



# LendKey

The way to conduct  
your digital lending



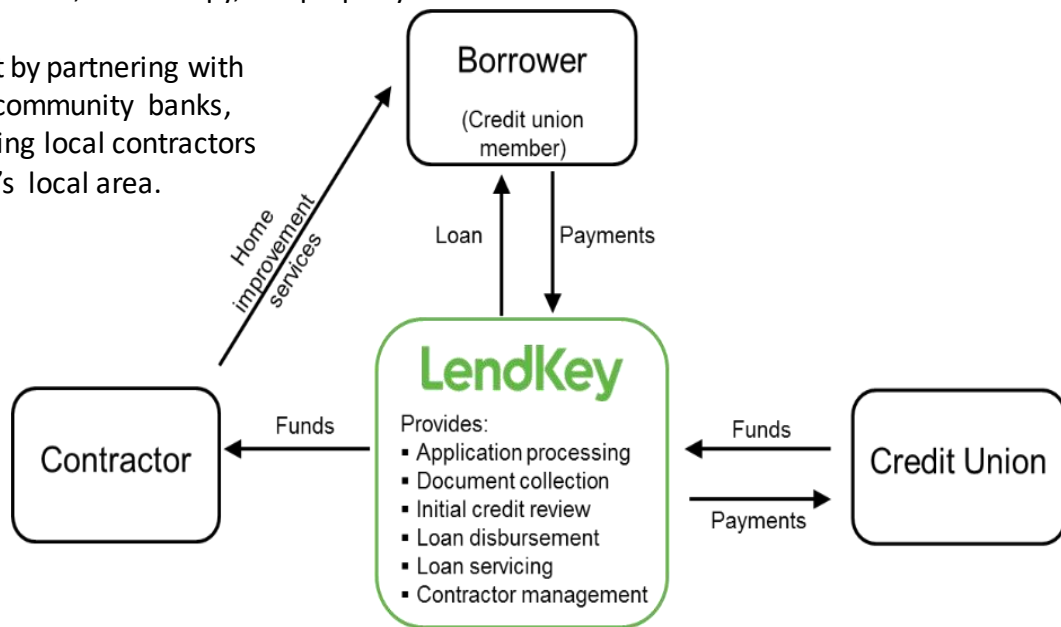
# Home Improvement Loans



# Home Improvement Loans

The Home Improvement Loan is available to Borrowers who will be using the proceeds to improve their primary residence. All Borrowers must have an ownership interest in, and occupy, the property.

LendKey will assist by partnering with credit unions and community banks, while also supporting local contractors in the homeowner's local area.



# Home Improvement Loans

## Eligibility

**To be eligible for a loan, the borrower/co-borrower must meet the following requirements:**

- Own the property and maintain primary residence
- A member of the originating Lender
- A U.S. citizen or permanent resident
- Meet the credit and underwriting criteria
- Be the age of majority, as determined by individual state requirements for the primary Borrower's permanent residence, at the time of the loan application.
- The property must be a single-family detached home or a townhouse.

### **What types of home improvements are eligible?**

- LendKey home improvement loan can be used for most home improvement upgrades so long as the contractor performing the work has been onboarded by us.
  - **Exclusions includes** landscaping, above ground pool, separate property structure not on a foundation (pole barn). We do not allow disbursements to sub-contractors.

# Homeowner Credit / Income Requirements

Check Custom underwriting for most up to date requirements [Custom Underwriting Link](#)

HIL	Home Improvement Loans			Home Improvement Loans		
	LYON ONLY PROGRAM			LIVE		
STATUS	LIVE			LIVE		
Open Field Lenders	Agriculture Federal Credit Union Center Federal Credit Union Interior Federal Credit Union Experian FICO v8			Agriculture Federal Credit Union Center Federal Credit Union Interior Federal Credit Union Experian FICO v8		
Excluded Items	Not eligible: Above ground pools & hot tubs (In ground pools & hot tubs are OK) Not eligible: Landscaping Not eligible: Barms are OK			Not eligible: Above ground pools & hot tubs (In ground pools & hot tubs are OK) Not eligible: Landscaping Not eligible: Barms are OK		
Program Details	Program ID	URL	Reserve	Program ID	URL	Reserve
URL	1830	<a href="http://homeimprovement-apply.lendkey.com/">http://homeimprovement-apply.lendkey.com/</a>	10%	1831	<a href="http://homeimprovement-emerald.lendkey.com/">http://homeimprovement-emerald.lendkey.com/</a>	10%
BORROWING LIMITS						
Minimum Loan Amount	\$5,000.00			\$5,000.00		
Maximum Loan Amount (FICO 650 - 699)	\$40,000.00			\$40,000.00		
Maximum Loan Amount (FICO 700 - 749)	\$75,000.00			\$75,000.00		
Maximum Loan Amount (FICO 750+)	\$125,000.00			\$125,000.00		
LOAN INSURANCE UNDERWRITING						
Insurance	Yes			Yes		
BORROWER ALONE						
Minimum credit score	660			660		
Minimum count of open trades	N/A			N/A		
Minimum age in months of oldest trade	N/A			N/A		
Maximum count of mortgage delinquency in last 24 months	0			0		
Maximum amount of judgments, repossessions, or charge offs in the last 60 months	0			0		
Maximum amount of cumulative collections (Up to \$500 medical collections allowed)	\$500			\$500		
Maximum count of foreclosures or short sales	0			0		
Maximum count of bankruptcies	0			0		
Maximum DTI (secured and unsecured) FICO 700+	55%			55%		
Maximum DTI (secured and unsecured) FICO 660-699	45%			45%		
Multiple by which loan amount can not exceed borrower's gross monthly income	N/A			N/A		
DTI (unsecured only)	N/A			N/A		
Minimum Annual Income	\$1,200.00			\$1,200.00		

# Home Improvement Loans

## Borrower & Co-Signer required documents

### **Government Issued ID**

- Driver's License
- Passport
- Permanent Resident Card

### **Proof of Income**

- Pay Stubs
- W2's Tax Forms
- 1040's with appropriate Schedules
- 1099-R
- Benefit Award Letter

### **Contractor Documents**

#### **Contractor Contract**

- Date of contract
- Must contain the scope of the project, including the total cost.
- Borrower/co-borrower's information; including name, property address (must reside there), phone number.
- Signatures from both applicants.

# Verification of Proof of Primary Residency

Loan Analyst will first verify proof of primary residency through ID or proof of income documents.

- If not able to verify Loan Analyst will attempt to pull information via Data Tree or the County website/Auditor.

If primary residency documentation is needed. The borrower can provide one of the following:

- Utility Bill
- Other Bill or Bank Statement
- Mortgage Statement ( As last resort)

**Please note** - The additional documents to verify primary residency can be uploaded/classified under Gov. Issued ID.

# Home Improvement Loans

## Loan amount , Rates & Terms.

Loan Amount	
Minimum Loan Amount	\$5,000.00
Maximum Loan Amount (FICO 660 - 699)	\$40,000.00
Maximum Loan Amount (FICO 700 - 749)	\$75,000.00
Maximum Loan Amount (FICO 750+)	\$125,000.00
Loan Term	
FICO 660-699	3, 5, 7, 10-year term
FICO 700-719	3, 5, 7, 10, 15-year term
FICO 720+	3, 5, 7, 10, 15, 20-year term



# Stages of a Home Improvement Loan



During the origination process, the loan will move through 8 stages:

- Applying
  - Reviewing
  - Gathering
  - Approving
  - Signing
  - In Progress
  - Disbursing
  - Fulfillment

The next several slides will take you through each stage of the application process.

# How to apply : There are two channels the borrower can apply through:

Contractors and affiliates drive the entirety of the LendKey HIL volume. LendKey does not market this program to customers directly, so we rely on contractors and affiliates to send us volume. They are our partners, similar to lenders, and the HIL team is focused on contractor and affiliate partner experience.

**Contractor Landing Page:** An individual or multi location home improvement company who partners with LendKey to offer their customers financing. Contractors use financing to help sell home improvement projects to their customers.

**Affiliate:** A company that works with a network of contractors to help the contractors' customers find financing for their projects.

# Understanding affiliates - Financing Marketplaces:

## **Financing Marketplaces:**

Offer their network of contractors a financing tool to prequalify their customers and match them with the appropriate financing.

- Typically, this is done via a soft pull feature, similar to LendKey's Student Loan Refinancing soft pull feature.
- The soft pull, which lives on the affiliate's website, may present LendKey offers to a customer. If the customer selects the LendKey offer, they are prompted to complete the full LendKey application, directly from the affiliate's website.

