



“Own In” Down Payment Assistance Program Policies and Procedures 2023-2024

CDCU administers Down Payment Assistance (DPA) funds on behalf of
Salt Lake City

PROGRAM OVERVIEW & REQUIREMENTS

****2023-2024 Changes****

ALL APPLICANTS must be first-time homebuyer as defined by HUD.

Property must be within eligible program boundaries (see eligible boundaries).

Applicant(s) must be income eligible at or below 80% of the Area Median Income (AMI). Entire household income cannot exceed the current HUD limits below adjusted per household size.

Household income includes income **received** by all adult members **over the age of 18** who will be living in the home to be purchased.

DPA’s are **federally funded deferred loans with no payment and no interest that are forgivable after a period of time** and can be applied towards the **down payment and/or closing costs** of a home purchase transaction. Homebuyers **cannot** receive cash back at closing.

Household Size	Maximum Yearly Household Income
1 Person	\$59,400
2 Persons	\$67,850
3 Persons	\$76,350
4 Persons	\$84,800
5 Persons	\$91,600
6 Persons	\$98,400
7 Persons	\$105,200
8 Persons	\$111,950

The property must be occupied by the Homebuyer as the **primary residence** during the *entire* deferred loan term.

Purchase property must be **owner occupied**. If purchase property is **renter/tenant occupied by any person with a binding lease agreement within the last 90 days**, DPA funds cannot be provided.

Housing (front-end) ratio cannot exceed **35%-40%** and **Debt-to-income (back-end) ratio** cannot exceed **45%-50%** of the household monthly gross income.

\$1,000 borrower contribution and cash reserve required to cover at least one month of housing expenses. **Assets** will be reviewed.

Applicant(s) must be under contract (have an accepted offer) to purchase a property at the time of submitting a DPA application.

Processing Time 25-30 business days

COMPLETED APPLICATION DELIVERY

EMAIL: dpa@cdcutah.org

FAX: 801-994-7220 Attn: DPA Dept.

IN PERSON: 501 E. 1700 S. SLC UT, 84105



AVAILABILITY OF FUNDS

The DPA program funds are typically available in the fall of each year. Funds are processed and given on a first come, first qualified basis and/or until depletion of funds. **No waiting lists and no funds will be reserved.** The funding year ends on June 30 of each year, and all loans must have closed by that date, or they will not be eligible for funds. No applications will be accepted after June 10 of each year to meet this deadline.

There is a limited amount of DPA funds available each fiscal year. CDCU and/or municipal entity reserves the right to expand or terminate the program as funds permit. CDCU and/or the municipal entity may also set aside a portion of the funds for special projects in accordance with federal and local guidelines.

ELIGIBLE APPLICANTS

All applicants must meet gross household income eligibility, debt ratios, residual income, cash reserve, assets, and minimum contribution requirements.

Applicant(s) **must be under contract** (have an accepted offer) to purchase a property at the time of submitting an application.

Non-occupant co-signers on the first mortgage are allowed. Income from non-occupant co-signers **will not** be taken into consideration when determining eligibility for DPA based on household income and applicant total debt ratio. Applicants must be able to afford the loan and debt on their own.

ELIGIBLE HOMES

Only owner-occupied units located within program boundaries are eligible for consideration. Existing and new single-family homes, condominiums and townhomes are permitted. Duplexes, multi-family units and mobile or manufactured homes are not permitted.

The purchase property must not lead to the displacement of any individual other than the seller and their immediate family in accordance to the Uniform Relocation Assistance and Real

Property Acquisition Policies Act of 1970. If purchase property has been **renter/tenant occupied by any person with a binding lease agreement within the last 90 days**, DPA funds **cannot** be provided.

Purchased property must be zoned for **residential use only**, unless it can be established that said property is in an area that has been predominately residential for many years and there is no government program endangering the residential integrity of the area.

RECORDING POSITION

For purchase transactions, DPA lien position can be recorded behind superior liens such as a First Mortgage, Community Second loan or a Utah Housing loan that benefits the buyer. Cannot be lower than third position.

ELIGIBLE LOANS

Types of acceptable financing are fixed rate loans such as FHA, Conventional, USDA and VA. There cannot be excess upfront fees defined as more than 3% of the loan amount for loans that equal or exceed \$80,000 and 5% for loans less than \$80,000.

ELIGIBLE BOUNDARIES

It is the applicant's responsibility to check the precise location area of the purchase property address on the [Salt Lake County Assessor website](#) to ensure it is within the respective program boundaries.

Salt Lake City- Property must be within Salt Lake City municipal boundaries according to the [County assessor](#).

INCOME LIMITS

The household must be income eligible at or below 80% of the Area Median Income (AMI) and meet HUD income limits which are updated on an annual basis.

