



City of Austin

Neighborhood Housing and Community Development

P.O. Box 1088, Austin, TX 78767 -1088

(512) 974-3100 ♦ Fax (512) 974-3112 ♦ www.austintexas.gov/housing

Dear Participating Lender:

Thank you for your interest in the Down Payment Assistance (DPA) Program offered by the Neighborhood Housing and Community Development (NHCD), a department of the City of Austin. Program restrictions apply and assistance is subject to funding availability. Complete DPA application packages are accepted on a first come, first qualified and first served basis **FROM LENDERS, IN PERSON, BY APPOINTMENT ONLY.** Lenders may schedule an appointment by contacting program staff at:

(512) 974-3140

or

sheri.munguia@austintexas.gov

Then, DPA applications may be brought to:

**Neighborhood Housing and Community Development
1000 East 11th Street, Suite 200
Austin TX 78702**

For more information, call 512-974-3100 (Hablamos Español)
or visit www.austintexas.gov/department/housing

**This program is funded by the U.S. Department of Housing & Urban
Development (HUD) “HOME Program”**

*The City of Austin’s Neighborhood Housing and Community Development (NHCD) is committed to compliance with the Americans with Disabilities Act (ADA and Section 504 of the Rehabilitation Act of 1973, as amended. Reasonable modifications and equal access to communications will be provided upon request. Please call 974-3100 (voice) or Relay Texas at 974-3102 or 1-800-735-2989 (TDD) for assistance. **For a sign language interpreter, please call NHCD at 974-3863 at least 7 days in advance.***

The City of Austin’s NHCD does not discriminate on the basis of disability in the admission or access to or treatment or employment in their programs and activities. The Equal Employment and Fair Housing Coordinator’s office is located at J. Snell Building, 1050 E. 11th Street, Suite 300 in Austin, TX 78702. They may be contacted by calling (512) 974-3251.



PROGRAM DESCRIPTION

(FY 2012-2013 - page 1 of 2)

SEE PROGRAM GUIDELINES FOR IN DEPTH INFORMATION

Purpose	The Down Payment Assistance (DPA) Program provides qualified first-time homebuyers with a 0%-interest loan to assist with eligible down payment and closing costs. This program is funded by the U.S. Department of Housing & Urban Development's "HOME" Program.																																				
Submitting the Application	Only DPA Participating Lenders listed on the DPA website may submit application packages by an in person appointment. Packages will be accepted for further processing after it has been verified they are 100% complete according to the Lender and Applicant Checklists. Complete application packages are accepted and processed on a first-come, first qualified, first served basis and subject to funding availability.																																				
Participant Income & Assets	<p>First-time homebuyers who are citizens or legal permanent residents. Households may earn no more than 80% of the Austin Median Family Income (adjusted for household size), as established by the U.S. Department of HUD. Household assets may not exceed half of the income limits set for each household size. See tables below for exact income and asset limits.</p> <p style="text-align: center;">Income Limits by Household Size for Austin, Texas, Effective December 2012</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>Size</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> </tr> </thead> <tbody> <tr> <td></td> <td>\$41,000</td> <td>\$46,850</td> <td>\$52,700</td> <td>\$58,550</td> <td>\$63,250</td> <td>\$67,950</td> <td>\$72,650</td> <td>\$77,300</td> </tr> </tbody> </table> <p style="text-align: center;">Asset Limits by Household Size for Austin, Texas, Effective December 2012</p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th>Size</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> </tr> </thead> <tbody> <tr> <td></td> <td>\$25,650</td> <td>\$29,300</td> <td>\$32,950</td> <td>\$36,600</td> <td>\$39,550</td> <td>\$42,500</td> <td>\$45,400</td> <td>\$48,350</td> </tr> </tbody> </table> <p>**NOTES: "The Household Size, Income and Assets" includes that of <u>ALL</u> persons residing with the applicant at the time of application and / or those who are anticipated to reside with the applicant upon purchase of their new home. Income & Asset limits are obtained from www.hud.gov and are subject to change without notice.</p>	Size	1	2	3	4	5	6	7	8		\$41,000	\$46,850	\$52,700	\$58,550	\$63,250	\$67,950	\$72,650	\$77,300	Size	1	2	3	4	5	6	7	8		\$25,650	\$29,300	\$32,950	\$36,600	\$39,550	\$42,500	\$45,400	\$48,350
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	\$25,650	\$29,300	\$32,950	\$36,600	\$39,550	\$42,500	\$45,400	\$48,350																													
Property	Must be the borrower's primary residence. Single family homes, town homes or condos are eligible; duplexes are ineligible. Any new construction must meet Visitability and S.M.A.R.T. Housing™ standards. Manufactured housing must be new construction on permanent foundation and meet S.M.A.R.T. Housing™ standards. Properties must be located within the Full Purpose Jurisdiction of Austin city limits; Extra Territorial Jurisdiction is ineligible.																																				
Mortgage Financing	First lien loan must be a fully amortized, fixed-rate loan for 30 years. Interest rate may not exceed 0.5% above the prevailing interest rate released in the current Federal Statistical Release at the time the lender locks borrower's interest rate. View the prevailing rate here: http://www.federalreserve.gov/releases/h15 . Annual Percentage Rate may not exceed 1.5% or point above the loan interest rate. Discount point charges may not exceed 1.5% .																																				
Earnest Money	All applicants must make a minimum \$1,000 Earnest Money contribution at the time the contract is receipted by the Title Company. Other items paid for by the buyer, outside of closing, are not considered earnest money.																																				