## **Current HIL Affiliate Marketplaces:**

- Custom Finance Solutions
- Casa Finance

# Understanding affiliates - Finance Managers/Loan Brokers:

## **Finance Managers/Loan Brokers:**

Their network of contractors refer their customers to the affiliate for financing. The affiliate prequalifies the customer to match them with financing and often helps with the entire application process.

- They are very well trained on the LendKey program and help to educate the applicant on the application process.

## **Current HIL Affiliate Finance Managers/Loan Brokers:**

- Viking Capital – submits application on behalf of the borrower
- Lyon Financial – submits application on behalf of the borrower and acts as the project manager throughout the application and construction phases.
- HiVol - Refers the customer and may assist with their application questions.
- Paramount Financial - Refers the customer and may assist with their application questions.

# Lyon Financial

## **Who is Lyon Financial?**

Lyon Financial is not a lender, but partners with lenders and financial institutions to help guide homeowners to the financing that best first their needs. Over the years, Lyon has also established a relationship with a network of 6,000 contractors who rely on Lyon to assist their customers with the financing process, so they don't have to.

## ***What does Lyon Financial do for the customer?***

- With the applicant's consent, Lyon will perform a soft credit pull via Equifax to get a better understand the applicant's credit situation.
- Based on the customer's credit and need for financing, Lyon consults with the customer on their best options based on their qualification.
- The customer has may rely on Lyon throughout the process for updates on the application process, or they may work directly with LendKey. The customer may even to choose to work with both organizations during the process.
- Lyon has access to an exclusive rate with LendKey 4.99%.

# Lyon Financial

## What does the application process look like?

- Lyon is pre-qualifying customers based on LendKey's underwriting criteria.
- Lyon submits the application on behalf of the applicant.
- Lyon will always be listed as the contractor.
- Upon submission, Lyon will instruct the applicant how to log in and reset their password.
- Lyon will give the applicant a high-level overview of the next steps (Gathering phase)
- The applicant will upload their own documentation and complete the other Gathering phase required actions.
- Lyon applicants will be contacting the LendKey CSR team if they have questions about the application process.

# Lyon Financial

Lyon team members will not contact the LendKey customer care team. These communications (between Lyon & LendKey) will be filtering through Jake Griffin.

- Lyon will upload the signed contract after the loan has been fully approved by the lender.
- Lyon will be managing the construction progress between the applicant and the contractor from start to finish.
- When we verify contracts, the contractor's name on the contract will not match the contractor's name on the application.
- Lyon will submit disbursement requests and we will fund Lyon directly.

# Lyon Financial

## **Fees charged by Lyon Financial**

Lyon charges applicants a \$750 fee for acting as a project manager. LendKey will not discuss this fee with the applicant. These inquiries should be directed to their contact at Lyon Financial.

**Internal Information Only:** This fee is for helping with the application, and ensuring project completed to applicant & contractor satisfaction. Lyon will also step in if the contractor abandons the project or does poor work and they will complete the project out of their own project, if necessary.

**Scripting:** *I apologize, but LendKey is unable to assist with this question. Please contact your Lyon Financial representative for more information related to the fee.*

## **Contractor & Rates/Terms Complaints**

If a Lyon applicant submits a complaint about their contractor, we should take the following actions:

1. Direct the borrower to contact their Lyon Financial representative.
2. Submit a Continuity complaint outlining the provided details.
3. Submit a Zendesk ticket to notify Jake Griffin of the complaint.



## Home Improvement Loans

Finance your home improvements with a loan from  
LendKey's network of community lenders. <sup>1</sup>

**Fixed Rate**

as low as 6.49% APR  
(with autopay <sup>2</sup>)

**APPLY NOW**

Powered by **LendKey**

# Stages of a Home Improvement Loan Applying

During this stage of the application, the borrower will complete the online application process.

- This link is provided to the homeowner by the contractor.
- During this process, the borrower will be able to confirm they meet the eligibility requirements.

The borrower will indicate if they wish to apply with or without a co-borrower, the type of housing they occupy, rent/pay status, and other general information during this stage.

If the borrower adds a co-borrower, the co-borrower will receive an email invitation to complete their portion of the application. The application will remain in the applying stage until the co-borrower completes their portion.

## See if you're eligible

### Step 1 of 2

(Approximately 1 - 2 minutes to complete)

To qualify for this loan you must:

- Be a U.S. citizen or permanent resident
- Prove ownership of the property where the improvements are to be made and certify this is your primary residence
- Provide proof of income and government issued ID

\* What is the type of property where you plan to make the improvements?

- ☐ Single-family home
- ☐ Townhouse

\* Do you own or rent?

- ☐ Own
- ☐ Rent

\* Is the property where you are planning improvements your primary residence?

- ☐ Yes
- ☐ No

### U.S. Citizenship

You may be asked to provide proof of U.S. citizenship to be eligible for this loan.

\* Citizenship Status

### Need H

Call Toll-Free  
**866-840-1111**  
Monday to Fri  
8:00 PM ET  
Email: [custom@lendkey.com](#)

### APPLY! BORROWER

If you've been  
co-borrower,  
get started!

BEGIN

# Stages of a Home Improvement Loan Reviewing

Three (3) possible outcomes of the reviewing stage:

- Borrower passes and loan is conditionally approved.
  - 95% of approvals are instantaneous
- Borrower does not pass, and the loan is scheduled for decline.
  - In this case, the loan will remain in reviewing until declined; this typically takes place the same or next business day.
- Loan is in reviewing because additional information is needed, or further manual review is required.
  - In this stage, a Loan Analyst may need to review the loan to determine the appropriate next steps. The loan may also be scheduled for decline in this stage.

## Loan Analyst Actions

- May need to confirm the borrower's (or co-borrower's) personal information
- SSN Disparity
- Review the Debt to Income (DTI) ratio

## Borrower or Co-borrower's Actions

- May need to make contact based on possible loan alert added by the Loan Analyst.

# Stages of a Home Improvement Loan

## Reviewing

### Counter Offers

At times, the borrower may not qualify for the full maximum amount of the requested loan. In these cases, the loan analyst may issue a counteroffer to see if we are still able to qualify the borrower for a lesser amount.

There are generally two reasons for a counteroffer:

- If the borrower doesn't meet the 700 FICO score, but meets the DTI requirements, we will generate a counteroffer for \$40,000.
- If the loan amounts places the borrower just outside of the DTI threshold, we will attempt to lower the total loan amount to lessen the borrower's DTI ratio.

# Stages of a Home Improvement Loan Gathering

During the gathering stage, the borrower (and co-borrower, if applicable) will complete the following actions:

1. Verify Identity
2. Upload Documents
3. Membership Agreement
4. Setup Payment Options

**GATHERING**

Congratulations Colby, your loan application is conditionally approved! borrower and/or co-borrower has

Before work can begin on your property, you must receive final approval and sign the loan agreement with federal Truth-In-Lending disclosures. Below are the steps you'll need to take before we can issue final approval. are fully approved

During this phase, the borrower and/or

Please be advised that we will have to re-pull your credit report if the requested documentation is not uploaded within 90 days of submitting your loan application. borrower circumstance

Next Steps:

1

**Verify Identity**

Help us protect your personal identity.

**Verify Identity**

2

**Upload Documents**

You can scan or fax these documents directly into the system. Note that scanned documents are only accepted in read-only formats (i.e., PDF, JPG, or PNG).

**Upload Documents**

3

**Membership Agreement**

Before your loan can be fully approved, you'll need to become a member of Interior Federal Credit Union by completing a brief membership application.

**Become A Member**

4

**Setup Payment Options**

Link and verify the checking account you wish to use for automatic monthly payments. Enjoy a 0.25% interest rate reduction when you select this payment method.

**Link An Account**

[I no longer want to move forward with my application.](#)

# Stages of a Home Improvement Loan Gathering

## Confirm Identity

- Questions will be presented to the borrower from IDology, which is public record information.
- The borrower (and cosigner, if applicable) will be presented four questions.
- They must answer 3 of the 4 questions correctly. If one is missed, a challenge question (5<sup>th</sup> question) will be presented.
- The borrower will have 5 minutes to answer the questions presented before the questions will time out.

What You'll Need

Determine Eligibility

Provide Information

Loan Status

ID Verification Questions

TIME REMAINING:  
4Minutes 55Seconds

Please answer the following questions to confirm your identity.

How long have you been associated with the property at 1465 14TH AVE?  
☐ Less than 2 years  
☐ 2 - 3 years  
☐ 3 - 4 years  
☐ 4 - 5 years  
☐ Over 5 years  
☐ None of the above

Which highway was closest to your address on EAST AVE?  
☐ I-95  
☐ I-190  
☐ I-790  
☐ I-78  
☐ I-90

Between 1984 and 1986, in which State did you live?  
☐ NEW YORK  
☐ MONTANA  
☐ VIRGINIA  
☐ TEXAS  
☐ None of the above

Which of the following phone numbers is related to you?  
☐ (585) 392-4347  
☐ (585) 392-5271  
☐ (585) 392-6618  
☐ (585) 392-2563  
☐ None of the above

Save

# Stages of a Home Improvement Loan Gathering

## Becoming A Member

If the borrower is not an existing member of a credit union, they will need to become a member of the originating credit union.