Income for all household members over the age of 18 will be included in the total household income calculation. Possible sources and proof of income include, but are not limited to pay stubs, SSI/SSA award letter, profit & loss statement (if self-employed), tax returns, 1099, W-2, etc.

INCOME CALCULATION

DPA income calculation can vary from lender income calculation. CDCU uses the HUD approved IRS 1040 adjusted gross income calculation method. Please see the link below for more information about inclusions and exclusions that are accepted using this method (See Exhibit 3.15) <https://files.hudexchange.info/resources/documents/HOMEGuideForIncomeAndAllowances.pdf>

In general, the most recent 2 months of gross income is projected over the following 12-month period. Variable income such as overtime, commissions, and bonuses will only be considered if they reflect as regular on the paystubs. We take into consideration all the income documentation provided with the application as support. Upon approval the property must be acquired within six months of income verification, otherwise the income determination will need to be re-evaluated.

AWARD AMOUNT DETERMINATION

Our current award amount determination method is based on the funds needed to close indicated by the official Loan Estimate while considering any gifts, seller concessions and lender credits. Receiving the maximum award amount is not guaranteed.

REQUIRED FUNDS

All programs require the homebuyer to contribute a **minimum of \$1,000** in personal liquid funds towards the purchase transaction. Gift funds will not be considered personal funds.

CASH RESERVE AFTER PURCHASE

Homebuyers are required to have sufficient cash or other liquid resources such that, after closing, there are financial resources available to cover at least one month of the total monthly housing expenses included in the front-end ratio.

RESIDUAL INCOME

Residual income equals gross monthly income minus all front-end and back-end expenses. Homebuyers must meet the federally established residual minimum amounts. Households that do not have sufficient residual income will be required to fall within the lower debt ratios of 35% front end and 45% back end.

Household Size	Residual Income Minimum
1 Person	\$491
2 Persons	\$823
3 Persons	\$990
4 Persons	\$1,117
5 Persons	\$1,158
Over 5 people	\$80 per person up to 7

Loan Amounts \$80,000 and Above

DEBT RATIOS

Housing (front-end) ratio: Not to exceed 40% if household meets residual income standards; not to exceed 35% if household does not meet residual income standards. Expenses included are mortgage principal and interest, real estate taxes, homeowner's insurance, mortgage insurance premiums, association fees, ground lease fees, and any other similar housing fees.

Debt-to-income/DTI (back-end) ratio: Not to exceed 50% if household meets residual income standards; not to exceed 45% if household does not meet residual income standards. Expenses

include all front-end expenses, all recurring consumer debt (credit cards, auto loans, student loans, personal loans, other installments, and revolving debt on credit report), alimony, and child support.

ASSET REVIEW

Any applicable asset(s) that have a balance of over \$10,000 must invest any amount over the \$10,000 into the purchase of the home by the homebuyer. Applicable assets include the following: i. Cash, ii. checking or savings accounts that are not verified by the homebuyer as retirement assets OR required to be used at closing by the primary lender to pay off existing debt; iii. stocks, mutual funds, money market funds, certificate of deposits, and bonds that are not identified by the homebuyer as retirement assets, iv. All retirement and education asset accounts are to be excluded, e.g., 529 accounts, IRA/Roth IRA accounts, etc. Homebuyers can verify the purpose of account(s) through a signed statement.

OWNER OCCUPANCY

The applicant, and co-applicant (if applicable) must own and occupy the property as the primary residence and are subject to an annual affidavit stating they remain in the home.


CREDIT RATING

There is no minimum FICO credit score requirement to participate in the DPA program. The credit report submitted with the application will be used to verify the applicant’s credit history.

FAIR HOUSING & EQUAL OPPORTUNITY

It is CDCU’s policy that all aspects of this program shall be conducted without regard to race, color, religion, sex, disability, familial status, age, source of income, national origin, sexual orientation, or gender identity. CDCU adheres to all State and Federal Fair Housing and Civil Rights laws, including the Equal Credit Opportunity Act, and encourages minorities, women, and people with disabilities to seek funding.

TERMS OF ASSISTANCE PROVIDED

DPA Program	*Award Amount	Max Purchase Price
Salt Lake City	up to \$39,000	\$492,000
 APPLICABLE TO ALL PROGRAMS*		
Forgiveness Terms: 5 years for award amounts <u>Under</u> \$15,000 10 years for award amounts \$15,000-\$40,000		
Interest Rate: 0%		
Payments: Deferred (No payments due)		
Requirement: Applicant must be a first-time homebuyer as defined by HUD. Property must remain as the primary residence.		
Repayment: The original DPA deferred loan/grant amount shall be repaid in full if the homeowner sells, exchanges, transfers title, decides to refinance for any non-qualifying reason, or ceases to live in the property as the primary residence before the forgiveness term is satisfied.		
*Award amount is based on need & loan structure. The maximum amount is not guaranteed.		



