FEE SCHEDULE

Loan Origination Fee Schedule

Origination Fees

	Effective 02/01/2025
First Mortgage Program	1% of loan
First Mortgage Doc Prep Only	$500.00
DPA Monthly Pay Second Mortgage	$450.00
DPA Deferred Second Mortgage	$400.00
Second Mortgage Doc Prep Only	$100.00
Subordinations	$200.00
Modifications	$300.00

Accounts Receivable (30+ days past due)

Invoices 30+ days past due	4.5% APR

EXHIBIT C

CONFIDENTIALITY AGREEMENT

IN CONNECTION WITH SERVICES provided to the City of Louisville (City) pursuant to this Agreement (Agreement), the Contractor hereby acknowledges it has been informed the City has established policies and procedures with regard to the handling of confidential information and other sensitive materials.

In consideration of access to certain information, data, and material (hereinafter individually and collectively, regardless of nature, referred to as "information") that are the property of and relate to the City or its employees, customers, or supplies, which access is related to performance of Services the Contractor has agreed to perform, the Contractor hereby acknowledges and agrees as follows:

> Information which has or will come into its possession or knowledge in connection with the performance of services for the City may be confidential or proprietary. The Contractor agrees to treat as confidential: (a) all information owned by the City, or relates to the business of the City, or is used by the City in carrying on business, and (b) all information proprietary to a third-party (including, but not limited to, customers and suppliers of the City). The Contractor will not disclose any such information to any person not having a legitimate need-to-know for purposes authorized by the City. Further, the Contractor will not use such information to obtain any economic or other benefit for itself, or any third-party, except as specifically authorized by the City.
>
> The foregoing to the contrary notwithstanding, the Contractor understands it will have no obligation under this Contract with respect to information and material (a) which may become generally known to the public by publication or some means other than breach of duty of this Agreement, or (b) required by law, regulation, or court order to be disclosed, provided the request for such disclosure is proper and the disclosure does not exceed what is required, or (c) is disclosed to Contractor by a third-party without restriction and is not directly or indirectly derived from the City and is not under a binder of secrecy; or (d) is already known to the Contractor without any obligations of confidentiality prior to receipt from the City and was not developed by Contractor or its affiliates independently without reference to or the benefit of the confidential information developed under this Agreement. In the event of any disclosure under (b) above, the Contractor will furnish a copy of this Agreement to anyone to whom it is required to make such disclosure and will promptly advise the City in writing of each such disclosure.
>
> In the event the Contractor ceases to perform services for the City, or the City so requests for any reason, the Contractor will promptly return to the City any and all information described hereinabove, including all copies, notes or summaries (handwritten or mechanically produced) thereof, in its possession or control or as to which it otherwise has access.

The Contractor understands and agrees the City's remedies at law for a breach of the Contractor's obligations under this Confidentiality Agreement may be inadequate and the City shall, in the event of any such breach, be entitled to seek equitable relief (including without limitation preliminary and permanent injunctive relief and specific performance) in addition to all other remedies provided hereunder or available at law.

EXHIBIT D
PROGRAM CRITERIA

Product Guidelines
City of Louisville
Historic Preservation Loan Fund

Eligible Borrowers:	Applicants may include natural persons and/or legal entities registered in good standing with the Colorado Secretary of State. All borrowers and guarantors must demonstrate U.S. citizenship or permanent legal residency in the United States.
Eligible Properties:	Physical structures located within Louisville city limits and Historic Old Town Louisville, and landmarked pursuant to Louisville Municipal Code Chapter 15.36. If the structure is not eligible for landmark designation, a conservation easement for preservation of the site or structure (or portion thereof) of historical significance must be granted to the City.
Eligible Projects:	Preservation, restoration, and rehabilitation of external, structural, and mechanical elements of a property. Project scope may include sustaining the existing form, preserving the integrity, stabilization, and adapting the property for contemporary use within the bounds of historic, architectural and cultural values. Up to 10% of the loan amount may be designated for one-time actions considered routine maintenance items, including painting. A structural assessment shall be required pursuant to Section 2 of City of Louisville City (City) Council Resolution No. 2, Series 2012, before an applicant may apply for a loan.
Income Verification:	Income is established according to an average of the most recent two-year period. For individuals, income documentation will consist of 30-day paystubs and/or federal tax returns for the most recent 2-year period depending upon employment status. Income will exclude overtime, shift bonus, commission and bonuses that have not been earned consistently during the period. Legal entities must provide federal tax returns for the most recent 2-year period plus year-to-date financial statements. Guarantors must provide personal returns for the most recent 2-year period.
Collateral & Easement:	Grant of deed of trust in favor of the City for the full loan amount recorded upon the subject property. Additionally, a conservation easement (for non-landmarked property) will be recorded against the property, per Resolution No. 4, Series 2014, Section 2 (g).
Combined Loan to Value:	Total of all existing liens plus proposed loan amount not to exceed 100% of market value as provided in the most recent available valuation by the Boulder County Assessor.

Loan Amount:	Owner-Occupied Residential:	Minimum $2,500
	Commercial:	Minimum $2,500
Debt Ratio:	Owner-Occupied Residential:	Total monthly contractual debt divided by monthly income shall not exceed 45%.
	Commercial:	Net operating income divided by combined debt service shall not be less than 1.25.
Repayment:	Monthly payments of principal and interest to fully amortize the loan within the established term. Loan will become immediately due upon sale, transfer, refinance, or when a home is no longer occupied as the primary residence, and may provide for default and acceleration in the event of noncompliance with the conditions of the loan.	
Term:	Owner-Occupied Residential:	Loan amount ≤ $10,000 maximum term 7 years
		Loan amount > $10,000 maximum term 20 years
	Commercial:	Loan amount > $10,000 maximum term 15 years
	The conservation easement required in connection with a loan for non-landmarked property may be divested only with City Council approval, and no divestment may be approved prior to 15 years after the granting of the easement.	

EXHIBIT D
PROGRAM CRITERIA

Loan Fees:	Owner-Occupied Residential:	$400 paid at time of loan closing
	Commercial:	$500 or 1.0% of loan amount, whichever is greater

As amended from time-to-time according to the most recently published Impact Development Fund (IDF) Loan Fee Schedule.
Public recording fees, shipping and credit reporting fees shall apply.

Interest Rate: Fixed rate equal to *Wall Street Journal Prime* as established at time of program application to the City minus 2.00%. (WSJ Prime Rate – 2.00% = Interest Rate)

Origination Procedures

Project Review: Property owner(s) must first meet with designated City staff to present project scope, elements and budget ("project application"). Upon favorable review, the proposed project will be reviewed by the City Historic Preservation Commission for a recommendation to approve, reject or modify the proposed project. The Commission's recommendations regarding the proposed work and grant funding, if any, will be forwarded to City Council for final determination.

Application: Upon City Council approval of a project request, property owner(s) will complete and submit a loan application to IDF for consideration of additional financial support. A credit determination and initial disclosures are typically issued within 48 hours, or less of receiving a complete application package. Any remaining documentation requirements will be detailed.

Processing: IDF will verify detail submitted by the applicant, assemble additional documentation as necessary and confirm all loan terms with the applicant prior to loan closing.

Project Initiation: Upon notification of approval and acceptance of all loan terms, property owner(s) must enter into a formal agreement with the City which incorporates an approved project application, easement(s) and restrictions. With the completed agreement property owner(s) will be authorized to initiate proposed work. Only under the limited circumstances shown below will loan proceeds be made available prior to final completion of the project.

Closing: Property owner(s) and/or worker(s) will advise IDF of the firm completion date at the earliest possibility. Upon completion to the satisfaction of the property owner(s), IDF will deliver all loan documents to the borrower(s) and guarantor(s), as applicable, with a minimum review time of 3 business days prior to execution. Borrower(s) must arrange to have all signatures notarized on the security instrument and promptly return all original documents to IDF via overnight courier. Loan documents will include a certification of completion and lien waiver affidavit signed by the borrower(s), project worker(s), and suppliers as applicable.

Disbursement: Provided all original documents have been received and owner-occupied residential borrower(s) have not exercised their right to cancel within 3 business days of the promissory note (rescission period), IDF will disburse all proceeds of the loan. Unless otherwise approved prior to closing, proceeds will be delivered directly to worker(s) and/or supplier(s) by electronic clearing.

Exception: Loan amounts in excess of $50,000 may be eligible for incremental disbursements based upon progress thresholds determined prior to final completion. In such cases, loan closing will occur prior to commencement of project work.

Post Closing: An original deed of trust will be recorded with the Boulder County Clerk & Recorder to secure all program loans. The conservation easement required as a condition of funding (for non-landmarked properties) will be recorded with the Boulder County Clerk and Recorder. All original files will be retained by IDF for servicing through the life of the loan. All payments, questions and requests related to a loan should be directed to IDF, acting as agent for the City.

EXHIBIT E
POLICIES & PROCEDURES

Attachments to this Exhibit include:
IDF Loan Servicing Policies and Procedures

Loan Servicing Policies and Procedures

To establish policies and procedures related to the servicing of Impact Development Fund (IDF) active mortgages in compliance with federal and state regulations for Consumer Lending and Loan Servicing.

IDF Servicing Policies and Procedures shall achieve the following: accessing and providing timely and accurate information to borrowers, properly evaluating loss mitigation applications, promptly facilitating the transfer of information during servicing transfers, and establishing consistent protocol for periodic billing and payment application.

Staff: Loan Servicing Manager, Senior Servicing Specialist, Accounting & Finance Manager, Origination Team and Director of Operations

Services Provided

1. Closing/Funding
2. Periodic Billing
3. Payment Processing
4. Credit Reporting
5. Borrower Account Inquiry and Error Resolution
6. Notices to the Borrower
7. Collections
8. Escrow Management
9. Document Retention

1. **Closing/Funding**

1.1. Wire/ACH is ordered 24-48 hours prior to closing date. Wire requests are initiated by origination team (Closing Disclosure and Wire Instructions) and provided to the servicing team for funding set-up. Wire delivery date corresponds with Closing and Disbursement date on the Closing Disclosure ("CD"). Portfolio Servicing Manager sends notice of pending wires/ACH for review and release to Executive Director, Director of Operations and Director of Lending.

1.1.1. Borrower account set up in The Mortgage Office ("TMO") at time of funding request.

1.1.2. Origination team provides borrower file with closing information to Senior Servicing Specialist who will review and establish borrower profile and loan terms as prepared in CD and Closing Documents. The Portfolio Servicing Manager will perform the final review set-up in TMO and approve the Loan Master Audit Report.

1.1.3. As available capital allows, IDF shall fund third party program loans at time of closing. In the event IDF does not hold sufficient capital to advance program loan funds on behalf of Third Party Clients, IDF reserves the right to request funds from each Third Party Client for individual loan closings upon presentation of payment request and supporting documentation to evidence the existence of such program loans.

- Third party clients will receive an invoice within 30 days of loan closing from IDF Accounting and Finance Manager sufficient to reimburse loan funds advanced on their behalf. Payment must be received from Third Party Client within 30 calendar days of invoice, or be subject to additional fees per the IDF Fee Schedule.

1.1.4. Loan funds are disbursed by the Title Company in accordance with the CD and Closing Instructions prepared by Origination Staff. Original Signed Loan Documents to be returned to IDF via overnight mail; including origination fee, daily interest, and principal reduction as applicable, made payable to Impact Development Fund.

1.2. Borrower Account Completion in Servicing Software: Once original signed loan documents are received from the Title Company, servicing staff will review for accuracy/completeness and save a scanned version on the server. Servicing staff shall use the CD, Promissory Note, Deed of Trust and final 1003 loan application as reference when establishing terms in the servicing software for periodic billing and accounting.

1.2.1. Receipt of recorded documents – Within 60 days of loan closing, IDF should be in receipt of the all recorded documents. If not received, Staff will contact the appropriate public office to determine if the instrument has been received, recorded, or subject to processing delays. If recording has been delayed, an appropriate follow up period will be established. If recorded more than 15 business days prior, Staff shall request the public office perform a document search and report their findings within 10 days of such request. If not received within such time, Staff shall request a certified copy of the document and forwarded by registered delivery from recording office. If the document has not been received by the public office within 60 days, Staff shall contact the escrow agent to request a document search. Escrow agent shall be instructed to provide gap coverage under the title insurance policy, as applicable, obtain new signatures on replacement documents, if necessary, and record the document at the earliest possibility.

1.3. Production Reports: At the time of each closing, appropriate program production report is updated with borrower specific closing data.

1.3.1. Staff shall maintain and reconcile program specific production reports to be delivered to Third Party Client within 45 days of each calendar quarter.

2. Periodic Billing and Reporting

2.1. Periodic Statements to Borrower

2.1.1. All active mortgage accounts will receive a paper billing statement or emailed billing statement from IDF each month. Electronic delivery must have prior authorization from Borrower on file prior to enrollment in this service. Billing statements are delivered no less than ten (10) days prior to payment due date. Sample borrower periodic billing statement shall be referenced in Exhibit A.

2.1.2. The statement will group and detail the following information:

Amount Due	Payment due date Amount of late fee if payment is late Amount Due
Explanation of Amount Due	Monthly payment amount and breakdown of how it will be applied to principal, interest and escrow. Total of fees imposed Past amount due
Past Payment Breakdown	Total of all payments since the last statement and application to principal, interest, escrow, fees and suspense account Total of all payments since the beginning of the calendar year and application to principal, interest, escrow, and fees as well as total amount in suspense account
Transaction Activity	List of all the transaction activity since the last statement
Partial Payment Information	Only if funds are held in a suspense account, information on what must be done for the funds to be applied
Contact Information	A phone number where borrowers may obtain account information
Account Information	Outstanding principal balance Current interest rate Date when interest rate may change Existence of any prepayment penalty Housing counselor information: https://www.consumerfinance.gov/mortgagehelp/
Credit Reporting Information	Late payments, missed payments or other defaults on accounts may be reflected on credit report.

2.2. Periodic Lender Statements for Third Party Management ("TPM")

2.2.1. Staff shall prepare and submit monthly a detailed Lender Statement no later than ten (10) days following the end of each month. The contents of the report shall provide data to the Third Party Client to be used for coordinating, monitoring and evaluating the loan portfolio; current mortgage status, payments received for prior month, distribution of payment, loan aging and delinquency, and revenue over prior 12 months (interest, late charges, etc.). Sample Statements shall be as referenced in Exhibit B and shall be directly related to the Scope of Services.

- Lender Statement prepared shall reference the prior month's activity and will be accompanied by a Lender Check or Lender ACH for proceeds remitted to the Third Party Client, as applicable.

2.3. Periodic Production Reports for TPM

2.3.1. Staff shall maintain and deliver Production Reports no later than forty-five (45) days following the end of each calendar quarter. The contents of the report shall provide data to the Third Party Client regarding origination production within their portfolio; loan production summary, closing date, loan amounts per borrower/per year, AMI levels, Home Mortgage Disclosure Act ("HMDA") demographic reporting, Loan-to-Value ("LTV"), Debt-to-Income ("DTI") ratio, leveraged loans and other participating lenders per transaction. Sample report shall be as referenced in Exhibit C and shall be directly related to the Scope of Services.

3. Borrower Payments.

3.1. Staff shall invoice, accept and record all loan payments as expressly defined within the Loan Documents. Acceptable forms of payment shall include Automated Clearing House ("ACH"), certified funds, money order or personal check from Borrower or other third parties on behalf of Borrower. Any other form must have prior approval from authorized executive staff. Borrowers' account will be credited as of the date of payment receipt, while a hold may be placed against the account to allow sufficient time for funds to clear payer's account, as appropriate. **Payments will NOT be accepted via credit card or cash.**

3.1.1. Payments must be mailed or hand delivered to the Impact Development Fund Office; physical & mailing address of **200 E. 7th Street, Suite 412, Loveland CO 80537.**

3.1.2. ACH payments may be established for automatic withdrawal from a checking or savings account. Borrower will be required to complete an ACH Authorization form and provide IDF with a voided check. Any change to the monthly payment besides normal annual escrow analysis will require the completion of a new form with borrower authorization.

3.2. Receipt of Payment - Borrower's account will be credited for the day payment is received.

3.3. Application of Payments

3.3.1. Borrower's account shall be credited in the order outlined in the borrower's Promissory Note. If the order is not specified in the borrower's loan documents, payment shall be applied as follows:

- First to fees and charges, including late charges if any, second to accrued interest, third to escrow and last to principal. Additional payment amounts received shall be applied to the principal loan balance as "Other Cash from Borrower" as principal payment.

3.4. Partial, Extra and Advance Payments

3.4.1. IDF does not accept partial payments. Borrowers with a past due balance shall be encouraged to establish a payment plan to repay past-due mortgage amounts in lieu of making unscheduled installments on the mortgage debt.

- IDF may review accepting a partial payment on a case by case basis. Included in the Welcome Packet, IDF shall provide the homeowner with a "Receipt of Payment with Reservation of Rights" indicating that by accepting a partial payment, IDF does not waive any of its rights for collection of remaining past due amounts, and that IDF may in the future choose not to accept partial payments depending on the level of delinquency of the homeowner.

3.4.2. When a borrower pays amounts in excess of their regular required monthly mortgage payment, the excess payment will be applied to the borrower's principal balance, unless otherwise specified by the borrower at the time of payment.

3.4.3. Borrowers may make mortgage payments for months in advance of the current payment period by specifying how they would like the payment to be applied. Additional payments received without specification will be applied to the principal balance.

3.5. Loan Payoff – Sample Loan Payoff Statement Exhibit D.

3.5.1. Application of payment: First to fees and charges, including late charges if any, second to accrued interest or equity share as applicable, and last to principal.

3.5.2. Within a reasonable period of time, not to exceed 30 days, of receipt of acceptable payment in full, Staff will prepare and execute a release of security interest with the appropriate public office. The original recorded release document shall be returned to IDF and retained in a secure manner. Copies of all documents will be retained in the Borrowers' permanent file, with original note marked as "Paid", initialed and dated by a Staff representative and forwarded to the Borrower, or public office where appropriate.

3.6. Late Fees

3.6.1. Late fees are assessed in accordance with each borrower's loan documents. If late fee timelines are not established in the loan documents, IDF will assess late charges on the following schedule:

- If payment has not been received by the end of 15 calendar days after the original due date, borrower will pay a late charge of 5% of the monthly principal and interest due.
- Late fees will only be assessed once per billing cycle and only on the outstanding balance due for the current month's principal and interest payment.