PROGRAM DESCRIPTION

(FY 2011-2012 - page 2 of 2 – updated May 2012)

SEE PROGRAM GUIDELINES FOR IN DEPTH INFORMATION

Sales Price	Not to exceed 95% of the 203b FHA loan limit for Austin. Please call NHCD for current applicable loan limits.	
OTHER	No “principal reduction” is permitted. Borrowers may NOT receive any cash back at closing.	
DPA Loan Options	“Standard DPA”	“Shared Equity DPA”
	0% interest, deferred, forgivable loan, second lien position	0% interest, deferred, NON -forgivable loan, second lien position. Includes a “Shared Equity Loan Agreement”, “Recapture & Capital Improvement Provision” and “City of Austin Right of First Refusal” provision.
DPA Loan Amounts	A minimum of \$1,000 up to \$10,000 of assistance for eligible closing costs, pre-paid expenses, and down payment. Amount is based on the borrower’s demonstrated financial gap. Supplements to the Standard DPA option are up to an additional \$1,000 for borrowers enrolling in an approved Mortgage Credit Certificate program and up to an additional \$4,999 for people with disabilities. Supplemental funds for MCC and Disability are subject to the same terms, affordability period, loan term, requirements and restrictions as the Standard DPA Option because the two options are only available as a “supplement” to the Standard DPA.	A minimum of \$10,001 up to \$40,000 of assistance for eligible closing costs, pre-paid expenses, and down payment. Amount is based on the borrower’s demonstrated financial gap. Amount may not exceed 30% of the home sales price. Receipts of Supplemental assistance, including gift funds are prohibited per program guidelines.
Debt to Income Ratios	Housing debt ratio cannot fall below 29.00% ; Total combined debt ratio cannot exceed 43.00%	Housing debt ratio cannot fall below 29.00% ; Total combined debt ratio cannot exceed 43.00%
DPA Loan Repayment	The loan will be due and payable upon the sale, refinancing, home equity loan, vacating, lease or transfer of title before the end of the loan term of 10 years. Otherwise, the loan is forgiven after 10 years. See Program Guidelines for additional information and restrictions.	The loan will be due and payable, plus a percentage of equity gained that is equal to the pre-determined percentage of assistance based off the original sales price , upon the sale, refinancing, home equity loan, vacating, lease or transfer of title within the first 10 years, known as the “Affordability Period”. After the affordability period, only the principal amount of the DPA loan is payable as the Shared Equity clause expires at 10 years. See Program Guidelines for additional information and restrictions.
Property Age Limit:	None.	Properties constructed before 1978 are ineligible.

Updated Dec 2012. **Subject to funding availability. Other restrictions may apply.** For more information, please contact NHCD at 512-974-3100.