- This is completed during the gathering process.
- The Credit Union Membership Application will be dynamic to the originating credit union.
  - The borrower will select how they are eligible to join the credit union
  - The borrower will complete certification information
    - Backup withholding
    - Citizenship
  - The borrower will enter additional personal information

### Credit Union Membership Application

Welcome to XCEL Federal Credit Union ("Credit Union"). We need to have certain information from you to open up a share account (a savings account for you). Every member has to have a share account, which requires an initial \$5.00 deposit. Please note that if you are approved for the loan, this amount will be billed to you by the loan servicer on your first invoice after the loan is disbursed. Your initial payment will first be applied to the \$5.00 share account deposit, followed by any fees, interest, and principal.

#### Membership Eligibility

Membership is available to employees of our Select Employer Groups (SEGs) or through immediate family or household members of XCEL FCU, if you do not meet these requirements, you may still be eligible to join through our partner association, the American Consumer Council (ACC).

Please select how you are eligible to join our Credit Union.  
Choose One:

☐ American Consumer Council

*(Membership Terms & Conditions)*  
By checking this box, I agree to become a member of American Consumer Council through "XCEL Federal Credit Union". There is no fee for American Consumer Council membership other than XCEL Federal Credit Union's share account. My basic contact information will be provided to ACC to establish my membership with their organization. For more information about the ACC, visit <http://americonconsumer.org>

☐ Employee of Select Employer Group

This option is only available if your employer is associated with XCEL FCU

☐ Family Membership

This option is only available if an immediate family member is a member of XCEL FCU

XCEL Federal Credit Union  
1401 Broad Street  
Bloomfield, NJ 07003  
800-648-6005

#### Important Information

Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account to help the government fight the funding of terrorism and money laundering activities. When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your Government issued photo identification, driver's license or other identifying documents. By submitting this application, you authorize the Credit Union to obtain information necessary to verify your identity. This may include information obtained from consumer reporting agencies, public databases, or other sources. If the Credit Union is unable to verify information you provide, an account may not be opened. The Credit Union reserves the right to close your account if it determines at a later date that it does not know your true identity.

#### TIN Certification and Backup Withholding Information

Under penalty of perjury, I certify that:  
The number shown on this form is my correct taxpayer identification number.  
The FATCA codes entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

#### Certification Instructions:

In the first item below, please select "yes" to "I am subject to backup withholding" if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. In the second item below, you will be asked to complete a V-9 BSA if you are not a U.S. Person.

#### Please select one:

☐ I am subject to backup withholding

☐ Yes

☐ No

☐ I am a U.S. citizen (including a U.S. resident alien)

☐ Yes

☐ No

Exempt payee code (if any):

Exempt from FATCA reporting code (if any):

Primary Account Owner Information

# Stages of a Home Improvement Loan

## Gathering

### Link A Checking Account

- The borrower will have the opportunity to select to pay by ACH (automatic monthly payments) or by check.

The top screenshot shows the 'Choose Payment Method' screen. It has a sidebar with 'Get Started', 'Submit Application', and 'Review Offer'. The main content area has a 'go back' link, a title 'Choose Payment Method', and a sub-header 'Please select your payment method. (Your choice won't affect the chances of your loan being approved.)'. There are two options: 'Set Up Automatic Payments' (highlighted in green) and 'Pay by Check'. The bottom screenshot shows the 'Add New Bank Account' screen. It has a sidebar with 'Get Started', 'Submit Application', and 'Review Offer'. The main content area has a title 'Add New Bank Account' and a sub-header 'Please complete all fields below'. It contains several input fields: 'Account Holder First Name', 'Account Holder Last Name', 'Account Nickname', 'Institution Name', 'Account Number', 'Account Number Confirmation', 'Account Type' (a dropdown menu), and 'Routing Number'. There is also a note at the bottom: 'Note: Please check with your financial institution to be sure your account allows for ACH withdrawals. Many savings accounts aren't compatible with the automatic debit process.' and a small image of a check at the bottom.

**PLEASE NOTE-** HIL currently doesn't offer a rate discount for ACH payments.



# Stages of a Home Improvement Loan

## Gathering

### Upload Documents

First, the borrower will be advised to provide information related to their Government Issued ID.

After uploading the Government Issued ID, they will be presented with the sections to upload additional documents, such as; Proof of Income.

### Provide ID Information

#### Government Issued Photo Identification

We need a government issued ID (driver's license or passport) to help confirm your identity. **Please do not provide a military ID;** we are unable to accept this type of document. If you are a permanent resident, you must provide your permanent resident card.

\* State

\* ID Number

\* Expiration Date

\* Issue Date

Once you submit your identification details, we'll ask you to provide some of the following:

- A copy of your driver's license, passport or permanent resident card
- Proof of income (usually your last two pay stubs)

Submit

# Stages of a Home Improvement Loan

## Gathering

During the Gathering stage, the borrower (and co-borrower, if applicable) will upload all necessary documentation for the loan review process. The following documents will be required:

- Government Issued ID
  - Proof of Income
  - Identity Verification
- 
- During the Gathering stage, the **Loan Analyst** will review the above referenced items to determine if the documentation is acceptable. If so, the Loan Analyst will approve the documents. If not, the Loan Analyst will decline the documentation and send an email via the loan Jacket.
  - A Loan Specialist will reach out to the borrower (or co-borrower) to advise of the additional documentation required to continue the review process.

# Stages of a Home Improvement Loan Gathering

## Acceptable Income Documents

### **Government Issued ID**

- Driver's License
- Passport
- Permanent Resident Card
- Must include the following information:
  - ✓ Serial Number
  - ✓ Issue Date
  - ✓ Expiration Date
  - ✓ Date of Birth

### **Proof of Income**

- Pay Stubs
- W-2 Tax Forms
- 1040s with appropriate schedules
- 1099-R
- Benefit Award Letter

# Stages of a Home Improvement Loan

## Gathering – Loan Terms

Unlike other products, the borrower will be presented the available loan terms once the income documents are approved.

Once the borrower selects the loan term, they **WILL NOT** have the opportunity to select a new loan term.

If borrower wants to decrease the amount of time to repay the loan, we should advise they can always pay an additional amount towards their loan, which will allow them to pay off the loan prior to maturity.

- There is no prepayment penalty.

# Stages of a Home Improvement Loan

## Gathering - Contract

Contractor must upload a copy of the contractor contract prior to the loan agreement being presented to the borrower and co-borrower.

The contract must contain the following information:

1. Scope of the project, which must include the total cost of the project.
2. Borrower/co-borrower's information
  - Name
  - Address (must be property address)
  - Phone number
3. Signatures
  - Borrower/co-borrower
  - Contractor

43+ Years and Counting!  
SPECIFICATION SHEET/CONTRACT

KERRY MARTIN POOL BUILDERS, INC.  
9740 San Jose Boulevard  
Jacksonville, Florida 32257  
1-904-262-2384  
mrtpool@bellsouth.net  
JACKSONVILLEPOOLCONTRACTORS.COM

**MARTIN**  
POOL & SPA

Certified Commercial Pool/Spa Contractor  
CPC No. 053901  
This contract made of this date of acceptance by "Contractor" and herein termed "Owner".