4. Credit Reporting

4.1. IDF reports to Experian, Equifax and TransUnion credit bureaus thru Credit Builders Alliance all active loans regardless of account status for IDF's on-balance manufactured loan pool, FP loan pool, Habitat Liquidity Loans and other loans identified for credit reporting and active loans for third party lenders as identified by the lenders. In no case shall procedures be modified and applied on a loan-by-loan basis. Monthly data file transfers are conducted to report the following: Portfolio Type (Mortgage, Installment, Revolving or Line of Credit); Account Type (Secured, Unsecured, Rental Agreement, etc.); Account Status (Current Account, Paid in Full, Past-Due, Collections); and Special Comments available from bureau, as applicable.

4.2. IDF is a member of Credit Builders Alliance (CBA), a nonprofit organization established to help non-traditional financial and asset building institutions serving low and moderate income individuals build client credit and financial access. CBA reports the data to the major credit bureaus. Files are transferred to CBA using a secure Metro 2 data format on the 6th day of each month thru the TMO servicing software. Metro 2 format follows the industry standard for data reporting, and fully complies with federal regulation and requirements of the Fair Credit Reporting Act (FCRA), the Fair Credit Billing Act (FCBA), and the Equal Credit Opportunity Act (ECOA). It allows most accurate and complete information on consumers' credit history. Each month, the Metro 2 file is examined by IDF staff and CBA for accuracy with special attention given to identifying information and ensuring it is the same as reported in the original loan application. Staff responsible for the Metro 2 reporting will attend CBA and FCRA trainings as offered on the CBA portal.

5. <u>Borrower Account Inquiry and Error Resolution</u>

5.1. Borrower General Inquiry: all borrower inquiry must receive a response within twenty-four (24) hours. In the event a request may take additional time, the borrower must be contacted within the 24 hour time frame and alerted as to an expected, reasonable deliverable date.

5.2. Payoff Statement Request: all payoff statements must be provided to the inquiring party no later than seven (7) business days following the written request and supporting borrower's authorization to release information. This timeline also applies to requests for Verification of Mortgage, Amortization Schedules or Account Summaries.

5.2.1. When applicable, IDF must notify Third Party clients of any payoff requests to determine if additional amounts may be due for additional subordinate mortgages, deed restrictions, shared appreciation agreements, or recapture provisions.

5.3. Error Resolution and Information Requests

5.3.1. Error resolution - When borrowers send a written notice requesting resolution of an error or seeking account information, IDF must:

- Within 5 days, acknowledge the request for information or notice of error.
- Within 30 to 45 days, correct the error and provide the borrower written notification of the correction, or conduct an investigation and provide the borrower written notification that no error occurred.
- If a borrower requests the documents relied upon to determine that no error occurred, IDF is required to respond to this request within 15 days. IDF must provide only the documents actually relied upon to determine that no error occurred, including documents reflecting information entered in TMO or other internal collection system(s).
- For credit bureau complaints, CBA has been approved to act as an agent on behalf of IDF and will monitor the e-OSCAR account daily on IDF's behalf. Anytime CBA receives a dispute on behalf of IDF, IDF will receive an email from CBA within 1 business day. Trained CBA staff will assist IDF in verifying the information and correcting it if necessary within the 30 day period.

5.3.2. Information Request - Within 30 to 45 days, provide requested information, or conduct a reasonable search for the requested information and provide the borrower with a written notification explaining why the information is not available.

5.4. Insurance Checks for Collateral Repairs

5.4.1. Insurance checks made out to the borrower and mortgage lien holders may be endorsed by authorized IDF staff only.

5.4.2. Borrower must provide insurance report of damage, proposals and evidence for repair from qualified third parties or, as applicable. Staff must maintain copies of endorsed checks and third party proposals in borrower file.

6. <u>Notices to the borrower</u>

6.1. Delinquency Notification

6.1.1. Delivery of delinquency notification can accompany a periodic billing statement or be provided in a separate document to the borrower. Notification must include:

- Length of the borrower's delinquency
- Notification of possible risks and expenses (for example, foreclosure or legal fees) that the borrower could face if the delinquency is not cured.
- Account history (previous 6 months or the period since the last time the account was current, whichever is shorter), the amount remaining past due, and the amount of any previous payment and when it was applied.
- Notice showing any loss mitigation arrangement the borrower has agreed to, as applicable.
- Notice that IDF/Lender has made the first notice or filing required starting foreclosure, if applicable.
- Total amount needed to bring the borrower's account current.
- Reference to homeownership counselor information included in periodic statement.

6.1.2. IDF Delinquency & Default Notice Timeline

- Within 6 days **post-grace period expiration**, call or email delinquent borrower.
- Within 6 days after a loan is **30 days late**, send **1st written late notice** and call delinquent borrower.
- Within 6 days after a loan is **60 days late**, send **2nd written late notice** and call delinquent borrower.
- Within 6 days after a loan is **90 days late**, send **3rd written late notice, call** delinquent borrower; ***Inform third party lender as applicable***. and:
    - Review file closing documents and consult with executive staff to determine appropriate file action including file closing, third-party collections action, or return to third party client.

6.2. Notice of Charge Off

6.2.1. Within 30 days of charge-off or the most recent periodic statement, a notice clearly and conspicuously labeled "Suspension of Statements & Notice of Charge Off – Retain This Copy for Your Records" will be sent to the borrower. Notice is required to explain the following, as applicable:

- The mortgage loan has been charged off;
- IDF will no longer provide the borrower with a periodic statement for each billing cycle;
- The lien on the property remains in place and the borrower remains liable for the mortgage loan obligation under the terms of the Promissory Note and any obligation arising from or related to the property, which may include property taxes;

- The borrower may be required to pay the balance on the account in the future, for example, upon sale of the property;
- The balance on the account is not being canceled or forgiven; and
- The loan may be purchased, assigned or transferred.

6.3. Interest Rate Adjustment Notice:

6.3.1. *Initial* interest rate adjustment notice is required for the first time the interest rate adjusts. It must be provided to a borrower between **210 days and 240 days** before the first payment at the new rate is effective.

6.3.2. *Ongoing* interest rate adjustment notice must be provided to a borrower between **30 and 60 days** before the first payment at the new rate is effective each time an interest rate adjustment results in a payment change.

6.4. Principal Residence Confirmation – Staff shall deliver annual verifications of primary residence status to the borrower at the subject property address. Borrower must certify current occupancy status; additional documentation can be requested as applicable.

6.4.1. Default Due to Borrower Not Occupying Property – Upon notification from an insurance company, mail returned as undeliverable or other indication that borrower is not occupying the property as their primary residence, IDF Staff shall prepare and deliver a Notice of Default letter to the borrower. The Notice of Default identifies the cause for default and demands payment within 30 days. If borrower contacts IDF and cannot satisfy the entire obligation within the 30 days, Staff shall notify the borrower of the option to cure the default through repayment of the loan through a modification of the loan. Loan modifications are structured with monthly payments via ACH withdrawal fully amortized or with a balloon payment of the outstanding loan balance per lender approval. The loan modification shall be evidenced by a Modification of Promissory Note instrument.

6.5. Notice of Insurance Cancellation or Address Change – Upon receipt of notice of homeowner's insurance cancellation, maturity, or change in carrier or delivery address, Staff shall prepare and deliver a notice of cancellation to the borrower. Notice shall require borrower's immediate action to provide updated coverage detail or be subject to default per the loan agreement.

6.6. Maturity Notices - For DPA deferred loans and other deferred loans, Staff shall deliver a courtesy notification of upcoming loan maturity to the borrower, including an amount sufficient to retire all outstanding principal, interest and applicable fees beginning twenty-four (24) months prior to the scheduled maturity date and again at twelve (12) months prior to the scheduled maturity date.

6.6.1. Staff shall deliver subsequent maturity notices **three** (3) months prior to maturity for deferred loans and **one** (1) month prior to maturity for amortized loans.

6.6.2. In all cases, payment of principal and interest are due no later than the close of business on the maturity date specified on the loan documents, or by the date shown on the demand for payment stated in maturity notice. After such time, the loan shall be considered in default, with appropriate action taken to remedy the loan. Until the point when payment is ninety (90) days past due, Staff shall retain the ability to make all satisfactory arrangements for payment, including waiver of any penalties where appropriate.

6.6.3. If payment in full is not received by maturity, Staff shall consider the financial capacity of all subject property owners of record at the time of maturity to establish an amortizing period and interest rate that allows borrowers to reasonably afford existing credit obligations in addition to the proposed repayment schedule. Such repayment agreements shall be evidenced by a new Promissory Note and recorded Deed of Trust or collateral assignment that shall obligate all property owners of record to a fully amortizing, fixed interest rate, fixed term agreement with a new maturity date no longer than the original term, from the date of original loan maturity. If Staff evaluation demonstrates a reasonable capacity for full repayment upon original loan maturity, a recommendation for exercising specified remedies under the Note will be considered by Retail Advisory Committee.

6.7. Notice of Loan Servicing Transfer

6.7.1. The current servicer of an existing loan portfolio is required to send written notification to the address of record for all borrowers not less than 15 days before the effective date of transfer. The new servicer is required to mail a similar notice no more than 15 days after the effective date.

- For incoming loan portfolios, IDF requests new clients' mail a notice as much as 30+ days before the effective date when transferring a portfolio in order to identify any discrepancies between the official client records and those of the borrower. This helps ensure the data IDF staff enters is accurate and consistent when establishing the new servicing portfolio.

6.7.2. The Notice of Transfer must include the following information:

- The effective date of the transfer;
- The name, address, contact person and telephone number of the current servicer to answer any questions related to the transfer;
- The name, address, contact person and telephone number of IDF to answer any questions related to the transfer;
- The date on which the current servicer will cease to accept payments relating to the loan and the date on which IDF will begin to accept payments. These dates must either be the same or consecutive days;
- A statement that the transfer of servicing does not affect any term or condition of the loan other than the terms directly related to servicing the loan.

6.7.3. If the current servicer receives payment on or before the applicable due date (including any grace period allowed under terms of the loan), a payment may not be treated as late for any reason for a minimum of **60-days** beginning on the effective date of transfer. If this occurs, the current servicer must promptly either:

- Transfer the payment to IDF for application to the borrower's loan account, or
- Return the payment to the payor and provide proper recipient payment instructions.

6.8. Tax Forms - For loans secured by real property and commercial borrowers, staff shall prepare and deliver IRS Form 1098-Interest, or official substitution forms for retail borrowers, sole proprietors and single member LLCs no later than **January 31**, to both the borrower and the Internal Revenue Service for interest received within the prior year. As interest may be accrued but not yet paid under terms of certain loans, such interest reporting will reflect only the amount of interest actually paid by the Borrower in the year in which it is received by IDF.

6.8.1. IDF Reporting Threshold - Interest reporting shall include all borrowers from whom interest received is equal to or greater than **$200.00** during the previous calendar year, subject to minimum reporting thresholds established by the IRS.

7. Collections

7.1. Exercise of Collateral Rights - as the recourse of last resort, Staff shall clearly demonstrate the exhaustion of all other prudent alternatives in a presentation to the Loan Committee. Prior to any formal action, a Notice of Right to Cure, an attorney demand letter for payment and personal meeting with borrower and legal counsel shall be complete and documented in the borrower's file. Occasionally, assignment of title, repossession or execution of a deed-in-lieu of foreclosure may be accepted where prior or junior liens, judgment or tax liens have not been filed against the property. Where those exist, foreclosure is typically a better option. Voluntary surrender of assigned collateral, likewise, is the preferred method of exercising a security interest and shall be pursued to all reasonable extent. Legal action, including assignment, repossession, foreclosure and deed-in-lieu is not a service provided by IDF on behalf of third party clients.

7.1.1. Where assignment, repossession, foreclosure, or deed-in-lieu of, becomes a formal action, every effort shall be pursued to factor the promissory note to a subsidiary entity or third party. It is not within the scope of the organization nor in the best interest of public relations to take a property to sale or assume ownership of loan collateral.

7.1.2. If IDF is in receipt of a Notice to Foreclose through the action of any other lienholder, repossession, or Notice of Tax Sale from the County Treasurer, Staff shall conduct a thorough review of the loan file to identify any limitations to the security interest held, remedy any deficiencies to the extent possible, and prepare a summary report for immediate consideration by Executive Director for appropriate action. IDF recognizes that, in many cases, subordinate loans have limited security and provide little financial incentive to redeem listed deficiencies to preserve the IDF security interest.

7.1.3. Upon verification that any third party has acquired collateral through valid legal authority, Staff shall recommend loan loss recognition to the Executive Director for the full amount of outstanding principal balance for on-balance loans. Ultimate accounting entries to be approved by Loan Committee.

7.1.4. Upon recognition of loss, Staff shall gather for transference to a third party collection agency all necessary documentation including borrower, security, foreclosure and loan payoff documentation. In the absence of a specified agreement to provide such services, third party collections involvement may not be a service provided by IDF on behalf of third party clients.

7.2. Bankruptcy – Upon receipt of a notice of bankruptcy petition, all direct collection efforts with the borrower will cease immediately, with IDF legal counsel engaged to provide subsequent guidance. Staff shall obtain official copies of the Bankruptcy Petition, payment plan (if applicable) and legal representation contact information for the debtor. Staff shall establish an appropriate schedule for follow up with debtor's counsel and Bankruptcy Court response deadlines.

7.2.1. Staff shall prepare and deliver to the adjudicating court a Proof of Claim and attending support documentation of the obligation to insure proper recognition and treatment of the Note throughout legal proceedings. Where borrower has petitioned under Chapters 7 or 13 of federal bankruptcy code, Staff may seek advisement of counsel to determine the most appropriate payment plan proposal.

7.2.2. Final loan write-off shall occur at such time Chapter 7 liquidation has been finalized, or where an approved Chapter 13 payment plan is complete. Such loss recognition shall be equal to the unpaid principal balance and any previously recorded unrealized income Short Sale –

Upon request by a borrower to sell their property for less than the full amount owed on all outstanding mortgage liens, IDF Staff shall obtain all documents necessary to substantiate the need for the short sale request. Staff shall review the formal request to determine if the short sale is appropriate due to demonstrated financial distress. If the short sale request is approved by IDF and/or lender on file, IDF will agree to accept less than the full payment on the IDF loan contingent on the borrower agreement to repay the deficiency portion of the IDF loan through monthly payments via ACH withdrawal. Staff shall prepare a Short Sale Settlement Agreement and a Promissory Note to be executed by borrower at the time of property transfer.

8. **Escrow Management:** All escrow funds will be deposited in a federally insured account designated as an escrow trust account and kept separate, distinct and apart from funds belonging to the organization. The account will be properly titled and set up as a trust or escrow account. Designated account CANNOT co-mingle organizational funds.

8.1. Initial Escrow Account Statement

8.1.1. Staff must conduct an escrow account analysis before establishing an escrow account to determine the amount the borrower needs to deposit into the escrow account at loan settlement. After conducting the initial escrow account analysis, staff must deliver the escrow account statement to the borrower within forty-five (45) calendar days of loan settlement.

8.2. Escrow Account Disbursements must be flagged in each borrower's servicing account at 30 days prior to due date. Third party escrow payee payment will be reconciled and delivered by the due date as established by third-party payee.

8.3. Escrow Account Analysis for Transferred Loans

8.3.1. Staff shall provide the borrower with an initial escrow account statement within forty-five (45) days of the date of servicing transfer.

8.4. Annual Escrow Account Analysis

8.4.1. Staff shall perform an annual analysis of each homeowner's escrow account by August 1st of each calendar year and send the homeowner an escrow analysis statement showing the deposit and disbursement activity in the account and a projection of the anticipated activity for the coming year. Sample Statements shall be as referenced in Exhibit E.

- After conducting the analysis, Staff shall determine if any adjustments are to be made to the borrower's monthly escrow collection to satisfy insurance, property tax and HOA liabilities, as applicable. Borrower must be notified of any change to monthly payment and distribution of said payment, 30 days prior to effective date of new payment amount.

8.4.2. Surplus - If an escrow account analysis discloses a surplus greater than or equal to $50.00, IDF shall, within 30 days from the date of the analysis, refund the surplus to the borrower. If the surplus is less than 50 dollars ($50), IDF will retain such amount in borrower's escrow account.

- These provisions regarding surpluses apply if the borrower is current at the time of the escrow account analysis. A borrower is current if the servicer receives the borrower's payments within 30 days of the payment due date. If the servicer does not receive the borrower's payment within 30 days of the payment due date, then the servicer may retain the surplus in the escrow account.

8.4.3. Shortage – A shortage is the amount by which a current escrow account falls short of the target balance at the time of escrow analysis.

- If an escrow account analysis discloses a shortage of less than one month's escrow account payment, then staff shall provide notice of additional payment due from the borrower in the amount of:
    - the total shortage amount within 30 days; or
    - the shortage amount in equal monthly payments over at least a 12-month period.

8.4.4. Deficiency – A deficiency is the amount of a negative balance in an escrow account.

- If funds are advanced on behalf of the borrower, staff must perform an escrow analysis **prior** to seeking repayment of the deficiency.
- If escrow account deficiencies are a result of non-payment from the borrower, staff shall coordinate with the third party client to ensure adequate funds are advanced and delivered to IDF on the borrower's behalf. Communication with the third party client must be initiated once the borrower is 60 days delinquent per Delinquency Policy guidelines shown above. An escrow account cushion will include a 2 month reserve.

8.5. Escrow Account Returns

8.5.1. Any balance in an escrow account within the servicer's control at the time a loan is paid off must be refunded to the borrower within 20 business days.

9. <u>Document Retention</u>

9.1. Active Servicing File: For each mortgage loan serviced, IDF must maintain the following documents and data in a way that allows staff to compile them into a servicing file within 5 days:

9.1.1. A schedule of all transactions credited or debited to the mortgage loan account, including escrow and suspense accounts;

9.1.2. A copy of the security instrument that establishes the lien securing the mortgage loan

9.1.3. Any staff-created notes that reflect communications with the borrower about the mortgage loan account

9.1.4. To the extent applicable, a report of the data fields within TMO related to the borrower's mortgage loan account, such as the terms of the borrower's mortgage loan, the occurrence of automated or manual collection calls, loss mitigation evaluation information, owner or assignee information, and/or any credit reporting history

9.1.5. Copies of documents and information borrowers submit as part of loss mitigation or error resolution requests

9.2. Active Servicing File Transfers: Records must be retained for a minimum of one (1) year after the date of loan transfer.