Complete DPA application packages include all the items listed under both the “Checklist for Lenders” **AND** the “Checklist for Applicants.” Only DPA Participating Lenders listed on the DPA website may submit application packages through an in person appointment. Schedule an appointment by contacting program staff. Program staff will not accept incomplete application packages. Only DPA staff determined 100% complete DPA application packages will be accepted for further processing. (**first come, first qualified, first served & subject to funding availability**)

CHECKLIST for DPA SUBMISSION

(FY 2011-2012 - page 1 of 3 – updated May 2012)

Documents that are part of the DPA Application:

- ORIGINAL** DPA application form (pages 1,2 & 3), completed and **signed** by applicant(s) & NPS
- ORIGINAL** Eligibility Questionnaire form (page 4), completed and signed by applicant(s) & NPS
- ORIGINAL** DPA Affidavit (pages 5-6), completed, signed by applicant(s) and notarized & NPS
- ORIGINAL** Housing Quality Standard (HQS) Inspection Agreement (page 7), completed and signed by applicant(s), NPS and **Seller**
- ORIGINAL** Request for HQS Inspection Form (page 8, Section I only), completed by lender
- ORIGINAL** DPA Buyer/Seller Certification of Purchase (page 9), signed by Buyer and **Seller**
- ORIGINAL** Funds Request worksheet (page 10), completed by lender & signed by applicant(s) & NPS

ALL ABOVE DPA APPLICATION DOCUMENTS ARE TO BE SUBMITTED COMPLETED AND WITH ORIGINAL SIGNATURES. ELECTRONIC AND STAMPED SIGNATURES ARE NOT ACCPETABLE.

Documents that Lender must add to the DPA Application:

- Copy of Executed / Receipted Sales Contract, signed by both parties, plus proof of **\$1,000 Earnest Money** contribution (canceled check / money order)
- Certificate of Occupancy reflecting property meets S.M.A.R.T. requirements (New Construction only. If Certificate of Occupancy is not available at the time of application; it must be made available prior to DPA Loan Approval being released and transaction must be closed within 120 days [including weekends], or application will be canceled for incompleteness. Applicant will be required to wait a full 30 days to re-apply for assistance; will be subject to 3-4 complete week processing times. Assistance is processed and issued on a first-come, first qualified, first served basis and subject to funding availability.
- Lead-based Paint Disclosure (completed) and executed by borrower(s) as receipt of the “Protect Your Family from Lead in Your Home” pamphlet (only for homes built before 1978. NOTE: Homes built prior to 1978 are only eligible for the Standard DPA option)
- Copy of applicant(s) and non-purchasing spouse (NPS) TX Driver’s license, TX Identification Card or Passport
- Copy of applicant(s) and NPS social security card



CHECKLIST for DPA SUBMISSION

(FY 2011-2012 - page 2 of 3 – updated May 2012)

- Copy of applicant(s) and NPS Permanent Resident Card
- Unexpired Homebuyer Education Certificate (NHCD, BCL, Foundation Communities or Frameworks CDC only)
- Lender's INITIAL Uniform Loan Application (1003), signed by applicant(s) and lender
- Lender's FINAL Uniform Loan Application (1003), signed by applicant(s) and lender (must line up with all final loan docs, including Transmittal, Automated Underwriting, GFE, TIL, Lock, Conditional Loan Approval Action Sheet)
- Complete Credit Report
- Income Documentation (for all age 18+ household members, regardless if on senior lien or not):
 - ❖ Most recent three complete months of consecutive pay stubs / statements for all household members
 - ❖ Written, employer signed and completed Verification of Employment
 - ❖ Income from benefits: recent proof of amount of periodic payments received **by any member** of the household from Social Security , disability/death benefits, pensions, retirement funds, annuities, trust insurance policies, and other similar types of periodic benefits payments
 - ❖ Other income: proof of most recent three months payments in lieu of earnings received **by any member** of the household, such as unemployment and disability compensation, worker's compensation and severance pay, net income from the operations of business, child support payments, spousal support/alimony payments, and/or regular contributions or gifts received from persons not residing in the dwelling.
 - ❖ Most recent three years W2's, 1099's, etc...
 - ❖ Most recent three years signed Tax Returns (all pages & schedules)
 - ❖ Year-to-Date, signed, Profit & Loss Statement for self-employed
 - ❖ Business Returns and Schedule K1's if applicable
- Asset Documentation (for all household members, regardless if on senior lien or not):
 - ❖ Most recent six (6) months asset statements (all pages, even the blank ones)
 - Checking, Savings, Money Market, CD's, etc..
 - 401K, 403B, IRA, Mutual Funds, Keogh, etc...
 - Stocks, Investments, Bonds, Treasury Bills, etc...
 - Trust documentation
 - Whole Life or Universal Life Insurance Policy (surrender value used)
 - ❖ List of Personal Property held as an investment such as gems, jewelry, coin collections, antique cars, etc. Value of lump sum or one time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments. Copies of mortgages or deeds of trust. Proof of and amount of interest in Indian trust lands or other accounts.



