



EPIC Loan Program

- Eligible Borrowers:** Applicants who own residential property located in Fort Collins that is to be improved by the loan and are current City of Fort Collins electric utility customers (for qualified energy efficiency and renewable energy improvements) or water utility customers (for qualified water improvements). For energy efficiency and renewable energy improvements, customers must have scheduled or received an Efficiency Works **Home Energy Audit**. Eligibility of Utility customers to participate is based on utility bill payment history and/or credit scores pursuant to other criteria and procedures adopted in administrative rules and regulations adopted by the City of Fort Collins Chief Financial Officer. All applicants claiming ownership interest in the subject property provide a valid federal tax identification number. Further eligibility defined within a classification table shown below on page three.
- Loan Amount:** Minimum loan amount is \$1,000; Maximum loan is \$50,000 (per utility premise). Loans can be up to 100% of eligible project costs within loan limits stated above.
- Rebates:** Efficiency Works Home program rebates are processed and distributed separately from the **“EPIC”** loan.
- Property Type:** Eligible properties are detached single family dwellings, duplexes and attached townhomes (A single-family dwelling unit constructed in a group of three or more attached units in which each unit extends from the foundation to roof and with open space on at least two sides). **Multistorey condominium properties are not eligible.** Residential rental properties are eligible with loan application from the owner of record. Loans issued for improvement to a non-owner occupied property must have at least one metered service in the owner’s name. Example: If all utilities services are in the tenants name, the owner will need to visit the customer service representatives at the Utilities Administration Building, 222 West LaPorte, Fort Collins, to have one metered service (water or electric service) become active in their name. The monthly loan payment will appear on the owner’s active utility account. The loan cannot be originated until owner can provide active account number to Impact Development Fund and utilities Billing Group checks the owner’s bill payment history.
- Collateral:** Loans will be secured by UCC Financing Statement filed through the Larimer County. Electric service may be discontinued for nonpayment of past-due accounts directly or indirectly related to the provision of electric service, in which event written notice shall be given in accordance with Section 26-713 of the Fort Collins Municipal Code and any Council-approved service rules and regulations.
- Interest Rate:**
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| Tier I: | 3- and 5-year terms: | 5.25% interest |
| Tier II: | 7- and 10-year terms: | 5.55% interest |
| Tier III: | 15- year term: | 5.95% interest |
- APR range 3.275% to 18.341%.
Interest rates are subject to change up until closing of the loan with 30 days notice.
- Repayment:** Monthly payment of principal and interest will be collected by the City of Fort Collins Utility Billing Office as a line item on the borrower’s City of Fort Collins monthly utility bill. Any additional payment amount cannot be made against just the loan principal, or re-amortize the loan. All payments made exceeding the utility account balance are applied to all services equally as a credit.
- Term:** Loan amounts of \$1,000 to \$50,000 are available; and are fully amortizing, with all outstanding principal, interest and other sums due at maturity. **Loan term is limited to the service life of the improvement.** Borrower may choose a shorter term if they so choose.

- Loan Payoff: Loans will be paid in full and released after receipt of all principal and interest. Loans can be repaid in full, at any time, without penalty. Repayment of the program loan in the event of subsequent financing will be considered on a case-by-case basis.
- Use of Funds: Permitted capital improvement projects shall enhance the health, safety, and energy or water efficiency of the home, including installation of renewable energy systems as allowed by the City of Fort Collins Utilities Program administrator. A list of qualifying energy improvements and the rebates available can be found by accessing the links on the Home Efficiency Loan Program web page: <https://www.fcgov.com/utilities/residential/consERVE/financing/rental-property-single-family>
- Loan Fees: A one-time nonrefundable credit report fee in the amount of \$49.90 for a single applicant or \$98.80 for a joint application shall be due and payable to Impact Development Fund (IDF) upon submittal of all City of Fort Collins Utilities EPIC loan applications. An additional \$200.00 origination fee is due to IDF at time of loan settlement. Customer may choose to pay the origination fee at closing or add the amount to the loan principal (not to exceed the loan maximum). Public recording fees are the responsibility of the borrower and assessed at the time of loan settlement.

Origination Procedures

- Application: Impact Development Fund “IDF” will receive completed residential loan applications from applicants through the IDF website: www.impactdf.org, signed Authorization to Release Information and supporting documentation. A credit report and processing fee of \$49.90 for a single applicant or \$98.80 for a joint application be due IDF at time of application and paid by applicant on IDF website.
- Processing: IDF will order third party verifications including credit report(s), and the City of Fort Collins Utilities bill payment history. Under normal circumstances and if IDF has received all required information, an applicant can expect receipt of information about whether the applicant is eligible to receive a loan within 24 hours or one-business day. Confirmation of credit determination, loan terms and remaining documentation requirements, as applicable, will be delivered in electronic format to the applicant for review and acceptance.
- Pre-Settlement: IDF will prepare loan closing documents that shall include a Lien Waiver & Completion of Work Affidavit wherein the borrower must acknowledge the amount paid to the project contractor upon loan settlement. The project contractor is required to acknowledge that all work is, or will be, completed according to the Fort Collins Utilities program standards and in a good and workman like fashion within the agreed-upon timeframe. The project contractor is required to 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.
- Fees Collected: Origination, public recording and other third party fees shall be assessed and included in the total loan amount.
- Settlement: IDF will present all loan documents to borrower at the time of loan settlement.
- Funding: Upon receipt and acceptance of completed and signed Lien Waiver & Completion of Work Affidavit and Efficiency Works Home Rebate Application forms from the project contractor(s) and, if applicable, subcontractors, IDF shall release loan proceeds directly to project contractor(s) upon confirmation that all work is complete. Dependent upon the scope of the proposed project, IDF will disburse funds to all applicable contractors and will disburse payment directly to the borrower for any deposits the borrower has paid to the contractor upon receipt of a paid receipt. Execution of a lien waiver affidavit is required from all applicable contractors prior to each distribution of loan proceeds.
- Post-Closing: IDF shall retain all original documents, permanent loan file, UCC filings, and prepare release of collateral obligations upon final satisfaction of the Note. Copies of all executed loan documents will be provided to City of Fort Collins after loan settlement.

Loan Qualifications: *In order to obtain a loan from Impact Development Fund under the City of Fort Collins EPIC Program applicants must meet the following requirements:*

Utility Bill History	6 months timely payments <i>(if available, reviewed by Ft. Collins Utility Staff)</i>
Minimum FICO	640
Bankruptcy, Foreclosure, Repossession	None in the last 5 years
Unpaid Collection Accounts, Judgments, Tax Liens	No more than \$2,500