9.3. Paid Loan Files: All documentation used to evaluate and/or service individual loan files will be retained in electronic and hard copy format for minimum of five (5) years from the date of final disposition, or as otherwise required. For loans that are originated, the date of final disposition will be the date of final and full repayment.

9.4. Declined or Withdrawn Applications: Loans that are denied or withdrawn for whatever reason, the date of disposition will be the date upon which the file was officially classified as cancelled, in which case complete files must be retained for at least twenty-five (25) months, or as otherwise required by regulation.

9.5. Charge Offs: Loans that are charged off shall be retained for the minimum five (5) years period from the date the file is returned from collection services as uncollectible.

9.6. The maximum retention period for all loan files shall be 5 years from the date of final disposition.

EXHIBIT A

PAYMENT STATEMENT - JANUARY 2022

COMPANY

Impact Development Fund
200 E. 7th Street, Suite 412
Loveland, CO 80537

BORROWER

PAYMENT INFORMATION

Loan Account		XXXX000000
Statement Date		1/20/2022
Payment Amount	+	$666.81
Past Due Payments	+	$0.00
Late Charges Due	+	$0.00
Unpaid Interest	+	$0.00
Unpaid Charges	+	$0.00
Deferred Charges	–	$0.00
Total Amount Due	=	**$666.81**
Payment Due Date		**2/1/2022**
Late Charge Due After 2/16/2022		$19.75
Additional Principal	$	
Additional Trust	$	
Total Amount Enclosed	$	

☐ Check here for a change of mailing address or phone number(s). Please provide all corrections on the reverse side.

PLEASE DETACH THE TOP PORTION OF THIS STATEMENT, RETURN IT WITH YOUR PAYMENT AND RETAIN THE BOTTOM PORTION FOR YOUR RECORDS

COMPANY

Impact Development Fund
200 E. 7th Street, Suite 412
Loveland CO 80537
(970) 494-2021

LOAN & PROPERTY INFORMATION

Principal Balance	$124,425.00
Reserve Balance	$0.00
Impound Balance	$2,190.61
Interest Rate	0.000%
Interest Paid in 2021	$0.00
Property Information	

PAYMENT INFORMATION

Loan Account		XXXX000000
Statement Date		1/20/2022
Payment Amount	+	$666.81
Past Due Payments	+	$0.00
Late Charges Due	+	$0.00
Unpaid Interest	+	$0.00
Unpaid Charges	+	$0.00
Deferred Charges	–	$0.00
Total Amount Due	=	**$666.81**
Payment Due Date		**2/1/2022**
Late Charge Due After 2/16/2022		$19.75

* To avoid a late charge of $19.75, we must receive your payment by 2/16/2022 during our business hours. If this date falls on a weekend or holiday, your payment must be received by the next business day.

WE MAY REPORT INFORMATION ABOUT YOUR ACCOUNT TO CREDIT BUREAUS. LATE PAYMENTS, MISSED PAYMENTS, OR OTHER DEFAULTS ON YOUR ACCOUNT MAY BE REFLECTED IN YOUR CREDIT REPORT. IF YOUR ACCOUNT IS ON ACH, YOUR PAYMENT WILL BE AUTOMATICALLY WITHDRAWN FROM OUR BANK. FOR HOUSING COUNSELOR INFORMATION: HTTPS://WWW.CONSUMERFINANCE.GOV/MORTGAGEHELP/. IF YOU NEED TO APPLY FOR A COVID HARDSHIP DURING THIS TIME OR TO STOP YOUR AUTO PAYMENTS, PLEASE CONTACT OUR OFFICE ASAP.

ACCOUNT ACTIVITY (12/21/2021 - 1/20/2022)

Transaction Date	Pmt Due Date	Reference	Description	Transaction Amount	Distribution: Interest	Principal	Late Chgs	Other	Trust	Principal Balance
			Balance Forward							$124,820.00
1/1/2022		12342		$0.00	$0.00	$0.00	$0.00	$971.00	($971.00)	$124,820.00
1/5/2022	1/1/2022	0007697	Payment - Thank You	$666.81	$0.00	$395.00	$0.00	$0.00	$271.81	$124,425.00
					$0.00	$395.00	$0.00	$971.00	($699.19)	

LENDER STATEMENT OF ACCOUNT

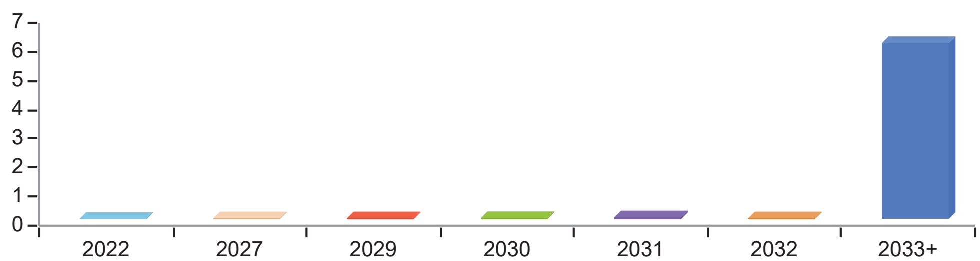
COMPANY
Impact Development Fund 200 E. 7th Street, Suite 412 Loveland CO 80537 (970) 494-2021

ACCOUNT NO	0000
STATEMENT DATE	1/31/2022
STATEMENT PERIOD	1/1/2022 - 1/31/2022
PORTFOLIO BALANCE	$6,214,972.45
PORTFOLIO YIELD	0.000%
INTEREST PAID IN 2022	$0.00
TRUST BALANCE	$0.00

LENDER

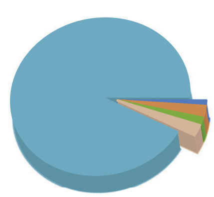
Please advise us immediately of any discrepancies in the transactions or investment activity on your statement of account or if you contemplate changing your address. When making inquiries by telephone or in writing please give your account number. We urge you to keep this statement with your investment records.

LOAN DISTRIBUTION BY MATURITY



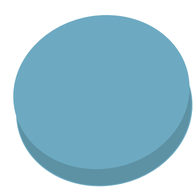
Year	Count	Amount	Pct
2022	1	$578.18	0.01%
2027	3	$19,573.83	0.31%
2029	1	$23,994.03	0.39%
2030	1	$25,717.18	0.41%
2031	2	$56,959.47	0.92%
2032	1	$22,644.87	0.36%
2033+	74	$6,065,504.89	97.60%
Totals	83	$6,214,972.45	100.00%

LOAN AGING



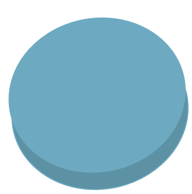
Days	Count	Amount	Pct
Current	78	$5,753,184.70	92.57%
1-30	2	$142,948.07	2.30%
31-60	0	$0.00	0.00%
61-90	1	$97,978.53	1.58%
91-120	0	$0.00	0.00%
121-150	1	$151,300.00	2.43%
151+	1	$69,561.15	1.12%
Totals			100.00%

LOAN DISTRIBUTION BY PRIORITY



Priority	Count	Amount	Pct
1st	83	$6,214,972.45	100.00%
2nd	0	$0.00	0.00%
3rd	0	$0.00	0.00%
4th	0	$0.00	0.00%
Other	0	$0.00	0.00%
Totals			100.00%

LOAN DISTRIBUTION BY PROPERTY TYPE



Prop Type	Count	Amount	Pct
	83	$6,214,972.45	100.00%
Totals	83	$6,214,972.45	100.00%

REVENUE: LAST TWELVE MONTHS

Revenue	Amount
Interest	$0.00
Late Chgs	$0.00
Prepays	$0.00
Other	$0.00
Totals	$0.00

INVESTMENT PORTFOLIO AS OF 1/31/2022									
Loan Account	Borrower Name	Pct Owned	Interest Rate	Maturity Date	Term Left	Next Payment	Regular Payment	Loan Balance
		100.000%	0.000%	12/1/2031	119	2/1/2022	$223.29	$23,447.44
		100.000%	0.000%	2/1/2032	121	2/1/2022	$190.00	$22,644.87
		100.000%	0.000%	5/1/2022	4	2/1/2022	$325.00	$578.18
		100.000%	0.000%	6/1/2033	137	2/1/2022	$195.00	$26,495.07
		100.000%	0.000%	8/1/2033	139	2/1/2022	$253.86	$34,424.93
		100.000%	0.000%	10/1/2027	69	2/1/2022	$273.66	$6,906.30
		100.000%	0.000%	4/1/2034	147	2/1/2022	$214.00	$31,112.45
		100.000%	0.000%	5/1/2034	148	2/1/2022	$242.00	$35,403.63
		100.000%	0.000%	6/1/2034	149	2/1/2022	$247.00	$34,630.59
		100.000%	0.000%	3/1/2031	110	2/1/2022	$306.85	$33,512.03
		100.000%	0.000%	10/1/2029	93	2/1/2022	$260.00	$23,994.03
		100.000%	0.000%	12/1/2034	155	2/1/2022	$255.19	$39,745.30
		100.000%	0.000%	3/1/2030	98	3/1/2022	$270.00	$25,717.18
		100.000%	0.000%	1/1/2036	168	3/1/2022	$210.17	$33,218.74
		100.000%	0.000%	5/1/2036	172	2/1/2022	$270.00	$46,129.87
		100.000%	0.000%	10/1/2036	177	2/1/2022	$217.00	$38,332.60
		100.000%	0.000%	9/1/2038	200	2/1/2022	$259.40	$51,235.00
		100.000%	0.000%	9/1/2039	212	2/1/2022	$229.25	$46,540.06
		100.000%	0.000%	9/1/2039	212	4/1/2022	$235.97	$47,351.28
		100.000%	0.000%	9/1/2039	212	2/1/2022	$252.75	$53,420.36
		100.000%	0.000%	11/1/2039	214	2/1/2022	$236.11	$48,350.48
		100.000%	0.000%	4/1/2040	219	2/1/2022	$241.67	$52,902.16
		100.000%	0.000%	6/1/2040	221	2/1/2022	$248.41	$54,867.87
		100.000%	0.000%	6/1/2040	221	2/1/2022	$208.33	$44,548.45
		100.000%	0.000%	6/1/2040	221	2/1/2022	$247.77	$50,622.23
		100.000%	0.000%	6/1/2040	221	2/1/2022	$215.25	$47,398.08
		100.000%	0.000%	1/1/2041	228	1/1/2022	$250.00	$41,500.00
		100.000%	0.000%	1/1/2041	228	2/1/2022	$250.00	$56,975.00
		100.000%	0.000%	1/1/2041	228	2/1/2022	$250.00	$56,172.29
		100.000%	0.000%	12/1/2040	227	2/1/2022	$238.81	$53,373.53
		100.000%	0.000%	6/1/2041	233	2/1/2022	$347.83	$84,354.56
		100.000%	0.000%	7/1/2041	234	2/1/2022	$242.59	$56,249.62
		100.000%	0.000%	7/1/2041	234	2/1/2022	$251.01	$56,248.70
		100.000%	0.000%	1/1/2042	240	3/1/2022	$242.27	$57,782.25
		100.000%	0.000%	2/1/2037	181	2/1/2022	$302.20	$51,257.63
		100.000%	0.000%	3/1/2042	242	2/1/2022	$242.51	$58,687.82
		100.000%	0.000%	2/1/2042	241	2/1/2022	$331.24	$76,575.81
		100.000%	0.000%	5/1/2042	244	2/1/2022	$218.56	$52,827.62
		100.000%	0.000%	11/1/2042	250	2/1/2022	$240.00	$59,818.60
		100.000%	0.000%	3/1/2043	254	2/1/2022	$247.00	$62,535.43
		100.000%	0.000%	2/1/2043	253	2/1/2022	$251.00	$63,081.19
		100.000%	0.000%	2/1/2043	253	2/1/2022	$255.53	$64,351.34
		100.000%	0.000%	10/1/2048	321	3/1/2022	$292.62	$93,632.22
		100.000%	0.000%	10/1/2048	321	2/1/2022	$292.62	$93,885.14
		100.000%	0.000%	10/1/2048	321	2/1/2022	$292.62	$93,845.84
		100.000%	0.000%	11/1/2043	262	2/1/2022	$251.00	$65,157.47
		100.000%	0.000%	5/1/2049	328	2/1/2022	$290.24	$95,123.95
		100.000%	0.000%	6/1/2034	149	2/1/2022	$123.33	$18,468.44
		100.000%	0.000%	7/1/2044	270	9/1/2021	$255.00	$69,561.15
		100.000%	0.000%	8/1/2044	271	2/1/2022	$83.46	$22,432.88
		100.000%	0.000%	9/1/2044	272	2/1/2022	$255.00	$69,283.42
		100.000%	0.000%	10/1/2049	333	2/1/2022	$289.47	$95,706.73
		100.000%	0.000%	3/1/2045	278	2/1/2022	$372.22	$103,477.96
		100.000%	0.000%	3/1/2045	278	2/1/2022	$260.00	$72,279.00
		100.000%	0.000%	6/1/2045	281	2/1/2022	$285.15	$80,108.23
		100.000%	0.000%	8/1/2045	283	3/1/2022	$244.53	$68,915.87
		100.000%	0.000%	10/1/2045	285	12/1/2021	$341.39	$97,978.53
		100.000%	0.000%	3/1/2046	290	2/1/2022	$276.41	$80,157.30
		100.000%	0.000%	5/1/2046	292	2/1/2022	$329.05	$95,935.22
		100.000%	0.000%	5/1/2046	292	1/1/2022	$347.01	$101,448.07
		100.000%	0.000%	11/1/2041	238	2/1/2022	$453.33	$94,566.23
		100.000%	0.000%	11/1/2046	298	2/1/2022	$220.96	$65,655.58

INVESTMENT PORTFOLIO AS OF 1/31/2022

Loan Account	Borrower Name	Pct Owned	Interest Rate	Maturity Date	Term Left	Next Payment	Regular Payment	Loan Balance
		100.000%	0.000%	6/1/2048	317	2/1/2022	$352.68	$111,798.76
		100.000%	0.000%	10/1/2038	201	2/1/2022	$666.67	$133,999.87
		100.000%	0.000%	7/1/2043	258	2/1/2022	$550.00	$141,616.56
		100.000%	0.000%	9/1/2048	320	2/1/2022	$444.44	$139,443.82
		100.000%	0.000%	12/1/2038	203	2/1/2022	$666.67	$134,981.85
		100.000%	0.000%	2/1/2039	205	10/1/2021	$725.00	$151,300.00
		100.000%	0.000%	5/1/2039	208	2/1/2022	$695.83	$144,733.44
		100.000%	0.000%	2/1/2035	157	2/1/2022	$561.11	$88,094.47
		100.000%	0.000%	2/1/2035	157	2/1/2022	$561.11	$88,072.23
		100.000%	0.000%	2/1/2035	157	2/1/2022	$561.11	$88,084.74
		100.000%	0.000%	2/1/2035	157	2/1/2022	$561.11	$88,094.47
		100.000%	0.000%	2/1/2035	157	2/1/2022	$994.44	$119,602.61
		100.000%	0.000%	11/1/2050	346	2/1/2022	$472.57	$163,461.82
		100.000%	0.000%	11/1/2050	346	2/1/2022	$426.76	$146,450.69
		100.000%	0.000%	7/1/2051	354	2/1/2022	$413.93	$146,532.42
		100.000%	0.000%	10/1/2051	357	2/1/2022	$741.67	$264,766.65
		100.000%	0.000%	11/1/2051	358	2/1/2022	$680.97	$243,788.46
		100.000%	0.000%	11/1/2051	358	2/1/2022	$888.52	$318,090.16
		100.000%	0.000%	7/1/2036	174	3/1/2022	$39.50	$6,452.10
		100.000%	0.000%	3/1/2027	62	3/1/2022	$230.53	$7,081.73
		100.000%	0.000%	12/1/2027	71	3/1/2022	$32.96	$5,585.80
		Current Portfolio Yield: 0.000%					$27,311.47	$6,214,972.45

FUNDING ACTIVITY

Transaction Date	Reference	Loan Account	Borrower Name	Amount Funded
				$0.00

ACCOUNT ACTIVITY

Transaction Date	Check# or Reference	Loan Account	Transaction Amount	Distribution					
				Serv. Fees	Interest	Principal	Charges	Other	Trust
1/31/2022	17		$270.00	$0.00	$0.00	$270.00	$0.00	$0.00	$0.00
1/31/2022	17		$238.81	$0.00	$0.00	$238.81	$0.00	$0.00	$0.00
1/31/2022	17		$418.27	$0.00	$0.00	$418.27	$0.00	$0.00	$0.00
1/31/2022	17		$550.00	$0.00	$0.00	$550.00	$0.00	$0.00	$0.00
1/31/2022	17		$488.53	$0.00	$0.00	$488.53	$0.00	$0.00	$0.00
1/31/2022	17		$888.52	$0.00	$0.00	$888.52	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$316.40	$0.00	$0.00	$316.40	$0.00	$0.00	$0.00
1/31/2022	17		$292.62	$0.00	$0.00	$292.62	$0.00	$0.00	$0.00
1/31/2022	17		$479.74	$0.00	$0.00	$479.74	$0.00	$0.00	$0.00
1/31/2022	17		$214.00	$0.00	$0.00	$214.00	$0.00	$0.00	$0.00
1/31/2022	17		$260.76	$0.00	$0.00	$260.76	$0.00	$0.00	$0.00
1/31/2022	17		$281.91	$0.00	$0.00	$281.91	$0.00	$0.00	$0.00
1/31/2022	17		$217.00	$0.00	$0.00	$217.00	$0.00	$0.00	$0.00
1/31/2022	17		$255.26	$0.00	$0.00	$255.26	$0.00	$0.00	$0.00
1/31/2022	17		$218.56	$0.00	$0.00	$218.56	$0.00	$0.00	$0.00
1/31/2022	17		$123.33	$0.00	$0.00	$123.33	$0.00	$0.00	$0.00
1/31/2022	17		$260.00	$0.00	$0.00	$260.00	$0.00	$0.00	$0.00
1/31/2022	17		$678.12	$0.00	$0.00	$678.12	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$260.00	$0.00	$0.00	$260.00	$0.00	$0.00	$0.00
1/31/2022	17		$242.83	$0.00	$0.00	$242.83	$0.00	$0.00	$0.00
1/31/2022	17		$245.00	$0.00	$0.00	$245.00	$0.00	$0.00	$0.00
1/31/2022	17		$259.40	$0.00	$0.00	$259.40	$0.00	$0.00	$0.00
1/31/2022	17		$190.00	$0.00	$0.00	$190.00	$0.00	$0.00	$0.00
1/31/2022	17		$325.00	$0.00	$0.00	$325.00	$0.00	$0.00	$0.00
1/31/2022	17		$195.00	$0.00	$0.00	$195.00	$0.00	$0.00	$0.00
1/31/2022	17		$242.00	$0.00	$0.00	$242.00	$0.00	$0.00	$0.00
1/31/2022	17		$260.11	$0.00	$0.00	$260.11	$0.00	$0.00	$0.00
1/31/2022	17		$248.41	$0.00	$0.00	$248.41	$0.00	$0.00	$0.00
1/31/2022	17		$250.00	$0.00	$0.00	$250.00	$0.00	$0.00	$0.00
1/31/2022	17		$251.01	$0.00	$0.00	$251.01	$0.00	$0.00	$0.00