CHECKLIST for DPA SUBMISSION

(FY 2011-2012 - page 3 of 3 – updated May 2012)

- Letter of Explanation and complete paper trail (canceled checks, lease agreement, loan repayment documents, gift documents, etc...) for all non-payroll related deposits into bank accounts.
- Final Good Faith Estimate, Initial Fee Worksheet & Intent to proceed, signed by applicant(s) and lender
- Final Lender's Truth-In-Lending Statement, signed by applicant(s)
- Legible "As Is" property appraisal (all pages) including a copy of unexpired Appraiser license
- Final MCC Commitment Letter with supporting documentation.
 - ❖ If the MCC is being used to qualify the applicant for DPA, provide a completed and signed IRS Form W4 reflecting changes in withholdings.
 - ❖ If the MCC is being used to qualify the applicant for DPA, provide most recently received pay stub reflecting increase in net income per change on IRS Form W4.
- Evidence of Underwriter Loan Approval (all calculations should match)
 - ❖ Final Automated Underwriting Findings
 - ❖ Signed Underwriting Action Sheet / Conditional Approval Checklist
 - ❖ 1008 Loan Transmittal / Analysis or Mortgage Credit Analysis Worksheet (MCAW / NOTE: MCC adjustments must be made to income NOT mortgage payment. Payment on MCAW must match payment on Promissory Note.)
 - ❖ Underwriter signed Page 3 & 4 of the Final HUD-92900-A Form
 - ❖ Borrower & lender signed Interest Rate Lock Agreement
 - ❖ Unexpired Lock Confirmation
- Legible, Title Company accepted Survey
- Complete copy of Preliminary Title Commitment reflecting City of Austin Neighborhood Housing and Community Development as the Second Lien Lender
- Complete copy of Tax & HOA Certificates reflecting figures that fall in line with PITI on UW Docs reflecting realistic improved property taxes.
- Evidence of Hazard Insurance Coverage (flood if applicable) reflecting the following mortgagee clause:
City of Austin Neighborhood Housing and Community Development
Attention: Compliance OGM / Central Records Management
PO Box 1088
Austin TX 78767-1088
Loan Number: (last four of applicants social security number)

NOTE: Upon processing and underwriting the application, additional documentation or information may be required prior to DPA Staff releasing Approval Certificate of Eligibility Commitment Letter. Letters of DPA Pre-Approval pending documentation will not be provided. DPA Files not closed and funded within 30 days of approval are subject to cancellation.

Updated December 2012. Complete applications processed on a first-come, first qualified, first served basis. Acceptance of Application also subject to funding availability. Other restrictions may apply. For more information, please contact NHCD at (512) 974-3100.



APPLICATION

(Page 1 of 10)

Instructions: Information in this application is strictly confidential and will not be released to persons outside of the program without written permission from the applicant. Information is requested to establish eligibility and for federal reporting requirements. If you have any questions about completing the form, please call at (512) 974-3100 for assistance. Complete and sign a separate application for each applicant above two.

**** ALL PARTIES ORIGINAL SIGNATURES MUST BE SUBMITTED WITH APPLICATION ****
Electronic Signatures & Stamped Signatures are prohibited

Section I: Applicant/Head of Household Information (completed by APPLICANT)

Name _____		
Last	First	Middle Initial
Current Address _____		

City	State	Zip
Home Phone _____		Work Phone _____
Email Address: _____		
Driver's License No. _____		Date of Birth _____
<input type="checkbox"/> U.S. Citizen	<input type="checkbox"/> Legal Permanent Resident	Social Security Number _____

Section II: Co-Applicant / Non-Purchasing Spouse Information (completed by APPLICANT)

Name _____		
Last	First	Middle Initial
Current Address _____		

City	State	Zip
Home Phone _____		Work Phone _____
Email Address: _____		
Driver's License No. _____		Date of Birth _____
<input type="checkbox"/> U.S. Citizen	<input type="checkbox"/> Legal Permanent Resident	Social Security Number _____
Relationship to Applicant _____		



Section III: Employment & Income History (completed by APPLICANT)

(Application Page 2 of 10)

Applicant's Employer _____	Occupation _____
Estimated Gross Monthly Income \$ _____	Number of Years with Employer _____
Co-Applicant's Employer _____	Occupation _____
Estimated Gross Monthly Income \$ _____	Number of Years with Employer _____