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
JOB ADDRESS \_\_\_\_\_  
BUSINESS FIRM \_\_\_\_\_  
PRIVATE ☒ COMMERCIAL ☐ LOT \_\_\_\_\_ BLK \_\_\_\_\_

POOL SIZE  
12'-varied  
39'-varied  
3'-6" to 5'  
CUSTOM

CONTRACT DATE 4/06/2022  
SALESMAN Michelle Schwandt  
Quote # 43

POOL SIZE  
12'-varied  
39'-varied  
3'-6" to 5'  
CUSTOM

POLE SIZE  
12'-varied  
39'-varied  
3'-6" to 5'  
CUSTOM

ALL ITEMS COVERED IN CONTRACT INDICATED WITH 'X' ☐ - ITEMS NOT COVERED, LEAVE BLANK ☐

1. APPROVED PLANS AND PERMITS	1. FILTER Sta-Rite
2. EXCAVATION - Layout and establish approximate elevation for owner approval.	2. PUMP Sta-Rite vs
Fence removal or replacement <input type="checkbox"/> Trackhoe <input checked="" type="checkbox"/> Bobcat <input checked="" type="checkbox"/>	3. HEATER
Tree removal <input type="checkbox"/> Stump removal <input type="checkbox"/>	4. SALT GEN Included
Existing concrete or other building removal <input type="checkbox"/>	5. HAND RAIL
Other: _____	6. MAIN DRAIN 3" channel drain
7. POOL PLUMBING - NON-CORROSIVE	7. RETURNS 2
Vacuum to waste <input type="checkbox"/> 4" 40 PVC Pipe <input checked="" type="checkbox"/>	8. SKIMMER LED X color
Backwash 50' to YARD	9. LIGHT
Other: _____	10. FOOTING FOR SCREEN 65'
4. STEEL REINFORCED AS PER PERMITTED PLANS - 7 IRONS	11. POOL SCREEN ENCLOSURE 3 doors
5. STRUCTURAL CONCRETE	12. CH LD SAFETY FENCE
Steps <input checked="" type="checkbox"/> Love seat <input type="checkbox"/> Swimout <input type="checkbox"/> Sun shelf <input type="checkbox"/> Waste shelf <input type="checkbox"/>	13. TIME CLOCK 8 VS Amp
Pump from street <input type="checkbox"/>	14. CHLORINATOR Salt
Other: 2 - Swimouts	15. HYDRO-RELIEF VALVE
6. TILE	16. MAINTENANCE KIT-TEST
Cartilever <input type="checkbox"/> Bultose <input checked="" type="checkbox"/> Mosaic <input checked="" type="checkbox"/> Color Choice From Showroom	17. LEAF RAKE, WALL BRUSH
Safety Anchors <input type="checkbox"/> Coping <input checked="" type="checkbox"/> Steps <input checked="" type="checkbox"/> - Brick	18. POLE
FL Falls <input type="checkbox"/> 6" Riser <input type="checkbox"/> 9" Riser <input type="checkbox"/>	19. VACUUM HOSE
Other: _____	20. AUTO CLEANER Included
7. DECK Footage Total	21. OTHER 1 - Bobcat (no light)
Acrylic Deck <input type="checkbox"/> Color _____	22. OTHER
Existing Patio <input type="checkbox"/> Footage _____	23. OTHER
Pump from road <input type="checkbox"/> 3000 PSI w/bermesh <input type="checkbox"/>	24. SPA
Additional Decking at \$ _____ if done same time.	1. JETS No
All concrete pool decks can and will crack.	2. LIGHT
8. INTERIOR FINISH	3. SPA FEMOTE
Pebble Finish <input type="checkbox"/> Other: Standard Selection	4. AIR BLOWER
9. ELECTRICAL Hookup to existing panel if subpanel is required.	5. FOUNTAIN
There will be an additional charge.	6. MAIN DRAIN
	7. ELEVATION
	8. HEATER
	9. TILE SPILL OVER

PAYMENT SCHEDULE: \$89,985.00  
CONTRACT AMOUNT  
10% DOWN PAYMENT

# Stages of a Home Improvement Loan

## Gathering - Contract

When reviewing the contractor contract, we will adjust the loan amount based on the information provided in the contract.

- If the project amount listed on the contract is **Lower Than** the requested loan amount, we will reduce the total amount of the loan.
- If the project amount listed on the contract is **Higher Than** the requested loan amount, we will reach out to the borrower to determine the exact loan amount that is being requested.
  - The requested loan amount could be lower due to several reasons.
    - » For example, the borrower may be paying cash for a portion of the project.

# Stages of a Home Improvement Loan

## The Contractor Portal

Under the Contractor tab, you will find the Contractor's contact list and authorized parties. Employees listed on this tab are considered **authorized**. Once a contractor is fully onboarded, you will use this tab to review their information.

If you receive an inbound call from a contractor, you must verify the contractor or authorized party (employee) using the following information:

1. First and Last Name
2. Email Address Listed of the employee

**\*\*\*Notify the HIL team via ZenDesk if a contractor calls in. The HIL team will send the contractor our contact sheet to make sure they know to contact the HIL team directly in the future.**

# Stages of a Home Improvement Loan

## Approving

Once the required documentation is received and approved, the loan will move into the Approving Stage.

During this stage, the following actions are completed:

- Quality Control (QC) is completed by a Loan Analyst
- The loan is sent to the lender(s) for approval

### Blockages *(a.k.a. Actions which need to be taken to move the loan forward)*

- CSR final verification of all information is needed.  
[Perform Manual QC now](#)
- Some of the contractor's documents have not yet been uploaded.

Originator: Agriculture Federal Credit Union

Originator Approved? yes Approved by Marlyn Pineda at 04/01/2022 11:25AM

Escrow Percent 0%

Escrow Amount \$0.00

Participating Lenders	Amount	Status	Approved By
Agriculture Federal Credit Union	\$12,500.00	automatic	
Truity Federal Credit Union	\$12,500.00	approve	Witney Allen – 04/01/2022 02:27PM
Deepwater Industries Federal Credit Union	\$12,500.00	approve	Arlene Gilbert – 04/01/2022 12:38PM
Alabama Credit Union	\$12,500.00	approve	Heaven Evans – 04/04/2022 03:24PM
Auburn University Credit Union	\$12,500.00	approve	Janice Finley – 04/04/2022 04:06PM
Northern Star Credit Union	\$12,500.00	approve	kali Irwin – 04/01/2022 12:15PM
1st Advantage Federal Credit Union	\$12,500.00	approve	Eric Wignall – 04/04/2022 01:04PM
Expedition Credit Union	\$12,500.00	approve	Philip Galant – 04/01/2022 12:06PM
Actors Federal Credit Union	\$12,500.00	approve	Laverne McClam – 04/01/2022 12:20PM
Southwest Federal Credit Union	\$12,500.00	approve	Katie Buzis – 04/04/2022 11:56AM



# Stages of a Home Improvement Loan

## Approving

Please note, the loan may move into QC without the contractor being selected or on-boarded. However, the loan will be suspended in QC until this has been complete. This will prevent the loan from being sent to the lender for final approval, and the project should not be started until the loan has been fully approved, and the loan agreement has been signed by the borrower and co-borrower.

### What is QC?

Quality Control is the final review of all documentation and underwriting details prior to sending to the lender for approval.

### Changing Contractors

- The borrower can change the contractor any time prior to the loan agreement being generated.
- If loan agreement has been generated, borrower will have to reapply using the new contractor.
- If the borrower inquires about a contractor change, we should collect the new contractor's information from the borrower. **(Company Name, Contact Name, Email, Phone)** and send to the HIL team in ZenDesk.

If the contractor is already onboarded, the HIL team will update the loan jacket. If the contractor is not yet onboarded, the HIL team will reach out to begin the set-up process. Please note, set up is not guaranteed.

**Please note: Funds will not be disbursed until the contractor is fully on-boarded.**

# Stages of a Home Improvement Loan

## Signing

- Once the lenders have approved the loan, the borrower will move to the Signing stage if the contract has already been provided.
- If we have not approved the Contractor's Contract, the Fed Box Disclosure will not be presented to the borrower. In these cases, the loan may move to the Signing stage without the Fed Box Disclosure being presented.
- In this stage, the borrower will be presented with their final loan disclosures, namely the loan agreement, also referred to as the Fed Box Disclosure.
- The Credit Score Disclosure is the first document that is presented to the borrower during the signing stage.

What You'll Need

Determine Eligibility

Provide Information

Loan Status

## Your Loan Status: Signing



Congratulations! You've been approved for a loan through XCEL Federal Credit Union. To complete the loan process, please complete the next steps listed below:

Please complete any next steps below to complete the loan process.

Next Steps:

1

Review Credit Score Disclosure

Review your Credit Score Disclosure.