ACCOUNT ACTIVITY

Transaction Date	Check# or Reference	Loan Account	Transaction Amount	Distribution Serv. Fees	Interest	Principal	Charges	Other	Trust
1/31/2022	17		$242.51	$0.00	$0.00	$242.51	$0.00	$0.00	$0.00
1/31/2022	17		$431.24	$0.00	$0.00	$431.24	$0.00	$0.00	$0.00
1/31/2022	17		$372.22	$0.00	$0.00	$372.22	$0.00	$0.00	$0.00
1/31/2022	17		$220.96	$0.00	$0.00	$220.96	$0.00	$0.00	$0.00
1/31/2022	17		$352.68	$0.00	$0.00	$352.68	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$999.09	$0.00	$0.00	$999.09	$0.00	$0.00	$0.00
1/31/2022	17		$472.57	$0.00	$0.00	$472.57	$0.00	$0.00	$0.00
1/31/2022	17		$680.97	$0.00	$0.00	$680.97	$0.00	$0.00	$0.00
1/31/2022	17		$226.44	$0.00	$0.00	$226.44	$0.00	$0.00	$0.00
1/31/2022	17		$444.44	$0.00	$0.00	$444.44	$0.00	$0.00	$0.00
1/31/2022	17		$695.83	$0.00	$0.00	$695.83	$0.00	$0.00	$0.00
1/31/2022	17		$1,333.20	$0.00	$0.00	$1,333.20	$0.00	$0.00	$0.00
1/31/2022	17		$240.00	$0.00	$0.00	$240.00	$0.00	$0.00	$0.00
1/31/2022	17		$285.46	$0.00	$0.00	$285.46	$0.00	$0.00	$0.00
1/31/2022	17		$745.84	$0.00	$0.00	$745.84	$0.00	$0.00	$0.00
1/31/2022	17		$329.05	$0.00	$0.00	$329.05	$0.00	$0.00	$0.00
1/31/2022	17		$285.00	$0.00	$0.00	$285.00	$0.00	$0.00	$0.00
1/31/2022	17		$251.00	$0.00	$0.00	$251.00	$0.00	$0.00	$0.00
1/31/2022	17		$253.86	$0.00	$0.00	$253.86	$0.00	$0.00	$0.00
1/31/2022	17		$255.19	$0.00	$0.00	$255.19	$0.00	$0.00	$0.00
1/31/2022	17		$241.67	$0.00	$0.00	$241.67	$0.00	$0.00	$0.00
1/31/2022	17		$247.77	$0.00	$0.00	$247.77	$0.00	$0.00	$0.00
1/31/2022	17		$215.25	$0.00	$0.00	$215.25	$0.00	$0.00	$0.00
1/31/2022	17		$347.83	$0.00	$0.00	$347.83	$0.00	$0.00	$0.00
1/31/2022	17		$250.01	$0.00	$0.00	$250.01	$0.00	$0.00	$0.00
1/31/2022	17		$292.62	$0.00	$0.00	$292.62	$0.00	$0.00	$0.00
1/31/2022	17		$290.24	$0.00	$0.00	$290.24	$0.00	$0.00	$0.00
1/31/2022	17		$83.46	$0.00	$0.00	$83.46	$0.00	$0.00	$0.00
1/31/2022	17		$289.47	$0.00	$0.00	$289.47	$0.00	$0.00	$0.00
1/31/2022	17		$666.67	$0.00	$0.00	$666.67	$0.00	$0.00	$0.00
1/31/2022	17		$45.97	$0.00	$0.00	$45.97	$0.00	$0.00	$0.00
1/31/2022	17		$253.20	$0.00	$0.00	$253.20	$0.00	$0.00	$0.00
1/31/2022	17		$292.62	$0.00	$0.00	$292.62	$0.00	$0.00	$0.00
1/31/2022	17		$255.24	$0.00	$0.00	$255.24	$0.00	$0.00	$0.00
1/31/2022	17		$413.93	$0.00	$0.00	$413.93	$0.00	$0.00	$0.00
1/31/2022	17		$276.41	$0.00	$0.00	$276.41	$0.00	$0.00	$0.00
1/31/2022	17		$306.85	$0.00	$0.00	$306.85	$0.00	$0.00	$0.00
1/31/2022	17		$292.62	$0.00	$0.00	$292.62	$0.00	$0.00	$0.00
1/31/2022	17		$371.90	$0.00	$0.00	$371.90	$0.00	$0.00	$0.00
1/31/2022	17		$245.00	$0.00	$0.00	$245.00	$0.00	$0.00	$0.00
1/31/2022	17		$40.08	$0.00	$0.00	$40.08	$0.00	$0.00	$0.00
1/31/2022	17		$242.83	$0.00	$0.00	$242.83	$0.00	$0.00	$0.00
1/31/2022	17		$290.61	$0.00	$0.00	$290.61	$0.00	$0.00	$0.00
1/31/2022	17		$316.40	$0.00	$0.00	$316.40	$0.00	$0.00	$0.00
1/31/2022	17		$255.53	$0.00	$0.00	$255.53	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$561.11	$0.00	$0.00	$561.11	$0.00	$0.00	$0.00
1/31/2022	17		$242.59	$0.00	$0.00	$242.59	$0.00	$0.00	$0.00
= Electronic Payment			$29,532.68	$0.00	$0.00	$29,532.68	$0.00	$0.00	$0.00

TRUST ACCOUNT ACTIVITY

Transaction Date	Check# or Reference	From Whom Received or To Whom Paid	Description / Memo	Amount Paid Out	Amount Received	Daily Balance
			Balance Forward			$0.00
1/3/2022	0000005343		Borrower Payment		$259.40	$259.40
1/3/2022	0011045		Borrower Payment		$270.00	$529.40
1/3/2022	0011046		Borrower Payment		$238.81	$768.21
1/3/2022	0011047		Borrower Payment		$418.27	$1,186.48
1/3/2022	0011048		Borrower Payment		$550.00	$1,736.48

TRUST ACCOUNT ACTIVITY						
Transaction Date	Check# or Reference	From Whom Received or To Whom Paid	Description / Memo	Amount Paid Out	Amount Received	Daily Balance
1/3/2022	0011049		Borrower Payment		$488.53	$2,225.01
1/3/2022	0011050		Borrower Payment		$888.52	$3,113.53
1/3/2022	0011052		Borrower Payment		$561.11	$3,674.64
1/3/2022	1020		Borrower Payment		$292.62	$3,967.26
1/3/2022	744911890		Borrower Payment		$316.40	$4,283.66
1/5/2022	0011225		Borrower Payment		$479.74	$4,763.40
1/5/2022	0011226		Borrower Payment		$214.00	$4,977.40
1/5/2022	0011227		Borrower Payment		$260.76	$5,238.16
1/5/2022	0011228		Borrower Payment		$281.91	$5,520.07
1/5/2022	0011229		Borrower Payment		$217.00	$5,737.07
1/5/2022	0011230		Borrower Payment		$255.26	$5,992.33
1/5/2022	0011231		Borrower Payment		$218.56	$6,210.89
1/5/2022	0011232		Borrower Payment		$123.33	$6,334.22
1/5/2022	0011233		Borrower Payment		$260.00	$6,594.22
1/5/2022	0011234		Borrower Payment		$678.12	$7,272.34
1/5/2022	0011235		Borrower Payment		$561.11	$7,833.45
1/5/2022	10019		Borrower Payment		$242.83	$8,076.28
1/5/2022	10048		Borrower Payment		$245.00	$8,321.28
1/5/2022	3118		Borrower Payment		$260.00	$8,581.28
1/8/2022	0000995411		Borrower Payment		$226.44	$8,807.72
1/8/2022	1475		Borrower Payment		$444.44	$9,252.16
1/11/2022	0011259		Borrower Payment		$190.00	$9,442.16
1/11/2022	0011260		Borrower Payment		$325.00	$9,767.16
1/11/2022	0011261		Borrower Payment		$195.00	$9,962.16
1/11/2022	0011262		Borrower Payment		$242.00	$10,204.16
1/11/2022	0011263		Borrower Payment		$260.11	$10,464.27
1/11/2022	0011264		Borrower Payment		$248.41	$10,712.68
1/11/2022	0011265		Borrower Payment		$250.00	$10,962.68
1/11/2022	0011266		Borrower Payment		$251.01	$11,213.69
1/11/2022	0011267		Borrower Payment		$242.51	$11,456.20
1/11/2022	0011268		Borrower Payment		$431.24	$11,887.44
1/11/2022	0011269		Borrower Payment		$372.22	$12,259.66
1/11/2022	0011270		Borrower Payment		$220.96	$12,480.62
1/11/2022	0011271		Borrower Payment		$352.68	$12,833.30
1/11/2022	0011272		Borrower Payment		$561.11	$13,394.41
1/11/2022	0011273		Borrower Payment		$999.09	$14,393.50
1/11/2022	0011274		Borrower Payment		$472.57	$14,866.07
1/11/2022	0011275		Borrower Payment		$680.97	$15,547.04
1/12/2022	0011281		Borrower Payment		$695.83	$16,242.87
1/12/2022	1820		Borrower Payment		$1,333.20	$17,576.07
1/13/2022	0011282		Borrower Payment		$240.00	$17,816.07
1/13/2022	0101		Borrower Payment		$285.46	$18,101.53
1/13/2022	2000636665		Borrower Payment		$745.84	$18,847.37
1/14/2022	2003		Borrower Payment		$251.00	$19,098.37
1/14/2022	6002238117		Borrower Payment		$285.00	$19,383.37
1/14/2022	6002238768		Borrower Payment		$329.05	$19,712.42
1/15/2022	223		Borrower Payment		$253.20	$19,965.62
1/18/2022	0011320		Borrower Payment		$253.86	$20,219.48
1/18/2022	0011321		Borrower Payment		$255.19	$20,474.67
1/18/2022	0011322		Borrower Payment		$241.67	$20,716.34
1/18/2022	0011323		Borrower Payment		$247.77	$20,964.11
1/18/2022	0011324		Borrower Payment		$215.25	$21,179.36
1/18/2022	0011325		Borrower Payment		$347.83	$21,527.19
1/18/2022	0011327		Borrower Payment		$250.01	$21,777.20
1/18/2022	0011328		Borrower Payment		$292.62	$22,069.82
1/18/2022	0011329		Borrower Payment		$290.24	$22,360.06
1/18/2022	0011330		Borrower Payment		$83.46	$22,443.52
1/18/2022	0011331		Borrower Payment		$289.47	$22,732.99
1/18/2022	0011332		Borrower Payment		$666.67	$23,399.66
1/18/2022	0011333		Borrower Payment		$45.97	$23,445.63
1/18/2022	6002239994		Borrower Payment		$255.24	$23,700.87
1/18/2022	ACH0011326		Borrower Payment		$242.59	$23,943.46

TRUST ACCOUNT ACTIVITY						
Transaction Date	Check# or Reference	From Whom Received or To Whom Paid	Description / Memo	Amount Paid Out	Amount Received	Daily Balance
1/19/2022	0011339		Borrower Payment		$292.62	$24,236.08
1/21/2022	0011344		Borrower Payment		$413.93	$24,650.01
1/22/2022	0001666905		Borrower Payment		$276.41	$24,926.42
1/22/2022	349354480		Borrower Payment		$306.85	$25,233.27
1/27/2022	1021		Borrower Payment		$292.62	$25,525.89
1/27/2022	1872		Borrower Payment		$371.90	$25,897.79
1/28/2022	10049		Borrower Payment		$245.00	$26,142.79
1/28/2022	352024063		Borrower Payment		$40.08	$26,182.87
1/29/2022	0000010020		Borrower Payment		$242.83	$26,425.70
1/31/2022	2396		Borrower Payment		$290.61	$26,716.31
1/31/2022	748364461		Borrower Payment		$316.40	$27,032.71
1/31/2022	ACH0011350		Borrower Payment		$561.11	$27,593.82
1/31/2022	ACH0011350		Borrower Payment		$561.11	$28,154.93
1/31/2022	ACH0011350		Borrower Payment		$561.11	$28,716.04
1/31/2022	ACH0011350		Borrower Payment		$561.11	$29,277.15
1/31/2022	ACH0011351		Borrower Payment		$255.53	$29,532.68
1/31/2022	14		--- Void ---		$0.00	$29,532.68
1/31/2022	15		--- Void ---		$0.00	$29,532.68
1/31/2022	16		--- Void ---		$0.00	$29,532.68
1/31/2022	17		Lender Check	$29,532.68		$0.00
				$29,532.68	$29,532.68	

OUTSTANDING CHARGES AND ADVANCES								
Date of Charge	Reference	Type	Description	Interest Rate	Loan Account	Original Amount	Amount Owed To You	Amount You Owe
						$0.00	$0.00	$0.00

EXHIBIT C

		Lns. Closed	Program Int.	# Closed	Principal Out.	Repay	Loss
Capital Investment 2009	**$ 350,000**	**$1,771,784**	**$ 144,867**	**48**	**$ 1,001,951**	**$ 788,260**	**$ -**
Additional Funds 2010	**$ 280,000**						
Additional Funds 2019	**$ 250,000**						
Total Investment	***$ 880,000***						
Funds Available	***$ 41,342***						

Yr. 2009		Origin		(0-60)	(61-80)	(81-120)	(121+)									**as of 12/31/2020**							
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000	5	5				142%	3/16/2009	2		no	97%	41%	EHOP		$ -	$ 40,000	$ 8,484		9/3/2015			2,327
	$ 40,000	5					182%	3/23/2009	1		no	93%	35%	EHOP		$ -	$ 40,000			5/28/2015			2,225
	$ 40,000	5	5				166%	3/24/2009	2		no	90%	23%	EHOP		$ -	$ 40,000	$ 1,809		7/16/2015			2,272
	$ 32,475	4	5			95%		5/13/2009	2	1	no	97%	38%	EHOP	ECLF	$ -	$ 32,475	$ 7,274		1/21/2016			2,408
	$ 20,000	5				81%		11/13/2009	2	2	no	100%	23%	EHOP		$ -	$ 20,000	$ 690		11/6/2017			2,873
	$ 40,000	5				88%		11/17/2009	1	2	yes	94%	42%	EHOP-Refi		$ 40,000							4,056
	$ 40,000	5	5				176%	11/24/2009	2		no	90%	28%	EHOP		$ 40,000							4,049
	$ 24,350	5				100%		11/24/2009	1		no	98%	39%	EHOP		$ -	$ 24,350	$ 7,119		12/13/2018			3,259
Total	**$ 276,825**			**0**	**0**	**4**	**4**		**13**	**5**		**95%**	**34%**			**$ 80,000**	**$ 196,825**	**$ 25,376**	**$ -**			**Average**	**2,934**

Yr. 2010		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 21,348	5			61%			12/6/2010	1		no	90%	38%	EHOP		$ -	$ 21,348	$ 2,276		7/11/2014			1,295
Total	**$ 21,348**			**0**	**1**	**0**	**0**		**1**	**0**		**90%**	**38%**			**$ -**	**$ 21,348**	**$ 2,276**	**$ -**			**Average**	**1,295**

Yr. 2011		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000	5	5				202%	1/21/2011	2		no	90%	39%	EHOP		$ 13,427	$ 45,000						3,632
	$ 39,500	5				100%		8/26/2011	2	3	no	94%	24%	EHOP		$ -	$ 39,500	$ -		9/2/2014			1,086
	$ 40,000	4					121%	9/23/2011	2	2	no	90%	34%	EHOP		$ -	$ 40,000	$ 8,628		7/3/2013			640
	$ 40,000	5				95%		9/30/2011	1		no	97%	40%	EHOP		$ -	$ 40,000	$ 27,432		9/22/2015			1,432
Total	**$ 159,500**			**0**	**0**	**2**	**2**		**7**	**5**		**93%**	**34%**			**$ 13,427**	**$ 164,500**	**$ 36,060**	**$ -**			**Average**	**1,698**

Yr. 2012		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
Total	**$ -**			**0**	**0**	**0**	**0**		**0**	**0**						**$ -**	**$ -**	**$ -**	**$ -**			**Average**	

Yr. 2013		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000	5				112%		3/1/2013	2	2	no	94%	35%	EHOP		$ -	$ 40,000	$ 11,449		4/24/2015			773
	$ 34,000	5				120%		3/19/2013	1		no	94%	25%	EHOP		$ -	$ 34,000	$ 25,500		9/1/2016			1,242
	$ 22,000	5			74%			10/23/2013	1	0	no	10%	37%	EHOP		$ 22,000							2,640
Total	**$ 96,000**			**0**	**1**	**2**	**0**		**4**	**2**		**66%**	**32%**			**$ 22,000**	**$ 74,000**	**$ 36,949**	**$ -**			**Average**	**1,552**