Section IV: Household Members (completed by APPLICANT)

Total number of persons in household _____ (No. of Adults _____, No. of Children _____)
--

Section V: Property Information (completed by LENDER)

Subject Property Address _____			
_____	_____	_____	_____
City	State	Zip	
Type of property:	<input type="checkbox"/> Single Family home	<input type="checkbox"/> Condominium	<input type="checkbox"/> Town home
	<input type="checkbox"/> Manufactured on Permanent Foundation and part of the S.M.A.R.T. Housing™ Program		
	<input type="checkbox"/> New Construction	<input type="checkbox"/> Existing Construction (pre-owned), Year Built: _____	
Purchase Price of the Property \$ _____			

Section VI: Loan Information (completed by LENDER)

Type of loan	<input type="checkbox"/> FHA	<input type="checkbox"/> Conventional	<input type="checkbox"/> Veterans Administration
Interest rate _____	% FIXED RATE for 30 years.		Estimated Closing Date _____



Section VII: Lender, Title Company, and Realtor Information (completed by LENDER)

(Application Page 3 of 10)

The following people have assisted with this application, and will assist with the closing:

Mortgage Company _____

Loan Officer _____

Address _____

Work Phone _____ Fax _____

Email _____

Title Company _____

Closing Officer _____

Address _____

Work Phone _____ Fax _____

Email _____

Real Estate Company _____

Real Estate Agent _____

Address _____

Work Phone _____ Fax _____

Email _____

I/we have read the Down Payment Assistance (DPA) Program application and understand that my/our answers to all of the previous questions and the statements I/we have made are true and correct to the best of my/our knowledge and belief. I/we authorize NHCD and its designated agents to contact any source to solicit and/or verify information necessary for any eligibility determination for the purpose of the DPA Program. I/we also agree to provide the NHCD or its designated agents with any information necessary to verify my/our credit worthiness. I/we understand that any discrepancy or omissions in the information I/we have provided may disqualify me/us from participation in the DPA Program. If such discrepancies or omissions are discovered after any loan is approved or granted to me/us, I/we understand that any outstanding loan balance may immediately become due and payable.

Signature of Applicant

Date

Signature of Co-Applicant

Date



ELIGIBILITY QUESTIONNAIRE

(Application Page 4 of 10)

If any of the answers are "YES," please attach recent documentation verifying the income or asset, following the instructions on the "Application Checklist."

1. Does any member of the household have, or expect to receive in the next 12 months, **wages, salaries, overtime pay**, commissions, fees, tips, bonuses, or other compensation?
 Yes No
2. Does any member of the household have a **checking account(s)**?
 Yes No
3. Does any member of the household have a **savings account(s)**?
 Yes No
4. Does any member of the household have, or expect to receive income or gain in the next 12 months from: **CDs, money market accounts**, brokerage accounts, stocks, bonds, or Treasury Bills?
 Yes No
5. Does any member of the household receive, or expect to receive in the next 12 months, periodic payments from: **Social Security, disability/death benefits, pensions, retirement funds**, annuities, insurance policies, or similar types of periodic benefits payments?
 Yes No
6. Does any member of the household receive, or expect to receive in the next 12 months, payments in lieu of earnings, such as **unemployment and disability compensation**, worker's compensation, or severance pay?
 Yes No
7. Does any member of the household receive, or expect to receive in the next 12 months, Welfare Assistance (**TANF**)?
 Yes No
8. Does any member of the household receive, or expect to receive in the next 12 months, periodic and determinable allowances, such as **child support**, spousal support/alimony, or regular contributions or gifts from persons not residing in the household including scholarships, parental gifts for tuition, etc.?
 Yes No
9. Does any member of the household own, or expect to own in the next 12 months **real estate** (other than the primary residence) or other capital investments?
 Yes No
10. Does any member of the household have **retirement, pension**, IRA, or Keogh fund accounts?
 Yes No
11. Does any member of the household have life insurance policies available before death (whole or universal life insurance)?
 Yes No
12. Does any member of the household have, or expect to receive in the next 12 months, a revocable trust?
 Yes No
13. Does any member of the household hold personal property as an investment?
 Yes No
14. Has any member of the household received, or expect to receive in the next 12 months: a lump sum payment or receipt of inheritances, capital gains, lottery winnings, victim's restitution, or insurance settlements?
 Yes No
15. Does any member of the household hold a **mortgage** or deed of trust?
 Yes No
16. Has any member of the household held a **mortgage**, deed of trust or owned real estate in the most recent 3 years or 36 months?
 Yes No
17. Does any member of the household have any interest or receive payments from Indian trust lands?
 Yes No

