



A Program of the  
County Commissioners  
Jimmy Dimora,  
Tim McCormack,  
Peter Lawson Jones and  
Cuyahoga County Treasurer  
James Rokakis and the  
Cleveland Restoration Society &  
the Preservation Resource Center  
of Northeastern Ohio.

**After Rehabilitation Loan (Option II):** The After-Rehab. Loan under the Heritage Home Program is an alternative to our conventional Equity Based Heritage Loan. It is useful in situations where a property has little equity invested into it or when the home is in poor condition and will be valued at significantly more when all improvements are complete. This type of loan is offered at the same terms as our Equity Based Loan (10 years at 3.5% fixed-interest rate) and follows the same minimum \$3,000 and maximum \$150,000 loan amounts. KeyBank will lend up to 90% LTV (i.e. 90% of after-rehab value minus your mortgage) with this type of loan.

- To consider this type of loan, the improvements to the property must be significant – major kitchen and bathroom remodeling, building addition, etc. Items such as exterior painting, electrical upgrades, roof replacement, driveway replacement, etc are seen as ‘maintenance’ by the lender and will not qualify.
- After you apply for an After-Rehab. Loan, an appraisal will be necessary in order to determine the property’s value after the renovations have been completed. You will need to show the appraiser your bids for materials, cabinetry, fixtures, etc. so that they can make an accurate forecast of the home’s future value. Only CRS’ private after-rehab appraiser will be used to determine value.
- KeyBank, will loan on up to 90% of the determined after-rehab value. Because the bank wants to be sure that the after-rehab value is achieved for the home, all loan proceeds will be escrowed through a third party escrow agency.
- Loan proceeds will be issued to the escrow agency once you sign the loan papers. Heritage Home Program staff will inspect the work and have you sign off on work as it is sequentially completed. Escrow will then release funds to the appropriate contractors through the completion of your renovation.
- Fees are financed through the Heritage Loan and are administered before the loan proceeds are released from the bank. Please compare the two loan types below:

**Equity Based Heritage Loan**

\$99 Bank fee

2% Technical Assistance fee

Possible \$275-325 appraisal fee (If deemed necessary by KeyBank)

**After-Rehab Heritage Loan**

\$99 Bank Fee

2% Technical Assistance fee

\$275-325 Appraisal fee

\$500 Escrowing fee