Yr. 2014		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**

	$ 40,000.0	5	5			115%		4/21/2014	2	0	no	97%	34%	EHOP		$ -	$ 40,000	$ 9,169		12/28/2015			607
	$ 40,000.0	8	8				150%	4/30/2014	2	2	no	87%	23%	EHOP		$ 40,000							2,453
	$ 38,250.0	5				94%		5/22/2014	1		yes	95%	41%	EHOP		$ 38,250							2,431
	$ 40,000.0	2	2			103%		7/29/2014	2	0	no	95%	33%	EHOP		$ 40,000							2,364
Total	**$158,250.0**			**0**	**0**	**3**	**1**		**7**	**2**		**94%**	**33%**			**$ 118,250**	**$ 40,000**	**$ 9,169**	**$ -**			**Average**	**1,964**
Yr. 2015		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000	5	5			120%		4/23/2015	2	1	no	89%	37%	EHOP		$ -	$ 40,000	$ 13,689		9/14/2020			1,941
	$ 28,969	5	5				336%	8/25/2015	2	3	no	90%	16%	EHOP		$ -	$ 28,969	$ 1,014		11/7/2016			432
	$ 23,300	5				112%		10/27/2015	1		no	97%	38%	EHOP		$ 23,300							1,916
	$ 22,618	5			66%			11/10/2015	1		no	90%	28%	EHOP		$ -	$ 22,618	$ 5,711		11/13/2020			1,803
	$ 40,000	5	5				177%	12/15/2015	2		no	87%	36%	EHOP		$ 40,000							1,868
Total	**$ 154,887**			**0**	**1**	**2**	**2**		**8**	**4**		**91%**	**31%**			**$ 63,300**	**$ 91,587**	**$ 20,414**	**$ -**			**Average**	**1,592**
Yr. 2016		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 18,405	5				86%		1/4/2016	1		no	90%	30%	EHOP		$ 18,405							1,849
	$ 30,066	5	5				125%	6/8/2016	2	1	no	96%	38%	EHOP		$ 30,066							1,695
	$ 40,000	5				81%		10/19/2016	1		no	97%	43%	EHOP		$ -	$ 40,000			7/21/2017			272
	$ 29,068	5				86%		11/7/2016	1		no	90%	41%	EHOP		$ 29,068							1,546
Total	**$ 117,539**			**0**	**0**	**3**	**1**		**5**	**1**		**93%**	**38%**			**$ 77,539**	**$ 40,000**	**$ -**	**$ -**			**Average**	**1,341**
Yr. 2017		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000.0	5	2				182%	1/9/2017	2		no	100%	37%	EHOP		$ -	$ 40,000	$ 5,543		11/29/2018			680
	$ 40,000.0	5	5				129%	2/22/2017	2		no	92%	38%	EHOP		$ 40,000							1,441
	$ 40,000.0	5	5				178%	6/5/2017	2		no	95%	34%	EHOP		$ -	$ 40,000	$ 1,182		5/6/2020			1,051
	$ 40,000.0	5	5			119%		6/27/2017	2		no	96%	36%	EHOP		$ 40,000							1,316
	$ 40,000.0	5					183%	8/25/2017	1		no	77%	45%	EHOP		$ 40,000							1,258
	$ 33,500.0	8	8			91%		3/30/2018	2	1	no	90%	43%	EHOP		$ 33,500							1,043
Total	**$233,500.0**			**0**	**0**	**2**	**4**		**11**	**1**		**92%**	**39%**			**$ 153,500**	**$ 80,000**	**$ 6,725**	**$ -**				**1,132**
Yr. 2018		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 35,000	8					137%	8/10/2018	1	1	no	94%	26%	EHOP		$ 35,000							913
	$ 40,000	5					147%	8/29/2018	1		no	96%	42%	EHOP		$ -	$ 40,000	$ 4,263		10/2/2020			753
Total	**$ 75,000**			**0**	**0**	**0**	**2**		**2**	**1**		**95%**	**34%**			**$ 35,000**	**$ 40,000**	**$ 4,263**	**$ -**				**833**
Yr. 2019		Origin		(0-60)	(61-80)	(81-120)	(121+)																
Name	**Loan Amt.**	**Code**		**% AMI**	**% AMI**	**% AMI**	**% AMI**	**Closed**	**Adults**	**Child.**	**Single HHld**	**LTV**	**Ratio**	**DAP**		**Current Balance**	**Payoffs**	**Interest**	**Loss**	**Date**	**First Mortgage**	**Originator**	**Age**
	$ 40,000	5				102%		1/29/2019	1		no	32%	22%	EHOP		$ 40,000							744
	$ 40,000	5	5				168%	2/11/2019	2		no	96%	34%	EHOP		$ 40,000							732
	$ 30,600	5			78%			6/3/2019	1		no	64%	40%	EHOP		$ 30,600							620
	$ 40,000	8	8			103%		8/8/2019	2	2	no	89%	25%	EHOP		$ 40,000							555
	$ 28,435	5			68%			9/18/2019	1		no	72%	39%	EHOP		$ 28,435							515
	$ 40,000	1				99%		10/4/2019	1		no	68%	40%	EHOP		$ 40,000							499
Total	**$ 219,035**			**0**	**2**	**3**	**1**		**8**	**2**		**70%**	**33%**			**$ 219,035**	**$ -**	**$ -**	**$ -**				**611**

Yr. 2020

Name	Loan Amt.	Origin Code		(0-60) % AMI	(61-80) % AMI	(81-120) % AMI	(121+) % AMI	Closed	Adults	Child.	Single HHld	LTV	Ratio	DAP	Current Balance	Payoffs	Interest	Loss	Date	First Mortgage	Originator	Age
	$ 40,000	5	5				170%	1/24/2020	2		no	75%	29%	EHOP	$ -	$ 40,000	$ 3,637		11/24/2020			300
	$ 75,000	5	5			104%		4/17/2020	2	2	no	97%	47%	EHOP	$ 75,000							306
	$ 75,000	8	8				206%	4/15/2020	2		no	90%	38%	EHOP	$ 75,000							308
	$ 40,000	5	5				130%	5/28/2020	2		no	87%	28%	EHOP	$ 40,000							265
	$ 29,900	5			75%			6/5/2020	1		no	83%	36%	EHOP	$ 29,900							258
Total	**$ 259,900**			**0**	**1**	**1**	**3**		**9**	**2**		**86%**	**36%**		**$ 219,900**	**$ 40,000**	**$ 3,637**	**$ -**				**287**

Statistics

Avg Loan Amount	$36,912.18
Average AMI %	126%
Avg Family Size	2
Single HHld	2

Total # of Individuals Served	100
Number of Children	25
Total # Loans	48
# Foreclosures	0
Average Age of Loan (days)	1,478
# of Repayments	22

AMI Totals	
0-60%	0
61-80%	6
81-120%	22
121%+	20

Principal Outstanding		Loss Rate	# per yr.
2009	$ 80,000	0.00%	8
2010	$ -	0.00%	1
2011	$ 13,427	0.00%	4
2012	$ -	0.00%	0
2013	$ 22,000	0.00%	3
2014	$ 118,250	0.00%	4
2015	$ 63,300	0.00%	5
2016	$ 77,539	0.00%	4
2017	$ 153,500	0.00%	6
2018	$ 35,000	0.00%	2
2019	$ 219,035	0.00%	6
2020	$ 219,900	0.00%	5
	$ 1,001,951	**0.00%**	**48**

Demographics	
White non Hispanic	56
Black non Hispanic	0
American Indian	1
Asian/Pacific Islander	3
Hispanic	2
Other	0
Not Furnished	9

EXHIBIT D

Impact Development Fund

200 E. 7th Street, Suite 412
Loveland, CO 80537
(970) 494-2021

2/2/2022

Borrower's Name
Borrower's Address

Account: xxx000000

Dear Borrower,

PAYOFF STATEMENT

You are authorized to use the following amounts to payoff the above-mentioned loan. All necessary legal documents will be forwarded to the trustee for Full Reconveyance upon receipt of payment in full.

Payoff Date	**2/23/2022**
Maturity Date	11/5/2022
Next Payment Due	3/5/2022
Interest Rate	3.750%
Interest Paid-To Date	2/5/2022
Principal Balance	$491.93
Unpaid Interest	$0.00
Accrued Interest From 2/5/2021 To 2/23/2021	$0.96
Unpaid Late Charges	$0.00
Accrued Late Charges	$0.00
Unpaid Charges	$0.00
Prepayment Penalty	$0.00
Other Fees	$0.00
Trust Balance	$0.00
Payoff Amount	**$492.89**

Please add **$0.05** for each additional day past **2/23/2022**.

We reserve the right to amend this demand should any changes occur that would increase the total amount for payoff. **Please note that this demand expires on 3/26/2022**, at which time you are instructed to contact this office for additional instructions.

Make disbursement check payable to**: Impact Development Fund**

Sincerely,

970-494-2021
970-494-2022
info@impactdf.org

EXHIBIT D

Impact Development Fund

Your Place • Our Passion

200 E. 7th Street, Suite 412, Loveland, CO 80537
(970) 494-2021   (970) 494-2022 Fax

PAYOFF STATEMENT

2/3/2022

First & Last Name
1234 Address Drive
Loveland, CO 80537

Dear Borrower,

You are authorized to use the following amounts to pay off the loans listed below as of 3/1/2022. Future payments will affect the first mortgage balance so please feel free to reach out for updated payoff statements as needed. All necessary legal documents will be forwarded to the trustee for Full Reconveyance upon receipt of payment in full.

First Mortgage – LOAN123456	$	69,561.15
Deed of Trust Release Fee	$	28.00
Second Mortgage – Forgivable Loan	$	68,258.00
Deed of Trust Release Fee	$	28.00
Federal Home Loan Bank Subordinate Mortgage	$	0.00
To request a payoff amount, contact Housing and Community Development at 000-000-000		
Release Fee	$	13.00
Total Amount Due to	**$**	**137,888.15**
Beneficiary Use Covenant – Colorado Division of Housing Payable to	$	10,000.00
Estimated Deferred Tap Fees Payoff to Colorado Utilities	$	8,401.00
Total Payoff Amount Estimate	**$**	**156,289.15**

The balance of the escrow account will be refunded after closing. We are here to help so if you have any questions or need additional information, please call us.

Sincerely,
Jesse Lemus

Jesse Lemus
Servicing Manager
jesse@impactdf.org

EXHIBIT E

ANNUAL ESCROW ACCOUNT DISCLOSURE STATEMENT

PROJECTIONS FOR COMING YEAR

COMPANY
Impact Development Fund 200 E. 7th Street, Suite 412 Loveland CO 80537 (970) 494-2021

ACCOUNT NO.	LOAN123456
STATEMENT DATE	12/29/2021

BORROWER

NEW PAYMENT INFORMATION

If you have already received your billing statement, please adjust your bill to reflect the new payment amount reflected on this statement.

Principal and Interest	$251.00
Escrow Payment	$353.76
Shortage/Surplus	$33.68
Deficiency	$0.00
Other	$0.00
Payment Amount	$638.44
Effective Date	1/1/2022

Impact Development Fund analyzes your escrow account annually, in accordance with federal regulations, to ensure we collect sufficient funds to pay escrow items when they are due. The escrow account projection below, is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made from your account. If you have any questions, you may call our loan servicing department at (970) 494-2021. Please, give your account number when making inquiries by telephone or in writing. We urge you to keep this statement with your loan records for comparison with the actual activity in your account at the end of the escrow accounting computation year.

ESCROW ACCOUNT PROJECTIONS FOR COMING YEAR

Month-Year	Payments to Escrow Account	Payments from Escrow Account	Description	Escrow Account Balance Projected	Required
			Starting Balance	$2,773.39	$3,177.49
Jan-2022	$353.76	$1,455.46	Homeowners Insurance	$1,671.69	$2,075.79
Jan-2022		$45.00	HOA Dues	$1,626.69	$2,030.79
Feb-2022	$353.76	$45.00	HOA Dues	$1,935.45	$2,339.55
Mar-2022	$353.76	$45.00	HOA Dues	$2,244.21	$2,648.31
Apr-2022	$353.76	$45.00	HOA Dues	$2,552.97	$2,957.07
Apr-2022		$2,249.57	Property Taxes	$303.40	$707.50
May-2022	$353.76	$45.00	HOA Dues	$612.16	$1,016.26
Jun-2022	$353.76	$45.00	HOA Dues	$920.92	$1,325.02
Jul-2022	$353.76	$45.00	HOA Dues	$1,229.68	$1,633.78
Aug-2022	$353.76	$45.00	HOA Dues	$1,538.44	$1,942.54
Sep-2022	$353.76	$45.00	HOA Dues	$1,847.20	$2,251.30
Oct-2022	$353.76	$45.00	HOA Dues	$2,155.96	$2,560.06
Nov-2022	$353.76	$45.00	HOA Dues	$2,464.72	$2,868.82
Dec-2022	$353.76	$45.00	HOA Dues	$2,773.48	$3,177.58

Your ending balance from the last month of the account history is $2,773.39. Your starting balance according to this analysis should be $3,177.49.

This means you have a shortage of $404.10. This shortage may be collected from you over a period of 12 months or more unless the shortage is less than 1 escrow payment, in which case we have the additional option of requesting payment within 30 days. We have decided to collect it over the next 12 months.

Your 1/1/2022 mortgage payment will be $638.44 of which $251.00 will be for principal and interest and $387.44 will go into your escrow account.

RESOLUTION NO. 4
SERIES 2014

A RESOLUTION ESTABLISHING A REVOLVING LOAN PROGRAM WITHIN THE HISTORIC PRESERVATION FUND TO ENCOURAGE LANDMARK DESIGNATIONS AND REHABILITATION OF HISTORIC PROPERTIES IN THE CITY OF LOUISVILLE

WHEREAS, historic properties in the City of Louisville (the "City") are a major contributor to the character and quality of life of the City; and

WHEREAS, the City Council, pursuant to the City Charter, established a Historic Preservation Commission to assist it in the preservation and landmarking of these properties; and

WHEREAS, when properties are locally landmarked they are preserved for future posterity and enjoyment and continue to contribute to the unique character of the City; and

WHEREAS, at the November 4, 2008 election, the voters approved Ballot Issue 2A to levy a one-eighth of one percent (1/8%) sales tax for historic preservation purposes within Historic Old Town Louisville, including a provision for low-interest loans to preserve and rehabilitate eligible properties; and

WHEREAS, City Council by Ordinance No. 1544, Series 2008, imposed the tax approved by the voters, established the Historic Preservation Fund, and codified the financial incentives set forth within Ballot Issue 2A that may be funded by revenues from the tax, including low-interest loans to preserve and rehabilitate eligible properties; and

WHEREAS, the City Council by Resolutions No. 20, Series 2009, No. 20, Series 2010, and No. 2, 2012, created provisions related to the administration and uses of the Historic Preservation Fund; and

WHEREAS, revolving loan funds have been used effectively nationwide for the preservation of historic structures and neighborhoods; and

WHEREAS, the establishment of a revolving loan to encourage the landmarking and rehabilitation of historic structures serves the public purpose of increasing the quality, integrity and permanence of the City's stock of historic landmarks for the enjoyment and benefit of present and future generations of citizens of the City by making available to the owners of properties which are landmarked or subject to a conservation easement for historic preservation a source of funding for rehabilitation of such structures; and

WHEREAS, the utility and life of the Historic Preservation Fund will be extended by a revolving loan program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

In furtherance of the purposes of Louisville Ballot Issue 2A approved in 2008 and Ordinance No. 1544, Series 2008, the following provisions shall be enacted:

Section 1. Creation of a Revolving Loan Program

a. There is hereby established within the Historic Preservation Fund a revolving loan fund program, utilizing funds from the Historic Preservation Fund as supplemented by private and public donations and grants, interfund loans, and any other appropriate sources of funds, all as from year-to-year appropriated for such purposes.
b. The historic preservation revolving loan program shall be used to provide low-interest loans for the purposes of preservation, restoration, rehabilitation and protection of properties which are landmarked pursuant to Louisville Municipal Code Chapter 15.36 or subject to a conservation easement to preserve the character of Historic Old Town Louisville.
c. The City Manager is authorized to issue requests for proposals and enter into contracts for entities to administer the loans from this program.
d. City staff and the Historic Preservation Commission shall develop applications, informational brochures and other materials necessary to develop and administer the revolving loan program. The City Manager is authorized to adopt written rules for the administration of the loan program, the provisions of which shall be consistent with Ballot Issue 2A and City ordinances and resolutions.

Section 2. Loans from the Revolving Loan Fund

a. Loan applications shall be submitted to City staff and shall be reviewed by the Historic Preservation Commission at a public meeting. The Commission shall provide its recommendation on the application before final action is taken by City Council.
b. Loan applications may be submitted and considered in conjunction with grants from the Historic Preservation Fund, respecting the grant limitations established in City Council Resolution No. 2, Series 2012. The Historic Preservation Commission may

recommend a mixture of loans and grants from the Historic Preservation Fund even if the applicant requested only one type of assistance, and also may recommend one type of assistance where a mixture is requested. City Council may also decide to approve any one or a mixture of loans and grants regardless of the number or types of assistance requested in the application.

c. Loans shall be in an amount of at least $500. There is no specific loan limit established in this Resolution, but the Historic Preservation Commission and City Council shall consider the following in setting an amount:
    i. Current amount of funds in the Historic Preservation Fund and the needs of other projects;
    ii. The necessity of the work to be performed for the preservation or rehabilitation of the structure and how the proposed work fits into the overall preservation plan for the structure;
    iii. The availability of other funding sources.

d. Interest rates shall be equal to the Wall Street Journal Prime Rate as reported on the date of city acceptance of a complete application. The interest rate may be increased or decreased by City Council at the time of initial approval upon a showing of extraordinary circumstances. Any fees for loan processing shall also be established at the time of the award. The loan repayment schedule shall also be established at the time of the award; provided, however, that all loans shall include a due-on-sale clause providing that any outstanding balance on the loan shall be paid in full upon sale or transfer of the property.

e. As provided by Section 3.b.ii of City Council Resolution No. 20, Series 2009:
    i. All loan payments shall return to the Historic Preservation Fund.
    ii. A loan agreement is required for all loans, with a guarantee by the borrower and individual guarantees as the City in its discretion may require.
    iii. The loan agreement may include a provision for default and acceleration if the completed work is not as contemplated by the conditions of the loan.
    iv. The loan agreement may further provide that if the work is not completed in compliance with the conditions of the loan, the loan amount shall be due forthwith, with interest.
    v. Payment under the loan agreement shall additionally be secured by a lien filed against the subject property.
    vi. Costs of collecting any loan shall be charged to the Historic Preservation Fund.

f. In connection with the processing of loan requests, the City may require such information as is reasonably necessary to determine the state of title to and encumbrances upon the subject property, the creditworthiness of the proposed borrower(s), and other matters relevant to loan award and repayment criteria. The City or loan program administrator may require applicants provide written consents to obtain such information.
g. Receipt of any loans, grants or other incentives shall require that the structure be landmarked pursuant to Louisville Municipal Code Chapter 15.36, or if not eligible for landmarking, that the owner grant the City a conservation easement to preserve the outside appearance of the structure or other historic attributes of the structure or site.
h. Loans are available for the following purposes:
   i. Preservation and restoration: These projects include measures directed towards sustaining the existing form, integrity, and materials of a historic property, including preliminary measures to protect and stabilize the property. Up to 10% of a loan may be used for one-time actions considered routine maintenance. Routine maintenance includes painting, refinishing and exterior cleaning.
   ii. Rehabilitation: These projects include measures directed toward adapting a property to make efficient contemporary use of it while sensitively preserving the features of the property, which are significant to its historical, architectural, and cultural values. Sensitive rehabilitation or upgrading of mechanical, electrical, and plumbing systems and other code-required work to make the property functional is appropriate within a rehabilitation project. This category also includes the restoration of a property to a specific, significant point in its history.
   iii. Pre-development: These projects include assessments of past and present historical features of a property for the purpose of properly and adequately documenting these characteristics. This includes assessing the physical condition of any existing historic features. Loans for this purpose will be available to individuals desiring to do restoration and renovation projects.
   iv. Loan funds may not be used for interior improvements other than for protection, stabilization, or code-required work specified in items i or ii above.
i. A structural assessment shall be required pursuant to Section 2 of Resolution No. 2, Series 2012, before an applicant may apply for a loan.
j. Loan funds may be awarded only for projects to be completed on landmarked portions of a property.
k. When required by Louisville Municipal Code Chapter 15.36, and as a condition of loan approval, an alteration certificate shall be

obtained prior to the start of any work on the project for which loan funds are awarded.