Applicant (original signature)

Date

Co-Applicant (original signature)

Date

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

AFFIDAVIT

(Application Page 5 of 10)

I (We) hereby submit the information contained in the attached Application, Uniform Residential Loan Application, tax returns, and other furnished documents to be considered for the Austin Housing Finance Corporation's *Down Payment Assistance Program*. Under penalty of law, I certify the home being purchased is located at:

_____, Austin, Texas, Zip _____.

The information contained in all required and signed program-related documents being submitted is true and correct. I further certify that:

1. Neither I nor the Co-Applicant have owned a home in the last three years
2. I (we) am a U.S. citizen or I (we) have legal permanent resident status
3. The house I (we) am purchasing will be my (our) primary place of residence
4. The house I (we) am purchasing is located within the Austin city limits
5. The following is a list of **all persons**, including myself, who will occupy the home after closing:

Name	Age	Relationship	Gross Mo. Income
		SELF	\$
			\$
			\$
			\$
			\$
TOTAL			\$

I (we) understand that:

1. "Standard DPA" is from \$1,000 up to \$10,000 in a 0% interest, deferred forgivable loan in the second lien position. See Program Guidelines for detailed information. "Shared Equity DPA" is from \$10,001 up to \$40,000 in a 0% interest, deferred, **non-forgivable** loan. It includes a "Shared Equity" agreement and "City of Austin Right of First Refusal" provision. The actual DPA check amount is based on the borrower's demonstrated financial gap.
2. The DPA loan will be due and payable upon early sale, refinancing, home equity loan, lease or transfer of title before the affordability period of 10 years for Standard DPA, or 30 years for Shared Equity DPA.
3. Households may earn no more than 80% median family income for Austin.
4. DPA loans require a minimum borrower contribution of \$1,000 in Earnest Money.
5. DPA funds will be for: eligible closing costs and pre-paid expenses identified in a signed Good Faith Estimate and reflected in the final HUD1 Settlement statement; and a down payment amount calculated according to the borrower's demonstrated financial gap.
6. The first lien mortgage loan must be a fully amortized, fixed-rate loan of up to 30 years, with an interest rate that does not exceed the prevailing market rates for conforming loans.
7. The second mortgage when combined with the first may not exceed the estimated value of the property including all closing costs.
8. A homebuyer education class and Shared Equity pre-closing meeting (if applicable) must be completed before closing.

Applicant (original signature)

Date

Co-Applicant (original signature)

Date

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.



HOUSING QUALITY STANDARDS/VISITABILITY INSPECTION AGREEMENT

(Application Page 7 of 10)

By signing this document, both the buyers (applicants) and sellers of below noted subject property hereby acknowledge, agree to and understand the following as required by program guidelines for the City of Austin NHCD Down Payment Assistance (DPA) Program:

- A Housing Quality Standards (HQS) Inspection defined by the U.S. Department of Housing and Urban Development (HUD) is required of each property purchased under the DPA Program. This inspection will be performed by a City of Austin HQS-Certified Inspector.
- This inspection is a requirement of HUD and for the purpose of the DPA Program. In **no way** should the HQS Inspection serve in lieu of any other type of Home Inspection, including but not limited to, pest or structural inspections of the property. The City of Austin Neighborhood Housing and Community Development NHCD encourages the Buyer/Purchaser to obtain separate inspections or reports that address the integrity of the property.
- Both Buyer and Seller understand that **all utilities must be ON** for the inspection to occur.
- Both Buyer and Seller understand that all repairs identified as necessary through the HQS Inspection must be completed before the date of closing, as a condition of participation in the DPA Program. The repairs may be undertaken as negotiated and agreed to by the Buyer and Seller or through other means determined to be acceptable in consultation with NHCD. Follow up inspections will be required to assure that necessary repairs identified in the initial HQS inspection are completed satisfactorily.
- If lead-based paint hazards are found at the time of the HQS inspection, a certified contractor will have to follow HUD's safe work practice methods.
- HQS inspections (by City of Austin NHCD inspectors only) are paid for by NHCD.

