

Mille Lacs Band of Ojibwe

Home Renovation Loan Program

Purpose of this Program

- The purpose of this program is to provide an opportunity for Mille Lacs Band of Ojibwe Band Members to borrow money for home improvements. Through the use of this program, Band Members would be able to upgrade and enhance the appearance of their homes to order to maintain equity in the home and improve its quality. The sources of funding for this new program are Band dollars, grants and/or other funding sources.
- The Housing Department will offer a training program to Band Members who are interested in applying for this program.

Eligibility

- Must be an enrolled Band Member who has an ownership interest in a primary residence;
- Must live within the Service Area as defined by the Band;
- Can demonstrate the ability to repay the loan according to the Loan Repayment Schedule;
- Must provide a detailed description of the improvement plans e.g. estimate of repair or replacement, architectural drawings, schematic, etc., and
- The Band Member must allow the Housing Department to use their home as collateral for the loan.

Guidelines/Rules

- The maximum loan amount is \$35,000 per renovation at 2% interest.
- This Program may only be utilized once every five (5) years by a Band Member Homeowner and only upon complete satisfaction of any prior Home Renovation Loan.

Process

- An Application must be filled out with the Housing Department;
- At the same time, a detailed description of the improvement plans e.g. estimate of repair or replacement, architectural drawings, schematic, etc. must be turned in;
- Meet with the Loan Specialist to review the documents;

Process (continued)

- Upon receipt of the application, the Housing Department will verify the Band Member(s) credit, employment, homeowner's insurance, and mortgage information;
- Completed application is submitted to the Housing Board for action;
- The Band Member applicant is notified by the Housing Department of the action of the Housing Board;
- Meet with the Loan Specialist to sign the Loan Papers;
- Construction loan check will be made payable to the chosen contractor and disbursed by the band member;
- Once check is disbursed, the Band Member shall be responsible for oversight of the contractor to ensure that the renovation work is completed; and
- If requested by the Band Member, the Housing Department will supply a list of preferred contractors. It shall be the responsibility of the Band Member to investigate the contractor's references by asking for letters of recommendation or visiting the work site of completed jobs.

Waiting Lists

- The Renovation Program is contingent upon the availability of funding.
- If funds are not available to service an applicant for any reason whatsoever, the Band Member's application will be placed on a Renovation Waiting List.
- Date of application -- the first in time will be the first to be serviced when funding becomes available.
- If it has been more than one year since the date of application, the Loan Specialist will arrange to meet with the applicant to review the information and make any changes, if necessary.