Section 3. Loan Program Funding

a. All loans shall be funded solely from those funds held within the Historic Preservation Fund for such purposes, and all loans shall be expressly contingent upon the availability of funds.

PASSED AND ADOPTED this 21st day of January, 2014.

Robert P. Muckle, Mayor

CITY OF LOUISVILLE SEAL COLORADO

Nancy Varra, City Clerk

RESOLUTION NO. 21
SERIES 2016

A RESOLUTION AMENDING RESOLUTION NO. 4, SERIES 2014, A RESOLUTION ESTABLISHING A REVOLVING LOAN PROGRAM WITHIN THE HISTORIC PRESERVATION FUND TO ENCOURAGE LANDMARK DESIGNATIONS AND REHABILITATION OF HISTORIC PROPERTIES IN THE CITY OF LOUISVILLE

WHEREAS, the City has previously adopted Resolution No. 4, Series 2014, a resolution establishing a revolving loan program within the Historic Preservation Fund to encourage landmark designations and rehabilitation of historic properties in the City of Louisville; and

WHEREAS, the Louisville Historic Preservation Commission has forwarded to the City Council recommended amendments to Resolution No. 4, Series 2014 as set forth herein in order to implement the City's revolving loan program.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Subsections a, b, c and j of Section 2 of Resolution No. 4, Series 2014 are hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

Section 2. Loans from the Revolving Loan Fund

a. Loan requests ~~applications~~ shall be submitted to City staff and shall be reviewed by the Historic Preservation Commission at a public meeting. The Commission shall provide its recommendation on the application before final action is taken by City Council.

b. Loan requests ~~applications~~ may be submitted and considered in conjunction with grants from the Historic Preservation Fund, respecting the grant limitations established in City Council Resolution No. 2, Series 2012. The Historic Preservation Commission may recommend a mixture of loans and grants from the Historic Preservation Fund even if the applicant requested only one type of assistance, and also may recommend one type of assistance where a mixture is requested. City Council may also decide to approve any one or a mixture of loans and grants regardless of the number or types of assistance requested in the request ~~application~~.

c. Loans shall be in an amount of at least $2,500 ~~$500~~. There is no specific loan limit established in this Resolution, but the Historic Preservation Commission and City Council shall consider the following in setting an amount:

i. Current amount of funds in the Historic Preservation Fund and the needs of other projects;

ii. The necessity of the work to be performed for the preservation or rehabilitation of the structure and how the proposed work fits into the overall preservation plan for the structure;
iii. The availability of other funding sources.

. . . [Section 2 d. to stay the same].

e. As provided by Section 3. b. ii of City Council Resolution No. 20, Series 2009:

i. All loan payments shall return to the Historic Preservation Fund.
ii. A loan agreement is required for all loans, with a guarantee by the borrower and individual guarantees as the City in its discretion may require.
iii. The loan agreement may include a provision for default and acceleration if the completed work is not as contemplated by the conditions of the loan.
iv. The loan agreement may further provide that if the work is not completed in compliance with the conditions of the loan, the loan amount shall be due forthwith, with interest.
v. Payment under the loan agreement shall additionally be secured by a promissory note and deed of trust or similar instruments acceptable to the City establishing a lien against the subject property.
vi. Costs of collecting any loan shall be charged to the Historic Preservation Fund.

. . .[Section 2 f. – i. to stay the same].

j. Loan funds may be awarded only for projects to be completed on landmarked portions of a property or for projects for which a conservation easement will be granted over the site or structure (or portion thereof) of historical significance.

[Remainder of Section 2 to stay the same].

PASSED AND ADOPTED this 3rd day of May, 2016.

Robert P. Muckle, Mayor

ATTEST:

Carol Hanson, Acting City Clerk

CITY OF LOUISVILLE SEAL COLORADO

RESOLUTION NO 17
SERIES 2019

A RESOLUTION REPEALING RESOLUTIONS IMPLEMENTING THE HISTORIC PRESERVATION FUND BY REENACTING INTO A SINGLE RESOLUTION INCORPORATING ALL PREVIOUS RESOLUTIONS, PROVIDING UPDATES FOR THE RECENT BALLOT MEASURE, AND INCREASING CERTAIN INCENTIVES

WHEREAS, historic properties and buildings of character in the City of Louisville (the "City") are major contributors to the character and quality of life of our City; and

WHEREAS, the City Council, pursuant to the City Charter, established a Historic Preservation Commission to assist it in the preservation and landmarking of these properties, and

WHEREAS, when properties are locally landmarked they are preserved for future posterity and enjoyment and continue to contribute to the unique character of the City; and

WHEREAS, at the November 4, 2008 election, the voters approved Ballot Issue 2A to levy a one- eighth of one percent (1/8%) sales tax for purposes of historic preservation purposes within Historic Old Town Louisville through December 31, 2018, and

WHEREAS, at the November 2, 2010 election, the voters approved a Ballot Issue 2D to levy a permanent use tax of 3.50%, to supersede the City's then-current use tax, of which one-eighth of one percent (1/8%) of the use tax was dedicated to historic preservation purposes consistent with Ballot Issue 2A, and

WHEREAS, at the November 7, 2017 election, the voters approved a Ballot Issue 2F, which extended the expiration date of the temporary sales tax of one-eighth of one percent for historic preservation from December 31, 2018 to December 31, 2028, and

WHEREAS, City Council by Ordinances No 1544, Series 2008 and No 1743, Series 2017 imposed the tax approved by the voters, established the Historic Preservation Fund ("HPF"), and codified the financial incentives set forth within Ballot Issues 2A (2008), 2D (2010), and 2F (2017), and

WHEREAS, City Council by Resolution No. 20, Series 2009, Resolution No 20, Series 2010, Resolution No 2, Series 2012, and Resolution No. 2, Series 2014, adopted provisions related to the administration and uses of HPF, and established grant programs and incentives to assist property owners in the rehabilitation and restoration of historic properties and new buildings of character; and

WHEREAS, City Council by Resolution No 4, Series 2014, Resolution No. 21, Series 2016, adopted resolutions establishing a revolving loan program within the HPF to encourage landmark designations and rehabilitation of historic properties in the City of Louisville; and

WHEREAS, a core value of the City in the 2013 Comprehensive Plan promotes: "*A Connection to the City's Heritage where the City recognizes, values, and encourages the promotion and preservation of our history and cultural heritage, particularly our mining and* *agricultural past.*" and enhancing the allowed historic preservation incentives strengthens the City's connection to its heritage; and

WHEREAS, a second core value of the City in the 2013 Comprehensive Plan promotes. "*Unique Commercial Areas and Distinctive Neighborhoods where the City is committed to recognizing the diversity of Louisville's commercial areas and neighborhoods by establishing customized policies and tools to ensure that each maintains its individual character, economic vitality, and livable structure.*" and expanding the allowed historic preservations incentives will promote and strengthen the unique individual character of Louisville; and

WHEREAS, the City Council desires to increase the maximum amounts of certain Historic Preservation incentives to best serve the City's core values, and

WHEREAS, the City Council desires to update the provisions related to the City's Historic Preservation incentives and to merge all previous administrative provisions into this single Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO

Section 1. Historic Preservation Fund.

There exists a Historic Preservation Fund ("HPF") in the City of Louisville, as established by Ordinance 1544, 2008 and amended by Ordinance 1743, 2017

a. The HPF shall be funded by·
    i. Proceeds from the 1/8% sales tax established by 2008 Louisville Ballot Issue 2A and Ordinance 1544, Series 2008 and extended by Louisville Ballot Issue 2F and Ordinance 1743, Series 2017,
    ii. Proceeds from the allocation of 1/8% use tax for historic preservation, as established by Louisville Ballot Issue 2D and Ordinance 1575, Series 2010;
    iii. Private and public donations, bequests, grants and funding from other sources made to the City for historic preservation purposes,
    iv Interfund loans from the City of Louisville; if approved by ordinance; and
    v Earnings on such amounts as may be deposited in the HPF
b The City of Louisville Historic Preservation Commission (the "Commission") shall make recommendations regarding expenditures from the HPF, but final action shall by taken by City Council by resolution, provided that after January 1, 2019, any expenditure of funds outside historic Old Town Louisville is approved by the affirmative vote of not less than five members of the entire City Council. The HPF should be managed to achieve maximum preservation of historic structures and the character of historic Louisville.
c. The Commission shall submit an annual statement of goals and recommendations to City Council, and may supplement, modify or update this document throughout the year as necessary
d. As further detailed in the Sections below, the uses of the HPF shall be consistent with the following funds or purposes.

i. Administrative Funds,
ii. Contingency/Emergency Reserve Funds,
iii. Sales and Use Tax Proceeds to Support the Operations and Maintenance of the Louisville Museum Campus,
iv Acquisions Funds, and
v Incentives for Historic Preservation, to Preserve Character, and for New Construction, including grants and loans.

Section 2. Administrative Funds.

Administrative Funds shall be used for purposes consistent with the establishment of the HPF, and shall include, but not be limited to

a. Historical building surveys, other site surveys or reconnaissance-level or intensive-level historic and architectural surveys,
b Staff to support the Commission and City activities in administering programs funded by the tax, including, but not limited to, interns, preservation planners, staff to conduct research for demolition review functions by the Commission and to assist vendors in conducting historic preservation surveys, and other support staff;
c. Plaques or other designations to honor structures that are landmarked or add to the character of historic Louisville
d. Public outreach and education efforts; and
e. Funding of public-private partnerships for preservation of buildings of historic significance

Section 3. Contingency/Emergency Reserve Funds.

In the first year of the existence of the HPF, 20% of the funds of the HPF shall be placed in a Contingency/Emergency Reserve. On an annual basis, the Commission and City Council shall reevaluate how much should be allocated to this Reserve. These funds shall be accessed only for incentives or acquisitions that become necessary due to exigent circumstances, upon the recommendation of the Commission and approval of City Council. "Exigent circumstances" for purposes of this section shall mean that the Commission has determined, with concurrence of City Council, that without urgent action, significant damage will be done to the historic fabric or character of Louisville.

Section 4. Operation and Maintenance for the Louisville Museum Campus

As of January 1, 2019, no more than twenty percent (20%) of the net annual city fiscal year proceeds of the one-eighth percent sales and use tax for historic preservation shall be used or the operation and maintenance of the Louisville Museum Campus.

Section 5. Acquisitions Funds.

Use of Acquisition funds of the HPF shall include, but not be limited to

a. The purchase of historic properties or properties which contribute to the historic character of Louisville. These properties, if eligible, shall be landmarked pursuant to Chapter 15.36 of the Louisville Municipal Code and if not eligible, shall have a conservation easement placed upon them to preserve the outside appearance of the structure or other historical attributes of the structure or site. Prior to the purchase of any property, a financial risk analysis shall be conducted, although City Council may base its approval on considerations other than financial. The City may perform any restoration or rehabilitation work necessary on properties the City acquires, subject to availability of funds therefor, and may then sell the properties unless retained for a municipal purpose. A conservation easement for historic preservation purposes may be placed on the property prior to or in connection with any sale. Any loss and any costs resulting from the acquisition, rehabilitation and sale of the property shall be charged to the HPF, while any profits shall be deposited to the HPF, and
b The purchase of conservation easements to protect the appearance of structures that contribute to the character of historic Louisville. Easements funded by the City may be held solely by the City or jointly with another governmental entity or a third-party non-profit preservation organization.

Section 6. Loan Program Funds

All loans shall be funded solely from those funds held within the HPF for such purposes, and all loans shall be expressly contingent upon the availability of funds.

Section 7 Grant program to conduct structural assessments of eligible structures.

Prior to any structure being declared a landmark pursuant to Chapter 15.36 of the Louisville Municipal Code or the establishment of a conservation easement, the property will undergo a building assessment to develop a preservation plan to establish priorities for the maintenance of the property

a. At a regular meeting, the Commission shall review the building history, application, and other relevant information to determine whether there is probable cause to believe the building may be eligible for landmarking under the criteria in § 15.36 050 of the Louisville Municipal Code. If probable cause is not found by the Commission, a building assessment grant will not be issued. If probable cause is found by the Commission, the owner of the property shall be eligible for a building assessment grant in an amount up to $4,000 for residential properties and $9,000 for commercial properties. Such grants shall be used solely to offset a portion or all of the cost of conducting the building assessment. A finding of probable cause is solely for purposes of action on the building assessment grant request, and does not guarantee any outcome at subsequent hearings by the Commission or City Council.
b. The assessment shall be conducted by a qualified consultant under contract with the City, or by a qualified consultant of the owner's choosing. A qualified consultant should have significant experience in the field of historic preservation and should be a practicing

architect, engineer, planner, or similar profession. The City shall be provided a copy of any assessment for which grant funds are awarded.

c. An exception to the requirement for a building assessment prior to landmarking or the establishment of a conservation easement may be granted by the Commission for good cause.

d. Owners of properties landmarked prior to City Council Resolution 2 Series 2014 who have not received grant funds for a structural assessment and are eligible to receive preservation grant funds through the resolutions in effect at the time of their landmarking approval may request building assessment grants in an amount up to $4,000 for residential properties and $9,000 for commercial properties. Such grants shall be used solely to offset a portion or all of the cost of conducting the building assessment.

Section 8. Residential grants for preserving, restoring, rehabilitating, or protecting landmarked property·

For a period of 36 months from when a property is declared a landmark pursuant to Chapter 15.36 of the Louisville Municipal Code the owner of the property shall be eligible for a grant from the HPF in the amount of up to $45,000 for residential structures.

Grants may be approved under any of the following categories, however grant funds may not be used for interior improvements other than for protection, stabilization, or code-required work.

a. **Preservation** is the act or process of applying measures necessary to sustain the existing form, integrity, and materials of an historic property as they now exist. Approved work focuses upon the repair of exterior historic materials and features rather than extensive replacement and new construction.

b **Rehabilitation** is the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character The limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate.

c. **Restoration** is the act or process of accurately depicting the form, features, and character of a property as it appeared at a particular period of time. Approved work focuses on exterior work and includes the removal of features from other periods in its history and reconstruction of missing features from the restoration period.

The first $5,000 of the grant will be an unmatched incentive grant as a landmark bonus. Owners of a landmarked property will be eligible for this grant following the signing of the landmark and grant agreements. The remaining $40,000 shall be conditioned based on the applicant matching at least one hundred percent (100%) of the amount of the grant with expenditures or an equivalent value of approved in-kind services for approved work based on the completed structural assessment and deemed eligible for a grant from the HPF Eligible work will fall under the preservation, rehabilitation, or restoration categories described above.

Applicants must complete the work covered by any grants and submit their reimbursement requests within 60 months of the landmark declaration. Upon a showing of good cause, the above timeline may be extended with approval of a subcommittee consisting of a designated staff person and two randomly selected members of the commission. If the request for timeline extension is not approved unanimously, the request forwarded to the full commission for consideration at a public meeting.

Section 9 Commercial grants for preserving, restoring, rehabilitating, or protecting landmarked property·

For a period of 36 months from when a property is declared a landmark pursuant to Chapter 15.36 of the Louisville Municipal Code the owner of the property shall be eligible for a grant from the HPF in the amount of up to $200,000 for commercial structures. The grant timeframes may be extended based on the procedures in Sec. 6 below

Grants may be approved under any of the following categories, however grant funds may not be used for interior improvements other than for protection, stabilization, or code-required work.

a. **Preservation** is the act or process of applying measures necessary to sustain the existing form, integrity, and materials of an historic property as they now exist. Approved work focuses upon the repair of exterior historic materials and features rather than extensive replacement and new construction.
b **Rehabilitation** is the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character The limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate.
c. **Restoration** is the act or process of accurately depicting the form, features, and character of a property as it appeared at a particular period of time. Approved work focuses on exterior work and includes the removal of features from other periods in its history and reconstruction of missing features from the restoration period.

The first $50,000 of the grant will be an unmatched incentive grant as a landmark bonus. Owners of a landmarked property will be eligible for this grant following the signing of the landmark and grant agreements. The remaining $150,000 shall be conditioned based on the applicant matching at least one hundred percent (100%) of the amount of the grant with expenditures or an equivalent value of approved in-kind services for approved work based on the completed structural assessment and deemed eligible for a grant from the HPF Eligible work will fall under the preservation, rehabilitation, or restoration categories described above.

Applicants must complete the work covered by any grants and submit their reimbursement requests within 60 months of the landmark declaration. Upon a showing of good cause, the above timeline may be extended with approval of a subcommittee consisting of a designated staff person and two randomly selected members of the commission. If the request for timeline extension is not approved unanimously, the request will be forwarded to the full commission for consideration at a public meeting.

Section 10. Residential new construction grants.

Owners of landmarked property on which additions to existing residential structures are proposed are eligible for matching grants of up to $15,000 for new residential construction that, beyond mandatory requirements, substantially limits mass, scale, and number of stories, preserves setbacks, and protects the historic integrity of the property and its environment by differentiating new work from the old. Qualifying new construction must maintain the existing height of the historic structure over the first 1/3 of the overall structure and have a floor area ratio (FAR) 10% below what is allowed by zoning.