Subject Property: _____

Applicant Signature

Date

Co-Applicant Signature

Date

Seller Signature

Date

Seller Signature

Date

**** ALL PARTIES ORIGINAL SIGNATURES MUST BE SUBMITTED WITH APPLICATION ****
Electronic and / or Stamp Signatures are not acceptable.



REQUEST FOR HQS/VISITABILITY INSPECTION

(Application Page 8 of 10)

Section I: completed by the LENDER

Mortgage Company	_____
Loan Officer	_____
Work Phone	_____ Fax _____
Email	_____
Borrower name	_____
Inspection Address	_____
<input type="checkbox"/> New Construction	<input type="checkbox"/> Existing Construction (pre-owned), Year Built _____
Contact person for entry	_____ Tel _____
Second contact person for entry	_____ Tel _____

Section II: completed by NHCD

Housing Development Specialist	_____	Date	_____
Order No.	_____	IDIS No.	_____
Priority	<input type="checkbox"/> 1-2 day	<input type="checkbox"/> 7 day	<input type="checkbox"/> Closing _____
Type of service	<input type="checkbox"/> HQS Inspection	<input type="checkbox"/> Visitability/CRF Inspection	<input type="checkbox"/> Other _____

Section III: completed by NHCD Construction Staff

Person Contacted	_____	Scheduled Date & Time	_____
Date of Inspection	_____	Results	_____
Funding Code	_____	Hours spent	_____
Report Submitted	<input type="checkbox"/> HQS Inspection	<input type="checkbox"/> Visitability/CRF Inspection	<input type="checkbox"/> Other _____



BUYERS/SELLERS CERTIFICATION OF PURCHASE

(Application Page 9 of 10)

Date: _____

Property Being Sold: _____

Owner(s)/Seller(s): _____

Buyer(s): _____

Dear Owner(s)/Seller(s):

The property referenced above is believed to be owned by you is being considered for purchase. Because Federal funds in the form of down payment and closing cost assistance to the Buyer(s) may be used in the purchase of your property, we are required to disclose the following information by the U. S. Department of Housing and Urban Development (HUD) in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act as amended (URA), Section 24.101(b) (2):

1. The proposed sale is **voluntary**. In the event negotiations fail to result in an agreement, the property will not be acquired by either voluntary purchase or eminent domain.
2. The fair market value of the property is estimated to be \$_____. However, since this transaction is voluntary, current or future negotiations may result in a different price that may be the same, higher or lower than this amount.

An owner-occupant who sells his or her property under these terms does not qualify as a displaced person for relocation payments. Additionally, any person who occupies the property for the purpose of obtaining assistance under the URA does not qualify as a displaced person. However, tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be informed in writing as soon as feasible.

In accordance with HUD requirements, if the information provided above is disclosed after an option to purchase or contract has been executed between the Buyer(s) and the Seller(s), the Seller(s) must be provided the opportunity to withdraw from the agreement.

Any title deficiencies, liens, or encumbrances on the property must be cleared **prior to** any closing. Generally, this is a cost that is borne by the Seller(s) of the property; however, payment of these costs may be negotiated between the Buyer(s) and Seller(s). **No federal funds can be used to pay these costs.**

Should you have any questions, please feel free to contact (lender's name) _____

at telephone number _____.

Buyer(s) Date

Buyer(s) Date

Seller(s) Date

Seller(s) Date

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

**** ALL PARTIES ORIGINAL SIGNATURES MUST BE SUBMITTED WITH APPLICATION **
Electronic and / or Stamp Signatures are not acceptable.**



DPA FUNDS REQUESTED

(Application Page 10 of 10)

Instructions: Please follow the below formula in comparison to the calculations on your GFE to estimate the amount of DPA needed for the applicant. In reviewing the list of eligible fees and their limits, please specify which closing costs, pre-paid expenses you wish to be included in the total down payment assistance that will be needed at closing.

