

## Appendix 2 – Proposed WG Property Improvement Loan Scheme parameters

Maximum Loan Charge	A one off administration fee of up to 15 per cent e.g. a £10,000 loan would incur a fee of £1,500 on top of the amount borrowed.
Minimum and Maximum Loan value	£1,000 up to £25,000
Maximum loan funding per applicant	Up to £150,000
Improvement required	Warm, Safe or Secure.
Loans can be used to improve a property to/for:	<ul style="list-style-type: none"> <li>• Continued ownership</li> <li>• Sell</li> <li>• Rent</li> </ul>
Loan criteria for PRS only	<ul style="list-style-type: none"> <li>• Must be free of category 1 hazards.</li> </ul>
Maximum loan Period	Up to 5 years for Private Landlords and 10 years for Owner Occupiers.
Repayment Terms for loans	Choice of staged repayments or full repayment at end of loan term.
Repayment Terms for LA's	WG to agree a repayment schedule with each LA in years 13-15.
Eligible Applicants	<p>Owners of sub standard homes e.g. landlords, owner occupiers who pass affordability checks.</p> <p>Applicant must not:</p> <ul style="list-style-type: none"> <li>• Have adverse credit, hold a CCJ or be bankrupt</li> </ul>
Eligible Applicant could supply – to be discussed further.	<ul style="list-style-type: none"> <li>• Individuals – last 3 months pay slips,</li> <li>• Charities – last 3 years financial accounts,</li> <li>• Companies/businesses – last 3 years accounts;</li> </ul>
Risk Mitigation Measures	A mix of more than two of the following: loan to value ratio, second property charges, local land charges, staged repayments or other possible risk mitigating measures that can be agreed with WG

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Grant funding	<ul style="list-style-type: none"><li>• Other funding options such as Arbed must be explained to the applicant.</li><li>• Other funding options can be used in conjunction with the loan as long as they are funding separate works.</li></ul>
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