Section 11 Commercial new construction grants.

Owners of landmarked property on which new commercial structures or additions to existing commercial structures are proposed are eligible for grants of up to $75,000 for new commercial construction that, beyond mandatory requirements, substantially limits mass, scale, and number of stories, preserves setbacks, preserves pedestrian walkways between buildings, and protects the historic integrity of the property and its environment by differentiating new work from the old. Qualifying new construction must limit building height to two stories or match the existing height of the historic building if more than two stories, and have a floor area ratio (FAR) 20% below what is allowed by zoning.

Section 12. Maximum grant amounts, time limits, and procedures

The maximum combined amount of incentive and grant funding from the HPF that any property may receive is limited to the following:

a. $49,000 per property for a residential structure with landmark status
   i. $4,000 structural assessment
   ii. $5,000 landmark incentive grant
   iii. $40,000 matching grant
b $209,000 per property for a commercial structure with landmark status
   i. $9,000 structural assessment
   ii. $50,000 landmark incentive grant
   iii. $150,000 matching grant
c. $15,000 matching grant for eligible new residential construction that, beyond mandatory requirements, substantially limits mass, scale, and number of stories, preserves setbacks, and protects the historic integrity of the property and its environment by differentiating the new work from the old. Qualifying new construction must maintain the existing height of the historic structure over the first 1/3 of the overall structure and have a floor area ratio (FAR) 10% below what is allowed by zoning.
d. $75,000 grant for eligible new commercial construction that, beyond mandatory requirements, substantially limits mass, scale, and number of stories, preserves setbacks, preserves pedestrian walkways between buildings, and protects the historic integrity of

the property and its environment by differentiating the new work from the old. Qualifying new construction must limit building height to two stories or match the existing height of the historic building if more than two stories, and have a floor area ratio (FAR) 20% below what is allowed by zoning.

To be considered for incentives funding, the owner must complete an application and submit it to the Commission, together with sufficient building plans, if appropriate. Applications may be submitted at any time. Applications shall initially be reviewed by Commission staff, followed by a recommendation to the Commission. The Commission shall make a recommendation to City Council for final action. Any recommendation by the Commission may be to grant some, all or none of the requested incentives. If the Commission recommendation is to grant the requested incentives in whole or part, it shall also forward recommendations regarding the terms of an agreement which must be met for receipt of the incentives. All recommendations are subject to approval, rejection and/or modification by City Council, and City Council may return recommendations for further information or review All incentives are subject to budgetary requirements and considerations, including review of amounts currently and foreseeably available in the HPF and appropriation in the discretion of City Council. Additions to existing structures may qualify for incentives if so recommended by the Commission and approved by City Council.

a. Applications for incentive and grant funds must be received by the Planning Department within 36 months of the date a property is declared a landmark pursuant to Chapter 15.36 of the Louisville Municipal Code.
b. Reimbursement requests for completed work approved for grant funding must be received within 60 months of a property being declared a landmark pursuant to Chapter 15.36 of the Louisville Municipal Code.
c. These grant limitations described above may be exceeded upon recommendation of the Commission and approval by City Council upon a showing of extraordinary circumstances relating to building size, condition, architectural details, or other unique condition compared to similar Louisville properties. Any grant exceeding the above limitations shall be conditioned on the applicant matching at least one hundred percent (100%) of the amount of the grant with expenditures or an equivalent value of approved in-kind services that are integral to the project that is deemed eligible for a grant from the HPF
d. Upon a showing of good cause, the above timeline may be extended with approval of a subcommittee of the Historic Preservation Commission consisting of a designated staff person and two randomly selected members of the Commission. If the request for timeline extension is not approved unanimously, the request will be forwarded to the full Commission for consideration at a public meeting.
e. Any time extensions due to extraordinary circumstances that exceed the 36 month cap for grant applications or the 60 month cap for reimbursement requests may require an update to the existing Historic Structure Assessment described in Section 1 if the necessary work has changed in that time period or if the applicants are proposing work not identified in the Historic Structure Assessment. If deemed necessary, this update will be completed at the expense of the applicant.

f. Owners of properties landmarked prior to enactment of this resolution shall have access to the grant funds available through the resolutions in effect at the time of landmarking approval. Such owners may also apply for additional grants through the extraordinary circumstances process described above.
g. The Commission will review all grant applications and make recommendations to the City Council for approval or disapproval. The City Council may approve, deny, or return a proposal to the Commission for further information.
i. Grants may be given in installments upon the satisfactory completion of portions of the project, or given in total upon the satisfactory completion of the project. Conditions for the satisfactory completion of the project shall be given when the grant is awarded. Grants maybe revoked if the conditions are not met. Grants given prior to the beginning of a project may be given only in suitable situations, as recommended by the Commission and approved by City Council, including approval by not less than five members of City Council for grants outside Old Town Louisville.
h. An applicant may request that the value of stabilization, restoration or preservation work completed on the structure prior to landmarking be considered as a credit against the matching requirement of this Section. Credit for such previously completed work is at the discretion of the City Council. Credit may only be considered under the following circumstances.
    i. Only work completed within five years prior to the effective date of landmarking may be considered for potential credit against the matching requirement.
    ii. The work previously performed was for stabilization, restoration, or preservation of the historic structure. No landscaping or site work may be considered for potential credit against the matching requirement. No interior work, except for structural work, sensitive upgrading of mechanical, electrical, and plumbing systems, and other code-required work to make the property functional, may be considered for potential credit against the matching requirement.
    iii. Consideration for credit against the matching requirement may only be given to costs of previously completed work which is documented by paid receipts or invoices. The applicant shall provide the City with complete copies of all such receipts or invoices together with proof of payment, and shall also provide any available supporting documentation upon City request. The request for consideration of previously completed work shall also be accompanied by applicant's written certification that the work for which credit is requested was completed and the costs thereof were incurred and paid, and that the information in such request is true and accurate to the best of applicant's knowledge and belief. The value of in- kind services completed by the applicant shall not be considered.
    iv The amount of credit given for any previously completed work shall be determined by the City Council with input from the Commission, considering such factors as the nature, extent and useful life of the work, the time it was completed, the appreciated or depreciated value of the work, and such other factors as determined relevant.

Section 13. Incentive grants to encourage conservation easements on properties which contribute to the character, historical or architectural merit in Downtown Louisville and which are not eligible to be landmarked.

a. For a period of 18 months from when a property is designated by the City Council as a structure of merit, the owner of the property shall be eligible for a grant from the HPF in the amount of up to $50,000 These grants are available for·
    i. Preserving, rehabilitating, restoring or protecting the property
        1. **Preservation** is the act or process of applying measures necessary to sustain the existing form, integrity, and materials of an historic property as they now exist. Approved work focuses upon the repair of exterior historic materials and features rather than extensive replacement and new construction.
        ii. **Rehabilitation** is the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character The limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate.
        iii. **Restoration** is the act or process of accurately depicting the form, features, and character of a property as it appeared at a particular period of time. Approved work focuses on exterior work and includes the removal of features from other periods in its history and reconstruction of missing features from the restoration period.
    ii. Offsetting costs of preserving the structural merit of a building that is being expanded pursuant to Sections 17 16.280 and 17.28 050 of the Louisville Municipal Code.

b. Grant funding may only be expended for the activities listed in this section for those portions of a property designated to be a structure of merit.

Section 14. Creation of a Revolving Loan Program.

a. There is hereby established within the HPF a revolving loan fund program, utilizing funds from the HPF as supplemented by private and public donations and grants, interfund loans, and any other appropriate sources of funds, all as from year-to-year appropriated for such purposes.

b The historic preservation revolving loan program shall be used to provide low-interest loans for the purposes of preservation, restoration, rehabilitation and protection of properties which are landmarked pursuant to Chapter 15.36 of the Louisville Municipal Code or subject to a conservation easement to preserve the character of historic Louisville.

c. The City Manager is authorized to issue requests for proposals and enter into contracts for entities to administer the loans from this program.
d. City staff and the Commission shall develop applications, informational brochures and other materials necessary to develop and administer the revolving loan program. The City Manager is authorized to adopt written rules for the administration of the loan program, the provisions of which shall be consistent with Ballot Issues 2A, 2D and 2F and City ordinances and resolutions.

Section 15. Loans from the Revolving Loan Fund.

Loan requests applications shall be submitted to City staff and shall be reviewed by the Commission at a public meeting. The Commission shall provide its recommendation on the application before final action is taken by City Council. Final action on loans awarded to property outside historic Old Town Louisville shall be approved by not less than five Council Members.

Loan requests applications may be submitted and considered in conjunction with grants from the Historic Preservation Fund, respecting the grant limitations established herein. The Commission may recommend a mixture of loans and grants from the HPF even if the applicant requested only one type of assistance, and also may recommend one type of assistance where a mixture is requested. City Council may also decide to approve any one or a mixture of loans and grants regardless of the number or types of assistance requested in the request application. A mixture of loans and grants awarded to property outside historic Old Town Louisville shall be approved by not less than five Council Members.

Loans shall be in an amount of at least $2,500 There is no specific loan limit established in this Resolution, but the Commission and City Council shall consider the following in setting an amount:

a. Current amount of funds in the HPF and the needs of other projects,
b The necessity of the work to be performed for the preservation or rehabilitation of the structure and how the proposed work fits into the overall preservation plan for the structure;
c. The availability of other funding sources.

Interest rates shall be equal to 2% below the Wall Street Journal Prime Rate as reported on the date of city acceptance of a complete application, not to go below 1%. The interest rate may be increased or decreased by City Council at the time of initial approval upon a showing of extraordinary circumstances. Any fees for loan processing shall also be established at the time of the award. The loan repayment schedule shall also be established at the time of the award, provided, however, that all loans shall include a due-on-sale clause providing that any outstanding balance on the loan shall be paid in full upon sale or transfer of the property

In connection with the processing of loan requests, the City may require such information as is reasonably necessary to determine the state of title to and encumbrances upon the subject property, the creditworthiness of the proposed borrower(s), and other matters relevant to loan award and repayment criteria. The City or loan program administrator may require applicants provide written consents to obtain such information.

Receipt of any loans, grants or other incentives shall require that the structure be landmarked pursuant to Chapter 15.36 of the Louisville Municipal Code, or if not eligible for landmarking, that the owner grant the City a conservation easement to preserve the outside appearance of the structure or other historic attributes of the structure or site.

Loan funds may not be used for interior improvements other than for protection, stabilization, or code-required work.

Loans may be approved under any of the following categories.

a. **Preservation**. the act or process of applying measures necessary to sustain the existing form, integrity, and materials of an historic property as they now exist. Approved work focuses upon the repair of exterior historic materials and features rather than extensive replacement and new construction.
b **Rehabilitation**. the act or process of making possible a compatible use for a property through repair, alterations, and additions while preserving those portions or features which convey its historical, cultural, or architectural values. Rehabilitation acknowledges the need to alter or add to a historic property to meet continuing or changing uses while retaining the property's historic character The limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate.
c. **Restoration.** the act or process of accurately depicting the form, features, and character of a property as it appeared at a particular period of time. Approved work focuses on exterior work and includes the removal of features from other periods in its history and reconstruction of missing features from the restoration period.

Section 16. Repeal and Reenactment; Effective Date.

As of May 21, 2019, Resolutions No 20, Series 2009, No. 20, Series 2010, No 2, 2012, No 2, 2014, No. 4, 2014, and No. 21, 2016 are hereby repealed and reenacted by this Resolution No 17, Series 2019 Resolutions No. 20, Series 2009, No. 20, Series 2010, No 2, 2012, No 2, 2014, No 4, 2014, and No 21, 2016 are still in effect for any incentives approved or any final actions taken prior to May 21, 2019

PASSED AND ADOPTED this 21st day of May, 2019

Robert P Muckle, Mayor

ATTEST

Meredyth Muth, City Clerk

CITY OF LOUISVILLE SEAL COLORADO

SERVICES CONTRACT

This Contract is entered into this 22ND day of JUNE, 2016, by and between **the City of Louisville, Colorado, a municipal corporation** ("City") and **Funding Partners for Housing Solutions, Inc., (dba "Funding Partners") a Colorado non-profit corporation** ("Contractor").

Whereas, Funding Partners was selected through a competitive proposal process to provide licensed mortgage loan originator services to the City for its Historic Preservation Revolving Loan Program ("Program"); and

Whereas, the parties desire to enter into a formal contractual relationship to implement the Program, which entails the extension of credit to individuals and/or legal entities.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:

1. Services. The Contractor shall perform those duties set forth in each Scope of Work attached as Exhibit A, and incorporated herein by reference ("Services"). Services may include necessary loan application processing functions under one or more distinct programs offered through the City or City-controlled enterprise unit(s) (the "Programs"). Additional Scopes of Work may be added under this Contract at any time upon mutual agreement of the parties, in writing and signed by both parties. Contractor represents that it has the authority, capacity, experience, and expertise to perform all Services in compliance with the provisions of this Contract and all applicable law, regulation, or executive order. The City reserves the right to remove any of the Services from Exhibit A upon written notice to Contractor. The City reserves the right to use other resources to perform certain Services at the City's discretion and upon written notice to Contractor. Nothing in this Contract obligates the City to a minimum or maximum level of activity upon which the Contractor may rely. In the event of any conflict between this Contract and Exhibit A, the provisions of this Contract shall prevail.

2. Price. The City shall pay the Contractor, upon full execution of this Contract, a one-time set up fee for each Program as described in Exhibit A to initiate all necessary activity, legal review and implementation requirements specified or implied within each respective Program. Additional consideration for each Program may be itemized under Exhibit A. Such consideration does not supersede initial implementation costs to the City. The City shall make payment within thirty days of receipt and approval of any subsequent invoices, which shall identify the specific Services performed for which payment is authorized.

3. Term. This Contract shall be effective for one year from the date set forth above. This Contract will then automatically renew for up to four (4) additional one year terms unless the City notifies the Contractor at least thirty (30) days before the end of the then- current term that the City does not wish to renew the Contract.

4. Appropriation. To the extent this Contract constitutes a multiple fiscal year debt or financial obligation of the City, it shall be subject to annual appropriation of funds sufficient and intended therefore by the Louisville City Council. The City shall have no obligation to continue this Contract in any fiscal year in which no such appropriation is made.

5. Independent Contractor. The parties agree that the Contractor is an independent contractor and is not an employee of the City. **The Contractor is not entitled to workers' compensation benefits from the City and is obligated to pay federal and state income tax on any money earned pursuant to this Contract**.

6. Insurance Requirements.

a. Policies. The Contractor and its subcontractors, if any, shall procure and keep in force during the duration of this Contract the following insurance policies and shall provide the City with a certificate of insurance evidencing upon execution of this Contract:

(i) Comprehensive general liability insurance insuring the Contractor and naming the City as an additional insured with minimum combined single limits of $1,000,000 each occurrence and $1,000,000 aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision.

(ii) Professional liability insurance insuring the Contractor against any professional liability with a limit of at least $1,000,000 per claim and annual aggregate.

(iii) Workers' compensation insurance and all other insurance required by any applicable law. *(Note: if under Colorado law the Contractor is not required to carry workers' compensation insurance, the Contractor shall execute a Certificate of Exemption and Waiver, attached hereto as Exhibit B and incorporated herein by reference.)*

b. Requirements. Required insurance policies shall be with companies qualified to do business in Colorado with a general policyholder's financial rating acceptable to the City. Said policies shall not be cancelable or subject to reduction in coverage limits or other modification except after thirty days prior written notice to the City. The Contractor shall identify whether the type of coverage is "occurrence" or "claims made." If the type of coverage is "claims made," which at renewal the Contractor changes to "occurrence," the Contractor shall carry a six-month tail. Comprehensive general policy shall be for the mutual and joint benefit and protection of the Contractor and the City. Such policies shall provide that the City, although named as an additional insured, shall nevertheless be entitled to recover under said policies for any loss occasioned to it, its officers, employees, and agents by reason of negligence of the Contractor, its officers, employees, agents, subcontractors, or business invitees. Such policies shall be written as primary policies not contributing to and not in excess of coverage the City may carry.

7. Indemnification. The Contractor agrees to indemnify and hold harmless the City, its officers, employees, and agents from and against all liability, claims, and demands on account of any injury, loss, or damage arising out of or connected with the Services, if such injury, loss, or damage, or any portion thereof, is caused by, or claimed to be caused by, the act, omission, or other fault of the Contractor or any subcontractor or delegee of the Contractor, or any officer, employee, or agent of the Contractor or any subcontractor or delegee, or any other person for whom the Contractor is responsible. The Contractor shall investigate, handle, respond to, and defend against any such liability, claims, and demands, and shall bear all other costs and expenses related thereto, including court costs and attorneys' fees. The Contractor's indemnification obligation shall not be construed to extend to any injury, loss, or damage to the extent caused by the act, omission, or other fault of the City. This paragraph shall survive the termination or expiration of this Contract.

8. Governmental Immunity Act. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the notices, requirements, immunities, rights, benefits, protections, limitations of liability, and other provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.* and under any other applicable law.

9. Compliance with Applicable Laws.

a. Generally. The Contractor shall comply with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the City. The Contractor shall solely be responsible for payment of all applicable taxes and for obtaining and keeping in force all applicable permits and approvals.

b. C.R.S. Article 17.5, Title 8. The Contractor hereby certifies that, as of the date of this Contract, it does not knowingly employ or contract with an illegal alien who will perform work under this Contract and that the Contractor will participate in the e-verify program or Colorado Department of Labor and Employment ("Department") program as defined in C.R.S. § 8-17.5-101 in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Contract. The Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. The Contractor certifies that it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Contract through participation in either the e-verify program or the department program. The Contractor is prohibited from using either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Contract is being performed. If the Contractor obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien, the Contractor shall be required to: (i) notify the subcontractor and City within three days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (ii) terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien. The Contractor shall comply with any reasonable request by the Department made in the course of an investigation that it is undertaking pursuant to the authority established in C.R.S. Article 17.5, Title 8. If the Contractor violates this paragraph, the City may terminate this Contract for default in accordance with "Termination," below. If this Contract is so terminated, the Contractor shall be liable for actual and consequential damages to the City. *(Note: this paragraph shall not apply to contracts: (i) for Services involving the delivery of a specific end product (other than reports that are merely incidental to the performance of said work); or (ii) for information technology services and/or products.)*

10. Termination.

a. Without Cause. Either party may terminate this Contract without cause upon thirty days prior written notice to the other. The City shall be liable to pay the Contractor for Services performed as of the effective date of termination, but shall not be liable to the Contractor for anticipated profits, or any other damages other than payment for services performed as of the effective date of termination.

b. For Default. Each and every term and condition hereof shall be deemed to be a material element of this Contract. In the event either party fails to perform according to the terms of this Contract, such party may be declared in default. If the defaulting party does not cure said breach within ten days of written notice thereof, the non-defaulting party may terminate this Contract immediately upon written notice of termination to the other. In the event of such termination by the City, the City shall be liable to pay the Contractor for Services performed as of the effective date of termination, but shall not be liable to Contractor for anticipated profits or any other damages; provided, however, that the Contractor shall not be relieved of liability to the City for any damages sustained by the City by virtue of any default under this Contract, and the City may withhold payment to the Contractor for the purposes of setoff until such time as the exact amount of damages is determined.

