

A. HOME PROGRAM DOWN PAYMENT/CLOSING COST (DPCC) ASSISTANCE

Program Description

Provides a standard down payment/closing cost assistance program that allows assistance of a minimum of \$1,000 up to a maximum of \$20,000 that may be in combination with an Idaho Housing and Finance Association Single Family Mortgage.

Eligible Forms of Assistance

Down payment assistance
Closing cost(s) assistance
Individual Development Account (IDA) Match

Eligibility

- ✓ First-time Homebuyer.¹
- ✓ Completion of Request of Reservation for HOME funds through the online process.
- ✓ Homebuyer education course, "*Finally Home!*" must be completed prior to down payment assistance request. The class must be completed by all parties on the Note.
- ✓ Income at or below 80% of AMI
- ✓ Must qualify under standard lending program (VA, FHA, CONVENTIONAL, USRD 502, RD Guarantee Loan) by an IHFA approved Lender/Broker.
- ✓ Loan must be sold to IHFA (except for USRD 502 Loan) and meet all residential lending and underwriting standards unless waived by an authorized officer of IHFA Homeownership Lending Department.
- ✓ No cash back to borrower at closing.
- ✓ Owner must occupy the home within 14 days of loan closing.
- ✓ Non-retirement liquid cash assets in excess of \$5,000 must be used towards down payment or pay off debt at closing For the Elderly, non-retirement cash assets in excess of \$10,000 must be used toward down payment or pay off debt at closing.
- ✓ Judgments and Collections must be satisfied prior to or at the time of closing with supporting documentation, medical collections not included.
- ✓ Properties must be vacant or owner-occupied, no rental units or tenant occupied properties.
- ✓ Acquisition- HUD regulations require all property assisted with HOME funds to meet HUD Housing Quality Standards (HQS). To document, IHFA requires a Certified Appraisal and a full third party Home Inspection. IHFA staff will review the Inspection report in accordance with HQS for compliance.
- ✓ USDA-Rural Development will provide Inspection Form 1924A.
- ✓ Pre-1978 targeted homes subject to all Lead-Based Paint requirements.
- ✓ Uniform Relocation Act (URA).

Eligible applicants/sponsors

- ✓ First time homebuyer ¹
- ✓ Resident of the State of Idaho

¹Exception to First Time Homebuyer Ruling: Can be a displaced homemaker with custody of children or a single parent with custody of children.

- ✓ US Citizen; Permanent Resident; Alien and Non-permanent alien with proof of permanent residence status, eligibility, and evidence to work
- ✓ Eighteen 18 years of age or older
- ✓ Individual and/or family whose household income is less than 80% of AMI
- ✓ Lender/brokers must be an approved by Idaho Housing and Finance Association

Assistance Level

Assistance in based on need and the following income charts.

60% and Below AMI	61 to 65% of AMI	66 to 70% of AMI	71 to 75% of AMI	76 to 80% of AMI
Minimum \$1,000	Minimum \$1,000	Minimum \$1,000	Minimum \$1,000	Minimum \$1,000
Maximum \$20,000	Maximum \$15,000	Maximum 10,000	Maximum \$7,500	Maximum \$5,000

The need and underwriting will be determined by the Sponsor. Non Retirement Assets above \$5,000 or Elderly Individuals with Non Retirement assets above \$10,000 must be utilized to reduce the subsidy assistance.

Property Types

- ✓ 1-4 Single Family Units
- ✓ Condominium unit
- ✓ Manufactured Home titled as real estate and meet HUD standards 24 CFR part 3280 and state and local code.

Value Limits

- ✓ HUD FHA Section 203(b) Limits for all jurisdictions.

Eligible Forms of Subsidy

- ✓ Deferred Payment Loan
- ✓ Interest: Zero Percent (0%)

Term of Affordability

- ✓ Due on Sale

Repayment Obligation

All principle and interest payments are hereby deferred until sale of property or an event of default occurs, or transfers of property without prior consent. If default occurs, the entire principal sum and accrued interest shall immediately become due and payable without notice, at the option of the holder of the Note. In the event of default in the payment of the Note, and if same is submitted for collection by IHFA, its successors and assigns, the borrower agrees to pay all costs of collection, including reasonable attorney's fees.

If the property is sold, the Owner shall not be required to repay more that the proceeds of the sale of the property less the repayment of any loans secured by liens prior to the Deed of Trust.

Subordination

Allowed only in the case of a refinance to lower the borrower's current interest rate. Under no circumstances will IHFA subordinate when the borrower is refinancing, consolidating debt, taking cash out, or paying off debts. A request for subordination must be submitted to the HOME program for approval prior to loan closing.