[REVIEW DISCLOSURE](#)

XCEL Federal Credit Union  
Your Credit Score and the Price You Pay for Credit

<b>Your Credit Score</b>	
Your credit score	785
Source: Equifax Date: November 01, 2017	
<b>Understanding Your Credit Score</b>	
What you should know about credit scores	Your credit score is a number that reflects the likelihood of your credit worthiness. Your credit score is a result of your credit history. It includes information about whether you pay your bills on time and how much you owe to creditors.
How do you get your credit score?	Your credit score is calculated based on the information in your credit report. Creditors use your credit score to determine whether you can get a loan and how much interest you will pay.
The range of scores	Score ranges from a low of 300 to a high of 850.
How your score compares to the average of other consumers	Generally, the higher your score, the more likely you are to be offered better credit terms. Your credit score ranks higher than 98 percent of U.S. consumers.
<b>Checking Your Credit Report</b>	
What if there are mistakes in your credit report?	Check your credit report for errors. If you find an error, you can dispute it with the credit reporting agency. If you find an error, you can dispute it with the credit reporting agency.
How can you obtain a copy of your credit report?	You can get a free copy of your credit report from AnnualCreditReport.com. You can also get a copy of your credit report from the credit reporting agency.
To order your free annual credit report:	
By telephone	Call toll free 1-877-328-6266
Or by web	Visit <a href="http://www.annualcreditreport.com">www.annualcreditreport.com</a>
By mail	Mail your completed Annual Credit Report Request Form (which you can obtain from the Federal Trade Commission's web site at <a href="http://www.ftc.gov/bureaucracy/annualcreditreport">www.ftc.gov/bureaucracy/annualcreditreport</a> ) to:
Annual Credit Report Request Service P.O. Box 1688 Atlanta, GA 30303-0168	
For more information about credit reports and your rights under federal law, visit the Consumer Financial Protection Bureau's website at <a href="http://www.consumerfinance.gov">www.consumerfinance.gov</a>	

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# Stages of a Home Improvement Loan

## Signing – Fed Box Disclosure

Once the borrower reviews and accepts the Credit Score Disclosure, the borrower and co-borrower will be presented with the loan agreement.

Both parties must sign the Fed Box Disclosure before the loan will move into the In Progress stage.

XCEL FEDERAL CREDIT UNION 1460 BROAD STREET, BLOOMFIELD, NJ 07003		CLOSED-END NOTE, DISCLOSURE, AND LOAN AGREEMENT	
BORROWER'S NAME AND ADDRESS		DATE OF LOAN 12/11/2017	LOAN MATURITY DATE 12/11/2032
CO-BORROWER'S NAME AND ADDRESS		LOAN NUMBER	LOAN OFFICER
		BORROWER'S ACCOUNT NUMBER	CO-BORROWER'S ACCOUNT NUMBER
<b>ANNUAL PERCENTAGE RATE:</b> The cost of your credit as a yearly rate: 7.01% <sup>a</sup>	<b>FINANCE CHARGE:</b> The dollar amount the credit will cost you: \$25,564.95 <sup>a</sup>	Amount Financed: The amount of credit provided to you or on your behalf: \$42,000.00 <sup>a</sup>	Total of Payments: The amount you will have paid after you have made all payments as scheduled. \$67,564.95 <sup>a</sup>
Your payment schedule <sup>1</sup> will be:			
NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	
180	\$371.43	On the 15 <sup>th</sup> of the month following the final loan disbursement, and then on the 15 <sup>th</sup> of each consecutive month thereafter (later: See Payment Schedule section below regarding interest-only payments required for any loan proceeds provided prior to final project completion).	
Security: You are giving a security interest in your shares and/or deposits in the credit union.			
Late Charges: If a payment is late more than 14 days after due, you will be charged 5.00% of the payment due.		Required Deposit Balance: The Annual Percentage Rate does not take into account your required deposit balance.	
Prepayment: If you pay off early, you will not have to pay a penalty. *a means estimate.		See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and any prepayment refunds and penalties.	
Interest Rate: 6.74%			
<b>AMOUNT FINANCED</b>			
The actual Amount Financed of the loan may be more or less than this amount if the contractor performing your work submits a change order indicating the cost of the project will be different than originally estimated. Once your home improvement work has been completed and all change orders, if any, have been submitted to the Credit Union, you authorize the Credit Union to prepare and send you a Loan Modification Rider to amend this Agreement to reflect the loan terms, including the payment schedule, that will apply to your loan based on the actual Amount Financed. The actual Amount Financed will bear interest at the Annual Percentage Rate shown on your Loan Modification Rider. If, at the time the work is completed, no change orders have been submitted, we will send you a Loan Confirmation notice to confirm that the terms of the loan have not changed.			
<b>PAYMENT SCHEDULE</b>			
While work is on-going, you will be required to make monthly payments equal to the accruing interest for each disbursement made to the contractor. Payment will be due beginning on the 15 <sup>th</sup> of the month following the month of disbursement, and on the 15 <sup>th</sup> of each consecutive month thereafter.			
<b>180 DAY LIMITATION</b>			
If project completion does not occur within 180 days of the signing of this Agreement, no additional disbursements will be made without the consent of the lender, and the loan payment will automatically convert to an amount that will pay the full amount due in equal monthly installments within the loan term chosen. If at the end of the 180 day period, no disbursements have been made, the loan application will be withdrawn, and lender will have no obligation to provide any funding.			
<b>ITEMIZATION OF AMOUNT FINANCED</b>			
ITEMIZATION OF AMOUNT FINANCED OF \$42,000.00	AMOUNT GIVEN TO YOU DIRECTLY \$	AMOUNT GIVEN TO YOU DIRECTLY \$	AMOUNT GIVEN TO YOU DIRECTLY \$
Amount paid to others on your behalf: (If an amount is marked with an asterisk (*) we will be retaining a portion of the amount.) \$42,000.00 To Genesis Pools, Inc.			

THIS DOCUMENT OR A COPY OF THIS DOCUMENT MAY BE FILED AS A FINANCING STATEMENT.

# Stages Beyond Signing

In addition to the Applying, Gathering, Reviewing, and Approving stages, Home Improvement Loans have the following additional stages:

Stage	Description
<b>In-Progress</b>	The loan will enter the In-Progress stage once the agreement has been signed by the borrower. The loan will remain in this stage until a disbursement request has been requested & approved.
<b>Disbursing</b>	Loan will enter the disbursement stage once a disbursement request has been approved by the borrower.
<b>Fulfillment</b>	The loan will enter the fulfillment stage once the first disbursement has been approved by the borrower and funds disbursed to contractor. The loan will remain in the fulfillment until the final disbursement has been submitted and approved or the loan reaches 270-day fulfillment expiration.
<b>Repayment</b>	The stage the loan will move into once the final disbursement has been paid to contractor or the loan has reached the 270-day fulfillment expiration date.

# Stages of a Home Improvement Loan

## In Progress

After the borrower and co-borrower have signed the loan agreement, the loan will move to the In Progress stage.

The loan will remain in this stage until the contractor submits a disbursement request and the borrower approves the request.

During the In Progress stage, the borrower can still access their portal and view the following:

1. Rate Information
2. FAQs regarding disbursements, payments, project cost changes, and additional steps
3. Timeline requirements
  - Inactivity Expiration
  - Credit Expiration
  - Fulfillment Expiration

Loan Status Loan Amount Changes

What You'll Need  
Determine Eligibility  
Provide Information  
Loan Status

### Your Loan Status: In Progress

Applying Reviewing Contracting Approving Servicing **In Progress** Closing

**IN PROGRESS**

Your home improvement project is underway or will begin soon! 1

2

How will funds be disbursed to Nelson Pools?  
How many disbursements will be sent to Nelson Pools?  
What happens if the cost of my project changes once work starts?  
When is my first payment due?  
What happens when the project is complete?  
What happens if my funds are not released to my contractor by 10/03/2022?

3

Please be advised that your loan application will be withdrawn if no funds are released to your contractor by 10/03/2022.  
Please complete any next steps listed below to complete the loan process.  
Next Steps:  
Your loan is currently In-Progress and no actions are necessary. If there are any changes required to finalize your loan, we will notify you.

#### Application Summary

Applicant: [Redacted]  
Co-borrower: [Redacted]  
Lender: Veridian CU  
Loan ID: HIL-893429014  
Loan Type: Home Improvement  
Loan Term: 15 years  
Rate Type: Fixed  
Rate: 5.99%  
APR: 6.34%  
Amount: \$80,000.00

Your contractor must receive first payment in:

**178 days**  
Project must be completed in:

**268 days**

# Stages of a Home Improvement Loan

## Loan Expiration Timelines

**30 Day Inactivity Expiration:** Credit will expire due to inactivity if the loan is inactive for 30 consecutive days, prior to the loan agreement being signed.

**90 Day Credit Expiration:** Prior to signing the loan agreement, the borrower's credit will expire 90 days from the date the credit report is pulled.

**180 Day Credit Expiration:** After signing the loan agreement, the borrower's credit will expire at 180 days from the date of the date of signature if there are no disbursements made on the loan.

**270 Day Fulfillment Expiration:** Once the loan agreement is signed by the borrower, the contractor will have 270 days to request the final disbursement before the loan will automatically move to Repayment.

# Fulfillment Expiration Exception Request

If the project approaches the 270 Day Fulfillment Expiration, we may reach out to the credit union to request a fulfillment expiration extension.

To complete the request, Loan Specialist must submit a ZenDesk ticket using the **“HIL-Fulfillment Extension Request”** Marco and confirm the following:

First, Is the loan in the Fulfillment stage? (If "No", **DO NOT SUBMIT TICKET**) Exception request can only be submitted the Fulfillment Stage.

