Policy: Homestead encourages Homeowners to view Homestead as a resource. Homestead requires contact when a Homeowner is considering refinancing the property. Homestead will work with the Homeowner and Lender to assist the Homeowner in a refinance.

Homeowners must obtain specific permission for refinancing or other subsequent mortgages. If, at any time subsequent to the purchase of the Home and signing the lease, the Homeowner desires to borrow money secured by the Home or its interest in the Lease (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homestead’s permission must be requested and granted.

Please contact us to inquire as to whether a refinance might make sense for you. If you do contact a loan officer and want to move forward with a refinance you must inform Homestead, in writing, of the proposed terms and conditions of such mortgage loan at least thirty (30) business days prior to the expected closing of the loan.

Such a request needs to include the following information:

- The name of the proposed lender and secured party;
- Homeowner’s reason for requesting the loan;
- The principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
- Expected closing costs;
- Rate of interest;
- Repayment schedule; and
- A copy of the appraisal commissioned in connection with the loan request.

We may also require you to submit additional information as well. Homestead will not permit such a mortgage loan if the loan increases Homeowner’s total mortgage debt to an amount greater than 95% of the then current Purchase Option Price or if, at its discretion, the terms of the transaction otherwise threaten the interests of either the Homeowner or Homestead.

Homestead staff will work with you and your lender to ensure the refinance results in net tangible benefits to you, the Homeowner, and the new mortgage is a permitted mortgage under the Homestead Ground Lease.