

eNews Alert



Fix Up Program Updates

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Fix Up Lender Renewal

The annual renewal process is underway for Fix Up lenders. A *Lending Partner Renewal Notice* has been emailed to each Main Office Contact and Web Administrator listed with Minnesota Housing. Please note the due date provided in the email.

Renewal fees and minimum production requirements were waived; therefore lenders need only confirm or update information on the renewal notice. For organizations no longer offering Fix Up loans, please note the applicable response on the renewal notice.

For questions about your Fix Up renewal submission, contact:

- Sandy Ajasa, sandy.ajasa@state.mn.us, 651.297.3122 or
- Kathy Aanerud, kathy.aanerud@state.mn.us, 651.297.3121

For lenders also offering Minnesota Housing homeownership programs and who may have questions about the submission due to U.S. Bank, contact Maggie Hoeg at maggie.hoeg@state.mn.us, 651.297.3118.

Training Webinars for Fix Up Lenders

To learn about the new Fix Up features introduced last year, or for a refresher on Fix Up loans, register for an upcoming Webinar by clicking below:

- [Wednesday, January 16, - 9:00 -11:00 a.m.](#)
- [Tuesday, February 5 - 9:00 - 11:00 a.m.](#)
- [Tuesday, March 5 - 9:00 - 11:00 a.m.](#)

The training is designed for managers, loan officers and processing staff of Fix Up lending partners. Other housing professionals are also welcome to register for informational purposes.

Content includes features and benefits of Fix Up loans; reviewing borrower and property

eligibility; defining loan documentation requirements; and steps for successful origination, closing, and selling of loans to Minnesota Housing. Marketing and outreach opportunities are also discussed.

Best Practices from Quality Control

The following reminders are provided by quality control staff from recent loan reviews and may be useful to all lenders for successful loan origination and documentation. All items pertain to information on the [Fix Up Credit Application](#):

- Complete Page 7 (underwriting summary) in its entirety. This provides an overview for the lender that basic underwriting criteria have been met.
- Also on Page 7, become familiar with Eligibility Income vs. Underwriting Income:
 - Eligibility Income is a full disclosure of all household income types and sources. This calculation is for the purpose of documenting eligibility under the maximum household income limit for the Fix Up program. Income types and sources to include in the calculation of Eligibility Income are defined in Section 2.08 of the Fix Up procedural manual and further detailed in the [Income Calculation Worksheet](#).
 - Underwriting (or Qualifying) Income is the income that the lender has used to determine the borrower's ability to repay the loan and is the income used in the calculation of the debt-to-income ratio (DTI).
 - For guidance on calculating and documenting income, use the [Income Calculation Worksheet](#). Also, consider registering for a Fix Up webinar, which includes instructional guidance and examples on this topic.
- On Page 4, complete the Other Funding Sources section when supplemental funds are needed to to complete the home improvement project (Section 4.04 in the Fix Up Procedural Manual). In addition to providing the source(s) and amount(s) of these funds on the Credit Application, supporting documentation (i.e. bank statements, grant/loan documents, etc.) must be provided to verify the availability of the funds.

Questions?

Kathy Aanerud, 651.297.3121, kathy.aanerud@state.mn.us

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