1. Why is the project delayed?
2. What is the expected completion date? (Note: We need an actual date)
3. What has been completed on the project?
4. What remains to be completed on the project?

Please share this ticket by using the "Sharing" dropdown to select "LendKey@Zendesk"

# Stages of a Home Improvement Loan

## In Progress: The Contractor Portal

As the contractor begins work on the project, the contractor will have the ability to request disbursements throughout the project. The contractor will be able to complete this action by logging into the Contractor Portal.

The contractor will have the ability to review the following information:

1. Loan ID
2. Borrower and Cosigner Name
3. Loan specific details
  - Amount
  - Rate
  - Status

Overview		Tickets	Documents	Contractor Documents	Disbursement Requests	Contractor	Refresh
Loan ID	HIL-893429014						
Borrower	[REDACTED]						
Cosigner	[REDACTED]						
Borrower Cell	[REDACTED]						
Project Number	[REDACTED]						
Property Address	[REDACTED]						
Electric Utility	[REDACTED]						
Gas Utility	[REDACTED]						
Contractor	Nelson Pools						
Approved Participations Total Amount	\$125,000.00						
Total Loan Amount	\$80,000.00						
Origination Fee	\$0.00						
Program Administrator Fee	\$0.00						
Loan Amount	\$80,000.00						
Current Interest	5.99%						
Status	In_progress						
Originating Lender	Veridian Credit Union (new member)						
Program	1831 - Home Improvement Loan						



# Stages of a Home Improvement Loan

## In Progress: The Contractor Portal

The contractor will see documents uploaded by the borrower and status of each documents.

The Contractor has the option to upload documents on the borrower's behalf. The Contractor will not be able to open and view the actual document that has been provided.

The screenshot displays the Contractor Portal interface. At the top, there is a navigation bar with tabs: Overview, Tickets, Documents (highlighted in green), Contractor Documents, and Contractor. Below the navigation bar, the main content area is titled "Borrower Documents" in a green header. Under this header, there is a section titled "Documents Not Required" in a yellow box, which includes a bullet point for "Proof of ownership". Below this, there is a table-like structure showing document upload status. The first row is for "Proof of income (Pay Statement)", with a status of "Not Approved" and a message: "Declined for 'We need an additional pay stub within the last 60 days.'" The second row is for "Government Issued ID", with a status of "Not Uploaded". At the bottom, there is a yellow box containing a "Choose File" button, a blurred text field, and a "Government Issued ID" dropdown menu. Below this box is a green "Upload" button with a checkmark icon.

Borrower Documents	
Documents Not Required	
● Proof of ownership	
Proof of income (Pay Statement)	(Uploaded: 04/06/2022) Not Approved Declined for 'We need an additional pay stub within the last 60 days.'
Government Issued ID	Not Uploaded

☒ Upload

# Stages of a Home Improvement Loan

## In Progress: The Contractor Portal

The Contractor will upload all documentation under this tab. The Contractor will also be able to view the status of each uploaded document.

The screenshot shows the 'Contractor Documents' tab selected in a navigation menu. The menu includes: Overview, Tickets, Borrower, Authorized Users, Documents, Contractor Documents (active), Income, Expenses, Decisions, Emails, Lenders, Disburse, Servicing, Invoice, Loan History, Other Loans, and Contractor. A 'Refresh' button is in the top right. The main content area has a blue header 'Contractor Documents'. Below it, a document entry is shown: 'Contractor contract' with a link to 'Meri Prakash Machos Oregon Roofing Contract.pdf', upload date '03/30/2022', status 'Not Approved', and a decline reason 'Declined for 'Missing borrower's name. Thank you. '. A 'Re-Verify' button is to the right. A message asks if the user wants to send via fax and provides a dropdown to select a document type for a fax cover sheet. At the bottom, there is a yellow bar with a 'Choose File' button, the text 'No file chosen', and a 'Field Change Order' dropdown.

Overview Tickets Borrower Authorized Users Documents **Contractor Documents** Income Expenses Decisions Emails Lenders Disburse Servicing

Invoice Loan History Other Loans Contractor Refresh

**Contractor Documents**

**Contractor contract** [Meri Prakash Machos Oregon Roofing Contract.pdf](#)  
(Uploaded: 03/30/2022)  
Not Approved  
Declined for 'Missing borrower's name. Thank you. '

Re-Verify

**Want to send via fax?** Please select a document type from the drop-down menu to generate a download link for a specific fax cover sheet.

No file chosen

# Stages of a Home Improvement Loan

## In Progress: Requesting a Disbursement

Once the contractor is ready to request a disbursement, they will log into their contractor portal, and request the disbursement amount.


The contractor will click Request Disbursement under the Disbursement Request Tab of the Contractor Portal.

[Overview](#) [Tickets](#) [Documents](#) [Contractor Documents](#) **Disbursement Requests** [Contractor](#) [Refresh](#)

**DISBURSEMENT SUMMARY**

Available before work completion	\$18,000.00
Reserved for work completion	\$2,000.00
Requested, pending approval	\$0.00
Approved, pending disbursement	\$0.00
Borrower Origination Fee	\$0.00
Total disbursed	\$0.00
<b>Total Loan Amount</b>	<b>\$20,000.00</b>

**DISBURSEMENT REQUESTS**

 Request Disbursement

# Stages of a Home Improvement Loan

## In Progress: Requesting a Disbursement

The contractor will need to input the following information prior to submitting the disbursement request:

- Indicate if the project is completed
  - If the contractor indicates the project is completed, the contractor will not be able to request any additional disbursements
- The amount of the disbursement request
  - The contractor will be able to see the full loan amount, the amount of funds that must be reserved for the final disbursement request, estimated timeframe for disbursement completion, and any service fee associated with the disbursement.
- A memo specific to the reason for disbursement
- Contractor Certification
- At least 10% must be reserved for a final disbursement.

The screenshot shows a web form titled "Request Disbursement" with a close button (X) in the top right corner. The form is divided into several sections:

- Project Status:** Two radio button options. The first, "Work is not complete and I will make one or more additional disbursement requests", is selected. The second is "Work is complete and this is the final disbursement request".
- Disbursement Details:** A bulleted list of terms:
  - If approved, this will be your 2nd disbursement for this loan.
  - You may request a maximum of **\$61,375.10** before the final disbursement.
  - [Greyed out] must approve this request before funds are disbursed.
  - Funds will be disbursed within 3-5 business days after borrower approval.
  - There will be no fee for this disbursement.
- Requested disbursement amount:** A text input field.
- Memo:** A text input field with the example text "Ex: supplies for wall". Below it is a small note: "A brief description of the reason for this disbursement request. This will be shared with the borrower."
- Contractor certification:** A text area containing a certification statement. Below it is a checkbox labeled "I have read and agree to these terms", which is currently unchecked.
- Buttons:** At the bottom right are two buttons: "Cancel" (with a red minus icon) and "Send Request" (with a green plus icon).

# Stages of a Home Improvement Loan

## In Progress: Approving a Disbursement Request

- The borrower will receive an email once the contractor has requested a disbursement request.
- The borrower will be advised to log into their borrower portal to review the disbursement request.
- The borrower will then have the opportunity to approve or decline the disbursement request presented.

Loan Status Loan Amount Changes

### Your Loan Status: In Progress

**IN PROGRESS**

Your home improvement project is underway or will begin soon!

How will funds be disbursed to my contractor?  
How many disbursements will be sent to my contractor?  
What happens if the cost of my project changes once work starts?  
When is my first payment due?  
What happens when the project is complete?  
What happens if my funds are not released to my contractor by 04/11/2022?

Please be advised that your loan application will be withdrawn if no funds are released to your contractor by 04/11/2022.

Please complete any next steps listed below to complete the loan process.

Next Steps:

Your loan is currently In-Progress and no actions are necessary. If there are any changes required to finalize your loan, we will notify you.

#### Application Summary

Applicant:	John Smith
Lender:	Agriculture Federal Credit Union
Loan ID:	HIL-12345678
Loan Type:	Home Improvement
Loan Term:	15 years
Rate Type:	Fixed
Rate:	6.24%
Rate with Autopay:	5.99%
Amount:	\$125,000.00

Your contractor must receive first payment in:

**175 days**

Project must be completed in:

**265 days**

# Stages of a Home Improvement Loan

## In Progress: Approving a Disbursement Request

**LendKey**

Loan Status **Disbursement**

What You'll Need  
Determine Eligibility  
Provide Information  
Loan Status

[go back](#)

### Confirm Disbursement Request

Accurate Pools and Spa has requested funds for the 1st milestone of your project. Please review the details of the request below and click Approve to confirm the information is accurate based on your contract with Accurate Pools and Spa. If any information requires changes, you can click Decline and ask your contractor to submit a new disbursement request.