Sales Price (Good Faith Estimate) +:	
Closing Costs & Pre-paid Expenses <u>excluding</u> UFMP(GFE):	
Subtotal =:	
Less BASE Loan Amount -:	
Less Earnest Money, Option Fee and P.O.C's -:	
Less Seller, Lender or Realtor Contributions -:	
Less Gifts Funds -:	
Total need demonstrated by Buyer =:	

(Standard DPA Max = \$10,000 + \$1,000 maximum extra for MCC and / or \$4,999 for Disability)
 (Shared Equity Max = 30% of sales price up to \$40,000 ~ no extra for disability nor MCC)

DPA-ELIGIBLE Costs	GFE	FEE LIMITS
Down Payment		(price minus base loan amt.)
Origination fee		(1% of base loan amt. limit)
Discount Point		(1% of total loan amt. limit)
Appraisal fee		(\$450 limit)
Prepaid Interest		(15 day limit)
Hazard Insurance		(12 month limit)
Flood Insurance		(12 month limit)
Escrow / Settlement closing fees		(\$250 limit)
Legal Document Prep		(\$250 limit)
Attorney Fees		(\$250 limit)
Title Insurance and endorsements		(\$250 limit)
Courier, Fed Ex/UPS or Delivery		(\$75 limit)
Recording fee		(\$225 limit)
Survey		(\$435 limit)
Pest Inspection		(\$100 limit)
MCC issuance fees (commitment / app fee)		(\$1,100 limit)
Bond funding fee		(\$150 limit)
HOA Transfer Fee		(\$100 limit)
TOTAL Eligible expenses: (sum)		
FINAL DPA check amount:		(based on DPA-eligible costs above)
FINAL Shared Equity %:		(DPA amount divided by sales price)

The DPA Check will only cover total actual / eligible fees, subject to above noted FEE LIMITS. The DPA Check will be equal to the LESSER of "Total Eligible Expenses" or "Total Need Demonstrated by Buyer". Final HUD-1 calculations and "Total Eligible Expenses" supersede GFE calculations and "Total Eligible Expenses"; therefore, accuracy is very important in preparing the GFE and estimated the amount of DPA. Cash back to applicant, in any form, including principal reductions is prohibited per program guidelines. Check re-draws take up to 5 business days.

Applicant Signature

Date

Applicant Signature

Date



“HOME” ELIGIBILITY RELEASE FORM DOWN PAYMENT ASSISTANCE PROGRAM

<p>Organization requesting release of information: City of Austin Neighborhood Housing and Community Development (NHCD) PO Box 1088 Austin, TX 78767 (512) 974-3100</p> <hr/> <p>Purpose: Your signature on this HOME Program Eligibility Release Form, and the signatures of each member of your household who is 18 years of age or older, authorizes the above named organization to obtain information from a third party relative to your eligibility and continued participation in the:</p> <p>_____ HOME TBRA Program _____ HOME Homebuyer Program _____ HOME Rental Rehabilitation Program _____ HOME Homeowner Rehabilitation Program</p> <p>Privacy Act Notice Statement: The Department of Housing and Urban Development (HUD) is requiring the collection of the information derived from this form to determine an applicant's eligibility in a HOME Program and the amount of assistance necessary using HOME funds. This information will be used to establish level of benefit on the HOME Program; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, state, and local agencies when relevant to civil, criminal or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.</p> <p>Instructions: Each adult member of the household must sign a HOME Program Eligibility Release Form prior to the receipt of benefit and on an annual basis to establish continued eligibility. Additional signatures must be obtained from new adult members whenever they join the household or whenever members of the household become 18 years old.</p> <p>NOTE: This general consent may not be used to request a copy of a tax return. If a copy of a tax return is needed, IRS form 4506, "request for copy of tax form; must be prepared and signed separately.</p>	<p>Information Covered: Inquires may be made about items initiated below by applicant / tenant:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="width: 15%;">Verification Required</th> <th style="width: 15%;">Initials</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Income (all sources)</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Assets (all sources)</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Child Care Expenses</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Handicap Assistance / Expense (if applicable)</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Other (list) _____</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Dependent Deduction _____ Full-Time Student _____ Handicap / Disabled Family Member _____ Minor Children</td> <td></td> <td></td> </tr> </tbody> </table> <p>Authorization: I authorize the above-named HOME Participating Jurisdiction and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the HOME Program.</p> <p style="text-align: center;">I acknowledge that:</p> <ol style="list-style-type: none"> 1) A photocopy of this form is valid as an original 2) I have the right to review the file and information received using this form (with a person of my choosing to accompany me). 3) I have the right to copy information from this file and to request correction of information I believe is inaccurate. 4) All adult household members will sign this form and cooperate with the owner / applicant in this process. 		Verification Required	Initials	Income (all sources)			Assets (all sources)			Child Care Expenses			Handicap Assistance / Expense (if applicable)			Other (list) _____			Dependent Deduction _____ Full-Time Student _____ Handicap / Disabled Family Member _____ Minor Children		
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