11. Notices. Written notices shall be directed as follows and shall be deemed received when hand-delivered, emailed with proof of receipt, sent by overnight commercial courier, or three days after being sent by certified mail, return receipt requested:

To the City:	To the Contractor:
CITY OF LOUISVILLE	Joe Rowan
DEPARTMENT OF PLANNING &	Director of Programs and Development
BUILDING SAFETY	Funding Partners
749 MAIN ST	330 S. College Ave. #400
LOUISVILLE CO 80027	Fort Collins, CO 80524
Email: planning@louisvilleco.gov	Email: joe@fundingpartners.org

12. Special Provisions. The Contractor hereby certifies that it meets all licensing, insurance, and bonding requirements as required by state law to perform the Services.

13. Time of the Essence. Time is of the essence in performance of the Services and is a significant and material term of this Contract.

14. Confidentiality. The Contractor hereby acknowledges and agrees to adhere to the Confidentiality policies and procedures outlined by the City in Exhibit B.

15. Red Flag Rules. Contractor will implement reasonable policies and procedures to detect, prevent and mitigate the risk of identity theft in compliance with the Identity Theft Red Flag Rules found at 16 Code of Federal Regulations part 681. Further, Contractor must take appropriate steps to mitigate identity theft if it occurs with one or more of the City's covered Services.

16. Delegation. Contractor reserves the right to delegate all of its obligations, requirements and performance standards for each Program covered by this Contract to one of its wholly-owned subsidiaries, Funding Partners Lending LLC, or EnergySmart Partners LLC, or a new wholly-owned subsidiary that may be created. The delegation to a subsidiary entity will be determined by Contractor at the time of Program implementation and is determined by the type of City program, the program audience, and services and duties provided by Contractor. Contractor will provide written notice of any delegation to the City and the Contractor's subsidiary entity will be outlined within the Scope of Services for each respective Program in Exhibit A. The term "Contractor" as used herein refers to Contractor or its designated subsidiary as appropriate.

17. Miscellaneous. This Contract contains the entire agreement of the parties relating to the subject matter hereof and, except as provided herein, may not be modified or amended except by written agreement of the parties. In the event a court of competent jurisdiction holds any provision of this Contract invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Contract. The Contractor shall not assign this Contract to any entity to which it holds less than a 100% controlling interest without the City's prior written consent. This Contract shall be governed by the laws of the State of Colorado, and venue shall be in the County of Boulder, State of Colorado.

18. Compliance with Laws/Nondiscrimination. Contractor shall strictly comply with all applicable federal and state laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices and to the origination of mortgage loans and other credit and lending activities. Contractor shall provide all services hereunder in a manner consistent with all laws and requirements pertaining to civil rights, nondiscrimination and constitutionally protected classes and rights, applicable to the provision of municipal services to members of the public.

19. Marketing and Advertisement. Any and all Program descriptions, including print, broadcast or electronic media, intended to promote the availability of financial services must be submitted to Contractor for final approval prior to release. Contractor reserves the right to amend or supplement such descriptions as necessary, in its opinion, to maintain compliance with federal and state regulation.

20 Electronic Signature. This Contract may be executed by electronic signature in accordance with C.R.S 24-71.3-101 *et seq*.

21.City Code of Ethics. Contractor acknowledges that the City of Louisville Code of Ethics provides that independent contractors who perform official actions on behalf of the City which involve the use of discretionary authority shall not receive any gifts seeking to influence their official actions on behalf of the City, and that City officers and employees similarly shall not receive such gifts. Contractor agrees to abide by the gift restrictions of the City's Code of Ethics.

22. Inspection and Audit. The City and its duly authorized representatives shall have access to any books, documents, papers, and records of the Contractor that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

Signed by the parties to be effective on the date written above.

CITY OF LOUISVILLE SEAL COLORADO

City of Louisville, Colorado
a municipal corporation

By: ______________________

ATTEST:

Carol Hanson
City Clerk

Contractor
Funding Partners for Housing Solutions, Inc.
A Colorado non-profit corporation

By: ______________________

Title: DIRECTOR OF PROGRAMS & DEVELOPMENT

STATE OF Colorado)
) ss.
COUNTY OF Larimer)

The foregoing instrument was acknowledged before me this 2nd day of May, 2016 by Joe Rowan.
(Insert name of individual signing on behalf of the Contractor)

____
Notary's official signature

MEGAN MARIE FERGUSON
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20134029447
MY COMMISSION EXPIRES MAY 8, 2017

05/08/2017
Commission expiration date

EXHIBIT A – SERVICES

HISTORIC PRESERVATION REVOLVING LOAN PROGRAM

The Contractor shall provide licensed mortgage loan originator services in compliance with C.R.S. § 12-61-901 *et seq.* for the City's Historic Preservation Revolving Loan Program ("Program").

For purposes of this Program, Contractor delegates all its obligations, requirements and performance standards within this Contract and Program Exhibit to its wholly-owned subsidiary Funding Partners Lending LLC (FPL), provided that Contractor remains responsible for ensuring performance of the Services in accordance with the terms of the Contract and this Exhibit. References to Contractor hereinafter shall mean Contractor through its delegee, FPL.

The City will email project applications to the Contractor to include:

- Total Program funding available for the specific project;
- Work items and costs eligible for Program funding for each application;
- Design review ranking of each application work item.

The City will designate a Contact Person for this Program. Upon receipt of the project application, Contractor shall request additional information from the applicant necessary to complete a loan application file. Contractor shall review all provided materials for accuracy and completeness, make a credit decision and notify the Contact Person of its credit determination, to include all loan terms and conditions. In the event Contractor determines the applicant does not comply with Program standards, the City reserves the right to consider exceptions to its policy. Such exceptions must be provided in writing to Contractor such that Contractor is able to provide written notification of final credit determination to applicant(s) within three (3) business days of submitting the loan application. Final credit determination shall include all applicable state and federal disclosures. The maximum loan amount that can be approved by the Contractor is $250,000.

Once a project has been completed and inspected by the City, Contractor will prepare loan closing documents that shall include a lien waiver and completion of work affidavit wherein the borrower must acknowledge the amount paid to the project workers and/or suppliers ("workers") upon loan settlement. The project workers shall acknowledge that all work is completed according to local standards and in a good and workmanlike fashion within the agreed upon timeframe and shall verify that all suppliers and/or subcontractors for the project are paid in full with no further recourse to the borrower, and furnish lien waivers to that effect.

The form of the promissory note, deed of trust and conservation easement (for non-landmarked property) shall be approved by the City of Louisville Attorney's Office. Contractor will provide and coordinate presentation of all loan documents to borrower at the time of loan settlement. Upon receipt and acceptance of completed and signed lien waiver and completion of work affidavit from the project workers and, if applicable, subcontractors, Contractor shall release loan proceeds directly to project workers upon confirmation that all work is complete. Disbursement of funds is prohibited prior to expiration of the rescission period, as applicable.

Public recording and other third party fees shall be assessed and collected at time of loan closing, as detailed within a closing disclosure prepared by Contractor. Applicant may choose to pay the application fee at the time of closing or have it included in the loan principle (subject to loan maximum amounts).

The City will reimburse Contractor for each loan disbursed upon receipt of an itemized invoice of all transactions, which shall be provided by Contractor no more frequent than once per calendar month.

Contractor shall retain all original documents and permanent loan file, record all appropriate documents as necessary and as the City may reasonably require, and issue release of collateral obligations for loan repayment upon final satisfaction of the promissory note. Instruments for divestment of any required conservation easement shall be issued and recorded only after City Council approval. Copies of all executed loan documents will be provided to City of Louisville as supplement to the itemized transaction invoice.

Contractor is entitled to collect the following compensation to implement the described program, but shall impose no other fees, charges or surcharges from the City, borrower or any other person in connection with the performance of services hereunder:

- A one-time program initiation fee equal to $10,000 payable by the City upon execution of this Agreement.
- A loan application fee, as disclosed within the most recently published FP Loan Fee Schedule, to be collected from program participants at time of loan closing.
- Public recording and release fees shall be payable by Program borrowers, collected at the time of related service.
- An annual fee equal to $2,500, or 1.0% of all Program loans held in portfolio, whichever is less shall be payable by the City in each calendar year. Such fee shall reimburse for periodic billing, collection and posting of borrower payments, issuance of IRS Form 1098 (as applicable), resolution of borrower inquiries and/or disputes, itemized return of Program capital from repayment, and submittal of monthly activity and account reconciliation reports to City.

EXHIBIT B – CONFIDENTIALITY AGREEMENT

IN CONNECTION WITH SERVICES provided to the City of Louisville ("City") pursuant to this Agreement ("Agreement"), the Contractor hereby acknowledges that it has been informed that the City has established policies and procedures with regard to the handling of confidential information and other sensitive materials.

In consideration of access to certain information, data and material (hereinafter individually and collectively, regardless of nature, referred to as "information") that are the property of and/or relate to the City or its employees, customers, or supplies, which access is related to performance of services that the Contractor has agreed to perform, the Contractor hereby acknowledges and agrees as follows:

That information that has or will come into its possession or knowledge in connection with the performance of services for the City may be confidential and/or proprietary. The Contractor agrees to treat as confidential (a) all information that is owned the City, or that relates to the business of the City, or that is used by the City in carrying on business, and (b) all information that is proprietary to a third party (including but not limited to customers and suppliers of the City). The Contractor shall not disclose any such information to any person not having a legitimate need-to-know for purposes authorized by the City. Further, the Contractor shall not use such information to obtain any economic or other benefit for itself, or any third party, except as specifically authorized by the City.

The foregoing to the contrary notwithstanding, the Contractor understands that it shall have no obligation under this Contract with respect to information and material that (a) becomes generally known to the public by publication or some means other than breach of duty of this Agreement, or (b) is required by law, regulation or court order to be disclosed, provided that the request for such disclosure is proper and the disclosure does not exceed that which is required, or (c) is disclosed to Contractor by a third party without restriction and is not directly or indirectly derived from the City and is not under a binder of secrecy; or (d) is already known to the Contractor without any obligations of confidentiality prior to receipt from the City and was not developed by Contractor or its affiliates independently without reference to or the benefit of the confidential information developed under this Agreement. In the event of any disclosure under (b) above, the Contractor shall furnish a copy of this Agreement to anyone to whom it is required to make such disclosure and shall promptly advise the City in writing of each such disclosure.

In the event that the Contractor ceases to perform services for the City, or the City so requests for any reason, the Contractor shall promptly return to the City any and all information described hereinabove, including all copies, notes and/or summaries (handwritten or mechanically produced) thereof, in its possession or control or as to which it otherwise has access.

The Contractor understands and agrees that the City's remedies at law for a breach of the Contractor's obligations under this Confidentiality Agreement may be inadequate and that the City shall, in the event of any such breach, be entitled to seek equitable relief (including without limitation preliminary and permanent injunctive relief and specific performance) in addition to all other remedies provided hereunder or available at law.

Contract Services

Product Guidelines
City of Louisville
Historic Preservation Loan Fund

Eligible Borrowers:	Applicants may include natural persons and/or legal entities registered in good standing with the Colorado Secretary of State. All borrowers and guarantors must demonstrate U.S. citizenship or permanent legal residency in the United States.
Eligible Properties:	Physical structures located within Louisville city limits and Historic Old Town Louisville, and landmarked pursuant to Louisville Municipal Code Chapter 15.36. If the structure is not eligible for landmark designation, a conservation easement for preservation of the site or structure (or portion thereof) of historical significance must be granted to the City.
Eligible Projects:	Preservation, restoration and rehabilitation of external, structural and mechanical elements of a property. Project scope may include sustaining the existing form, preserving the integrity, stabilization and adapting the property for contemporary use within the bounds of historic, architectural and cultural values. Up to 10% of the loan amount may be designated for one-time actions considered routine maintenance items, including painting. A structural assessment shall be required pursuant to Section 2 of City of Louisville City Council Resolution No. 2, Series 2012, before an applicant may apply for a loan.
Income Verification:	Income is established according to an average of the most recent two-year period. For individuals, income documentation will consist of 30-day paystubs and/or federal tax returns for the most recent 2-year period depending upon employment status. Income will exclude overtime, shift bonus, commission and bonuses that have not been earned consistently during the period. Legal entities must provide federal tax returns for the most recent 2-year period plus year-to-date financial statements. Guarantors must provide personal returns for the most recent 2-year period.
Collateral & Easement:	Grant of deed of trust in favor of the City for the full loan amount recorded upon the subject property. Additionally, a conservation easement (for non-landmarked property) will be recorded against the property, per Resolution No. 4, Series 2014, Section 2 (g).
Loan to Value:	Total of all existing liens plus proposed loan amount not to exceed 100% of market value as provided in the most recent available valuation by the Boulder County Assessor.
Loan Amount:	Owner-Occupied Residential: Minimum \$2,500 Commercial: Minimum \$2,500
Debt Ratio:	Owner-Occupied Residential: Total monthly contractual debt divided by monthly income shall not exceed 41%. Commercial: Net operating income divided by combined debt service shall not be less than 1.25.
Repayment:	Monthly payments of principal and interest to fully amortize the loan within the established term. Loan will become immediately due upon sale, transfer, refinance, or when a home is no longer occupied as the primary residence, and may provide for default and acceleration in the event of noncompliance with the conditions of the loan.
Term:	Owner-Occupied Residential: Loan amount ≤ \$10,000 maximum term 7 years; Loan amount > \$10,000 maximum term 20 years Commercial: Loan amount > \$10,000 maximum term 15 years The conservation easement required in connection with a loan for non-landmarked property may be divested only with City Council approval, and no divestment may be approved prior to 15 years after the granting of the easement.

4/27/2016

Loan Fees:	Owner-Occupied Residential:	$350 paid at time of loan closing
	Commercial:	$500 or 1.0% of loan amount, whichever is greater
	As amended from time-to-time according to the most recently published FP Loan Fee Schedule.	
	Public recording fees, shipping and credit reporting fees shall apply.	
Interest Rate:	Fixed rate equal to *Wall Street Journal Prime* as established at time of application.	

Origination Procedures

Project Review: Property owner(s) must first meet with designated City staff to present project scope, elements and budget ("project application"). Upon favorable review, the proposed project will be reviewed by the City Historic Preservation Commission for a recommendation to approve, reject or modify the proposed project. The Commission's recommendations regarding the proposed work and grant funding, if any, will be forwarded to City Council for final determination.

Application: Upon City Council approval of a project request, property owner(s) will complete and submit a loan application to Funding Partners (FP) for consideration of additional financial support. A credit determination and initial disclosures are typically issued within 48 hours, or less of receiving a complete application package. Any remaining documentation requirements will be detailed.

Processing: FP will verify detail submitted by the applicant, assemble additional documentation as necessary and confirm all loan terms with the applicant prior to loan closing.

Project Initiation: Upon notification of approval and acceptance of all loan terms, property owner(s) must enter into a formal agreement with the City which incorporates an approved project application, easement(s) and restrictions. With the completed agreement property owner(s) will be authorized to initiate proposed work. Only under the limited circumstances shown below will loan proceeds be made available prior to final completion of the project.

Closing: Property owner(s) and/or worker(s) will advise FP of the firm completion date at the earliest possibility. Upon completion to the satisfaction of the property owner(s), FP will deliver all loan documents to the borrower(s) and guarantor(s), as applicable, with a minimum review time of 3 business days prior to execution. Borrower(s) must arrange to have all signatures notarized on the security instrument and promptly return all original documents to FP via overnight courier. Loan documents will include a certification of completion and lien waiver affidavit signed by the borrower(s), project worker(s), and suppliers as applicable.

Disbursement: Provided all original documents have been received and owner-occupied residential borrower(s) have not exercised their right to cancel within 3 business days of the promissory note (rescission period), FP will disburse all proceeds of the loan. Unless otherwise approved prior to closing, proceeds will be delivered directly to worker(s) and/or supplier(s) by electronic clearing.

Exception: Loan amounts in excess of $50,000 may be eligible for incremental disbursements based upon progress thresholds determined prior to final completion. In such cases, loan closing will occur prior to commencement of project work.

Post Closing: An original deed of trust will be recorded with the Boulder County Clerk & Recorder to secure all program loans. The conservation easement required as a condition of funding (for non-landmarked properties) will be recorded with the Boulder County Clerk and Recorder. All original files will be retained by FP for servicing through the life of the loan. All payments, questions and requests related to a loan should be directed to FP, acting as agent for the City of Louisville.

Residential Fee Schedule

The following schedule reflects the one-time administration fee assessed for the underwriting and closing of third party loans. Fees are due and payable at time of loan settlement and may be paid by the borrower, program sponsor, or other party.

City of Boulder H2O®	$150
FP DPA	$200
Equity Share (non-amortizing)	$350
Amortizing Loans	$400
Primary Mortgage	$500
Primary Origination w/Escrow Servicing	$750
Non-Owner Occupied/Commercial Use[1]	1.0% or $500
Piggyback Loans[2]	$ 50
Subordinations & Modifications	$150

Client Paid Fees

Accounts Receivable (31+ days past due)	4.50% APR
Wire Convenience[3]	$ 25

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[1] Fee will be the greater of 1.0% of the original loan amount or $500.
[2] In the event borrower is extended multiple loan products for a single transaction, the higher scheduled fee will apply. Companion loan products will be assessed a nominal 'Piggyback' fee.
[3] Clients that elect to be invoiced for loan proceeds post-closing will be assessed a convenience fee.

H2O Down Payment Assistance Program® is a registered Service Mark of Funding Partners for Housing Solutions, Inc.