1st Disbursement	
Disbursement Amount:	\$10,000.00
Memo:	supplies for walls

Loan Summary	
Total Loan Amount:	\$25,000.00
Remaining upon Approval:	\$15,000.00

Upon approval, funds will be disbursed to Accurate Pools and Spa within 3-5 business days and interest will accrue on the amount disbursed. While you will not be responsible for making full principal and interest payments until work is complete or the full proceeds of your loan have been disbursed, you will be required to make monthly interest-only payments and can make prepayments on your loan at any time.

[Decline](#) [Approve](#)

### Approve Disbursement Request

I hereby authorize the lender or lender's agent to make the loan disbursement requested herein by my home improvement contractor. I have confirmed that such disbursement will be made in accordance with any project and payment schedule set forth in the contractor agreement between me and the contractor, and understand that such disbursement will accrue interest and have to be repaid as described in my Loan Agreement and/or any applicable Loan Modification Rider.

☒ I have read and agree to these terms

[Cancel](#) [Approve](#)

### Decline Request

Please select a reason for declining this request. This will be shared with Accurate Pools and Spa.

\* Reason for decline

The work for this milestone is incomplete.

[Cancel](#) [Decline](#)

# Stages of a Home Improvement Loan

## In Progress: Changes to Project Scope

### What happens if the cost of the project changes?

- The borrower can increase the loan up to the **Approved Participations Total Amount**.
  - The borrower will use their portal to request any increases to the loan amount.
- If the project costs are less than the listed **Loan Amount**, the loan will be lowered by the final disbursement request.
  - The borrower will approve all disbursement requests. Once the contractor indicates their final disbursement request, the loan amount will be adjusted to the sum of all approved disbursement request.

Overview	Tickets	Borrower	Authorized Users	Documents	Contractor Documents	Income	Expenses	Decisions	Membership
Disbursement Requests	Disburse	Servicing	Invoice	Loan History	Other Loans	Contractor			
Loan ID	HIL-979672921								
Borrower	<a href="#">Click to view profile</a>								
Cosigner									
Borrower Cell	<a href="#">Click to view profile</a>								
Project Number	<a href="#">click to edit</a>								
Property Address	<a href="#">Click to view profile</a>								
Electric Utility									
Gas Utility									
Contractor	Lyon Financial								
Approved Participations Total Amount	\$75,000.00								
Total Loan Amount	\$20,000.00								
Origination Fee	\$0.00								
Program Administrator Fee	\$0.00								
Loan Amount	\$20,000.00								
Current Interest	7.49%								

# Stages of a Home Improvement Loan

## In Progress: Changes to Project Scope

If the borrower is attempting to increase their loan amount, they will complete the following steps:

- 1) Borrower must Log into the borrower portal. Increase loan amounts not available on Co-Borrower's Portal.
- 2) Borrower will click **Loan Amount Changes** in the top right-hand corner of the screen.
- 3) Borrower will enter the adjusted amount under **New Amount**, and then click **Increase**.

SIGN OUT

Loan Status **Loan Amount Changes**

Application Summary	
Applicant:	
Lender:	Veridian CU
Loan ID:	HIL-979672921
Loan Type:	Home Improvement
Loan Term:	15 years
Rate Type:	Fixed
Rate:	7.49%
APR:	7.95%
Amount:	\$20,000.00

[← go back](#)

## Increase Loan Amount

You may increase your loan amount from the current amount up to the maximum amount for which you qualify, \$75,000.00.

*If the project cost comes in under budget, your loan amount will be reduced after you approve your contractor's final disbursement request.*

Current Amount	New Amount (maximum: \$75,000.00)
\$20,000	<input type="text"/>

**Note:** This change will not impact your loan term or interest rate.

CANCEL

Increase



# Stages of a Home Improvement Loan

## Disbursing & Fulfillment

- After the first disbursement request is approved by the borrower, the loan will move into the Disbursing and Fulfillment stage.
  - Once a disbursement request is approved, the loan will move into Disbursing.
  - After the funds have been disbursed, the loan will move into Fulfillment
- The loan will remain in the Fulfillment stage until one of the following actions take place:
  - The final disbursement request has been initiated by the contractor and approved by the borrower.
  - The loan meets fulfillment expiration
- During this time, the borrower and contractor will have the ability to review previous disbursement requests, as well as being able to request disbursements.

Disbursement Requests   Loan Amount Changes  
Loan Status

### Your Loan Status: Fulfillment

Analysis   Collected   Approved   Signed   In Progress   Disbursed   Fulfillment

## FULLFILLMENT

Your home improvement project is underway!

What happens if the cost of my project changes once work starts?

When is my first payment due?

What happens when the project is complete?

What happens if my project does not finish before 11/24/2021?

Please be advised that no additional disbursements will be made if you do not approve the final disbursement by 11/24/2021. If you are unable to meet this deadline, please contact us at 866-840-3502

Please complete any next steps listed below to complete the loan process.

Next Steps:

1

**Confirm Disbursement Request**  
Sunshine Fun Pools has requested funds for your project and is awaiting your approval.

MANAGE ACCOUNT

- Review Statements
- View Payment Amount
- Make a Payment

#### Application Summary

Applicant:	John Smith
Lender:	Agriculture Federal Credit Union
Loan ID:	HIL-12345678
Loan Type:	Home Improvement
Loan Term:	15 years
Rate Type:	Fixed
Rate:	6.24%
Rate with Autopay:	5.99%
Amount:	\$125,000.00

Project must be completed in:

## 27 days

# Stages of a Home Improvement Loan Fulfillment – Complaints

We would like to be notified of all complaints the borrower has against the contractor.

**Substantiated complaints:** Complaints that LendKey's contractor services team can help to resolve & prevent in the future.

- Contractor passing on fees to customer; Contractor received a disbursement but is now not completing the job (running with the money)
- LendKey will pass these complaints on to the contractor and if they are not resolved, the contractor will be removed from the LendKey network.
- These complaints should be submitted in continuity.

# Stages of a Home Improvement Loan Fulfillment – Complaints

**Unsubstantiated complaints:** Complaints that LendKey has no control over.

- Project has been delayed due to weather; Contractor's estimated time of project completion has been extended; etc.
- When it is an unsubstantiated complaint, the homeowner must resolve these issues with the contractor. The contractor services team will pass these complaints on to the contractor but will not try to resolve internally.

These complaints will be added to a contractor's file and taken into consideration during their annual review.

# Stages of a Home Improvement Loan

## Final Disbursement Request

The contractor will submit a Final Disbursement Request once they've completed the project; this will indicate that no additional work is required, and they are ready for final payment.

- The contractor will complete the following steps:
- Indicate the project is complete
- The amount of the disbursement request
  - The contractor will see the maximum amount that can be requested.
- A memo specific to the reason for disbursement
- The date the work was completed
- Contractor Certification

Request Disbursement

☐ Work is not complete and I will make one or more additional disbursement requests

☒ Work is complete and this is the final disbursement request

- If approved, this will be your 4th and final disbursement for this loan.
- You may request a maximum of **\$18,500.00**.
- James A Dankel must acknowledge that work is complete and approve this request before funds are disbursed.
- Funds will be disbursed within 3–5 business days after borrower approval.
- There will be no fee for this disbursement.

Requested disbursement amount

Memo

Ex: supplies for wall

A brief description of the reason for this disbursement request. This will be shared with the borrower.

Work completion date

Contractor certification

I, as an authorized representative of the contractor whose online account I am making this request through, hereby certify that the loan disbursement I am requesting is (i) in connection with the home improvement project currently being completed by the

☐ I have read and agree to these terms

Cancel

Send Request

# Stages of a Home Improvement Loan

## Final Disbursement Request

- As stated earlier, once the borrower approves the final disbursement request, they will be required to begin make full, monthly principal and interest payments on the loan the month after the final disbursement.
- If the borrower declines the final disbursement request, the contractor will have the opportunity to re-submit a new disbursement request.
- Once the final disbursement request has been approved by the borrower, the contractor will not have the opportunity to request any additional funds. The process confirms the project is complete.

What You'll Need

Determine Eligibility

Provide Information

Loan Status

[go back](#)

### Confirm Final Disbursement Request

Exclusive Pools, Inc has requested funds for the 4th and final milestone of your project. Please review the details of the request below and click **Approve** to confirm the information is accurate based on your contract with Exclusive Pools, Inc. If any information requires changes, you can click **Decline** and ask your contractor to submit a new disbursement request.

