HIP - Hamilton County's Property Improvement Program
Borrower's Responsibilities

Dear Prospective Borrower:

As a HIP loan recipient, there are a few requirements you will need to meet. Once your loan closes, your municipality will receive a copy of your Application (Form #3) and the Description of Planned Improvements (Form #4). They will monitor the work on your property to insure that all loan funds are properly utilized. They may also request receipts to verify that your improvement costs are equivalent to the amount you borrowed. If funds in excess of $500 remain after all HIP projects are complete, you will be required to pay that amount toward the loan's balance. This will have the added benefit of shortening the amount of time you must pay on the loan.

FOR PERMIT WORK- It is the borrower's responsibility to check with their municipality to determine if the planned work will require a permit. You or your contractor should contact your community's building department to ascertain what permits may be necessary and to determine if any zoning or other approvals are required.

FOR ALL WORK- You have ONE YEAR from the time your loan closes to complete all work. Save all project-related receipts and contractor invoices so that you can document project costs. If your project is likely to require most of the allotted year to complete, a monitoring schedule may be established. This will most commonly be conducted by phone at 6 and 10 months. The required final inspection will be conducted when all work is finished. As soon as all improvements have been completed, contact your community's HIP representative to schedule the final inspection. When the inspector arrives, you will be asked to complete and sign the Project Completion Form. If the inspector is satisfied that all work has been completed, s/he will forward the fully executed Project Completion Form to the HIP office. At this point, your only remaining responsibility will be to pay the remainder of the loan.

Failure to fulfill any of the above requirements could result in termination of the 3% rate reduction on your loan. It is your responsibility to ensure that all applicable requirements are met. As stated above, your community and Hamilton County reserve the right to request receipts to verify the cost of improvements if there appears to be any discrepancy.

For your protection, choose contractors who are licensed, registered and/or bonded by your municipality. The agreement with your contractor is a private one and not the responsibility of the lending institution, Hamilton County or your municipality.*****

I have reviewed this letter and understand my responsibilities: _____

Borrower's signature

*The Better Business Bureau, (WWW.BBB.ORG), Federal Trade Commission, (WWW.consumer.gov), and the State Attorney General's office, 1-800-282-0515 all have information on contractor selection and home improvement tips. We encourage you to obtain their free information.