4th Disbursement

Disbursement Amount:	\$7,500.00
Memo:	Completion of Build
Work completed:	10/13/17

Loan Summary

Total Loan Amount:	\$30,000.00
Previously Disbursed:	\$22,500.00

Upon approval, funds will be disbursed to Exclusive Pools, Inc within 3-5 business days and interest will accrue on the amount disbursed. After this disbursement is sent to your contractor, you will be required to make full, monthly principal and interest payments on your loan.

DECLINE

APPROVE

# Stages of a Home Improvement Loan

## Loan Confirmation & Modification Rider

Once the contractor submits the final disbursement request and the borrower approves, the borrower will be presented a *Loan Confirmation* or *Loan Modification Rider*.

**Loan Confirmation:** This document will be presented to the borrower if the sum of all disbursement requests are equal to the loan amount as signed by the borrower/co-borrower on the loan agreement.

**Modification Rider:** This document will be presented to the borrower if the sum of all disbursement requests are different than the loan amount as signed by the borrower/co-borrower on the loan agreement

AGRICULTURE FEDERAL CREDIT UNION  
PO BOX 2225, MERRIFIELD, VA 22116-9998

☒ LOAN CONFIRMATION  
☐ LOAN MODIFICATION RIDER

BORROWER'S NAME AND ADDRESS	DATE OF LOAN 11/22/2017	LOAN MATURITY DATE 11/22/2027
	LOAN NUMBER	LOAN OFFICER
CO-BORROWER'S NAME AND ADDRESS	BORROWER'S ACCOUNT NUMBER	CO-BORROWER'S ACCOUNT NUMBER

Thank you for taking out a Home Improvement Loan. We understand the work is now complete. This notice amends the terms of your Closed-End Note, Disclosure, Loan and Security Agreement ("Loan Agreement"), please keep a copy with your Loan Agreement.

☒ **Loan Confirmation:** No change orders were received. The loan terms originally disclosed to you in the Loan Agreement have not changed and will continue to govern the terms of your loan. Please make your payments as scheduled in your Loan Agreement.

☐ **Loan Modification Rider:** We have received and processed all change orders relating to your loan. The loan terms originally disclosed to you in the Loan Agreement have changed. The final Amount Financed is indicated below in the box labeled "Amount Financed". The following are the adjusted terms of the loan based on the final Amount Financed after all change orders. Please make your payments based on the payment schedule below.

<b>ANNUAL PERCENTAGE RATE:</b> The cost of your credit as a yearly rate.	<b>FINANCE CHARGE:</b> The dollar amount the credit will cost you.	Amount Financed: The amount of credit provided to you or on your behalf.	Total of Payments: The amount you will have paid after you have made all payments as scheduled.
Your payment schedule will be:			
NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	

All other terms and conditions of your Loan Agreement are as stated in your Loan Agreement, which is expressly incorporated as if fully set forth herein. If you believe that the Amount Financed disclosed above is different from the amount that you owe please contact us immediately.

# Stages of a Home Improvement Loan

## Repayment of the Loan

Once the borrower approves a disbursement request, they will be required to begin making interest only payments on the loan. These interest only payments are required until the loan moves into the repayment stage.

- The borrower will be required to pay the interest that has accrued **only** on the amount that has been disbursed. **Full interest and principal payments will start once the final disbursement has been requested.**
- Invoices are generated 10 days prior to the due date.
- An email is sent to the borrower and cosigner to advise that a new invoice is available and will direct the borrower to their MyAccount for their monthly statement.
- If the borrower wishes, they can choose to receive invoices via mail instead of email.



Invoice: 11499180  
Date: 12/04/2017

Dear

You have an upcoming monthly loan payment due as shown below. The payment will be automatically deducted from your bank account on file on your due date. In the event that your due date falls on a non-business day or a banking holiday the payment will be automatically deducted on the first business day thereafter.

Payment Due Date: 12/15/2017

Loan ID	Interest Rate*	Principal Balance	Interest Balance	Total Loan Balance	Pay Method	Acct Number	Past Due Payments	Current Payment	Late Fees	NSF Fees	Other	Total Due
	6.49%	\$20,685.00	\$68.29	\$20,753.29	ACH	xxxxx5516	\$0.00	\$68.29	\$0.00	\$0.00	\$5.00 **	\$73.29
Loan Type: Home Improvement		Owned By: XCEL Federal Credit Union									ACH Discount %: 0.25	
Total:		\$20,685.00	\$68.29	\$20,753.29			\$0.00	\$68.29	\$0.00	\$0.00	\$5.00	\$73.29

\* For certain types of loans and payment options, the interest rate may increase or decrease over time due to rate index and payment method changes. This may result in a change to your payment due. Please see your Credit Agreement for additional details.

\*\* Share account deposit. Your initial payment will first be applied to the share account deposit, followed by any fees, interest, and principal.

Payments will be reflected in your online account within 5 business days from the payment date.

Please make sure there are sufficient funds in the account listed above to cover the payment. If this account has insufficient funds, you will be charged a failed payment fee by us and may be charged an overdraft of insufficient funds fee by your financial institution. If you would like to make any changes to your bank account, please contact us at least ten (10) business days prior to the payment due date.

Sincerely,

Customer Care

# Stages of a Home Improvement Loan Repayment

- For information regarding the payment details, you can see the **Payments** tab of the loan jacket. On this tab, you can confirm the payment method: Check or ACH
  - If ACH, you will be able to review the account used for automatic payments
- For the monthly payment amount, please refer to the invoice tab for the current monthly payment amount.
- HIL loans that are in Repayment will be transferred to Servicing. HIL loans still in In Progress and Fulfillment are handled by the Origination Team.



# Home Improvement Loan -Important FAQs

Q: Can a borrower request an increased loan amount while the loan is “In Progress”?

A: Yes, the borrower will have the ability to request an increased loan amount up to the qualified maximum loan amount. All home improvement loans will be approved up to a maximum amount to avoid requiring the borrower to reapply if it is determined the project will require additional funds beyond the initial estimate . The borrower can increase their loan amount in their online portal or call and increase it.

Q: How long does it take for fund to be disbursed after borrower’s approval?

A: Contractors are made aware that funds will be available to the contractor within 1-3 business days after the borrower’s approval. Once the borrower approves the request, the next business day, and ACH is initiated and will be sent to the contractor’s account on file with LendKey.

Q: Can a disbursement request be cancelled?

A: Yes, the contractor can cancel the disbursement request prior to borrower’s approval/denial of the request.

# Home Improvement Loan Important FAQs

**Q: What happens if a job ends up costing less than the loan amount?**

A: The contractor will make the final disbursement request via the Disbursement Requests Tab in the loan jacket. The contractor will indicate they are making a final disbursement request and enter the final disbursement request amount. The loan amount will adjust based upon the total amount of disbursement requests that have been entered by the contractor and approved by the borrower.

**Q: How does a borrower know if they should approve the Disbursement Request?**

A: The borrower should reference the agreement that they have with the contractor. Once funds are disbursed the borrower will be responsible for making payments. Depending on the type of disbursement, stage or single, the borrower will be required to make interest only or full repayment payments.

# Home Improvement Loan Important FAQs

**Q: What type of liens are places on the borrower's home for this loan?**

A: There are no liens. The product is an unsecured loan, which means the Home Improvement loan and any mortgage or equity loans are completely independent and have no bearing to the approval of this property.

**Q: Does the contractor need to provide an updated contract or change order when the borrower needs to increase their loan amount?**

A: No, once the contract is on file and approved, we do not need to see any additional project documents from the contractor. The borrower can increase the loan amount in their borrower portal any time after signing the loan agreement and before final disbursement. – up to the maximum loan approval amount.

# Home Improvement Loan -Important FAQs

**Q: How can I see the status of disbursements requests, amount remaining, pending requests, etc.?**

A: This information can be viewed in Bucare (application). The borrower will be able to log in via a link provided in an email or by visiting <http://www.lendkey.com/consumer-login> .

- As a specialist, you will be able to review this information under the Disbursement Requests tab in the loan jacket.

**Q: How will borrowers be able to navigate between MyAccount (see statements, etc.), and Bucare (approve disbursement requests, etc.)?**

A: Once the loan is in the Fulfillment stage, the borrower will have the ability to click “Manage Account” from Bucare. We can also direct the borrower to <http://www.lendkey.com/consumer-login>

	<i>Bucare</i>	<i>MyAccount</i>
Approve Disbursement Requests	X	
Reject Disbursement Requests	X	
Add Checking Accounts		X
View Invoices		X
Make Payments		X

# Reference Material

Program Tracker - [Program Tracker - PRIMARY.xlsx](#)  
Custom Underwriting - [Custom Underwriting Guidelines - PRIMARY.xlsx](#)  
2021 Active & Inactive Contractors - [2021 Active & Inactive Contractors -- MASTER.xlsx](#)

# Review

Questions?