SUBORDINATIONS of previously received DPA's

Subordinations are subject to review and may be approved under the following refinancing reasons:

- Catastrophic events
- Reducing interest rate and/or monthly payments on the mortgage
- Home repairs or retrofitting the home to be accessible with a professional bid and photo supporting evidence.
- Repairing an automobile utilized for work, school, or other critical transportation needs with supporting evidence.
- Pay off any type of reasonable debt so long as the refinancing results in an increase in residual income or a decrease in monthly credit report obligations.
- Subordinations **will not** be approved for HELOC transactions.

In refinance transactions, the DPA lien must retain a 2nd position behind the first mortgage.

Subordination request form along with the required documentation must be submitted and emailed to payoff@cdcutah.org

Online subordination form: <https://cdcutah.org/housing-services/downpayment-assistance/item/43-subordination-payoffs>

There is a **\$75.00** subordination processing fee.

PAYOFFS for previously received DPA's

If a homebuyer has received DPA funds in the past, depending on the specific DPA program and the year it was awarded, CDCU will verify the repayment/forgiveness term reflected on the promissory note.*

DPA must be repaid when a triggering event occurs within the repayment period. These may include any of the following:

- Sale of the property
- Transfer of title to another party
- Owners move out of the home.
- Refinancing and taking cash out for non-qualifying activity.
- Owner applies for a 2nd mortgage or home equity loan/line of credit.

The online Payoff request form along with the required documentation must be completed and emailed to payoff@cdcutah.org

Additionally, to release an expired/satisfied or previously paid DPA lien, the payoff form must be completed and submitted.

Online payoff form: <https://cdcutah.org/housing-services/downpayment-assistance/item/43-subordination-payoffs>

There is a **\$75.00** reconveyance/lien release processing fee.

***Note:** DPA program repayment/forgiveness terms vary and have changed over time.



DPA Program Application 2023-2024

Process and Time

APPLICATION SUBMISSION

All applicants must submit a fully completed application with the household's most current information and with copies of all the documents listed on the "DPA Application Checklist." Applications submitted with any missing information or documentation will not be accepted and/or denied. Once complete information has been submitted, CDCU will evaluate eligibility and contact the applicant if additional information is needed. After completing the application review, a notification of the results will be disclosed within 5 business days of completed submission.

HOMEBUYER EDUCATION & COUNSELING

The applicant must attend a **HUD-approved homebuyer education class** and submit a completion certificate from an approved course provider:

- CDCU: (801)-994-7222
- [Framework Online course](#)

A free 1 on 1 in person counseling session is also mandatory in addition to the homebuyer education class. The Counseling appointment is typically scheduled once the application approval is granted. Counseling completion certificate must be submitted prior to closing. Contact CDCU for more information at 801-994-7222.

VISUAL ASSESSMENT

Before issuing DPA funds, a third-party inspector will be in contact with the real estate agent or owner to perform a visual assessment of the

property. The inspector will check for the presence of health and safety concerns, including visual testing for lead-based paint dangers in homes built prior to 1978 as required by federal guidelines (**HUD: 24 CFR Part 35 subpart K**). A report will be provided with the results and will indicate if there is any remediation required. Please be aware that current regulation states that homes being purchased using federal funding must have a smoke detector in all bedrooms and common areas of the home and carbon monoxide detectors on every level of the home.

****Radon Testing is offered free of charge *only* to Salt Lake City DPA program applicants.**

PROCESS STEPS & TIME

25-30 days (*We are unable to process rushes*)

1. Application Eligibility & Underwriting Review: *Results response provided within 5 business days after all documentation & information is received.*

2. Environmental Report: Once CDCU has qualified the applicant, CDCU will request environmental clearance from the participating municipality (Up to 1 week to complete)

3. Letter of Commitment & Lead Based Paint form: CDCU must receive environmental clearance first to send this letter (1-2 business days to complete)

4. Visual Assessment: CDCU will order the visual assessment through a contract company. Disbursement of funds is contingent upon the

property passing the visual assessment inspection. (1-2 weeks to complete)

*Please note that smoke detectors must be installed on every floor and in each bedroom.

*Radon Gas Test: (offered by [Salt Lake City](#) only)

If Applicant(s) agree to have the free radon gas testing done, CDCU's assigned agent will perform a radon gas test to identify the level of radon gas present in the property. Applicant(s) will be **strongly encouraged but not required to mitigate any test levels that are above 4.0pCi/L**. This applies to all housing types (single family, townhome, condominium, etc.)

The applicant(s) may proceed with the transaction and receive down payment assistance. If the applicant(s) chooses to mitigate, the cost of radon gas mitigation will be the responsibility of the seller and/or buyer.

5. Due Diligence: CDCU needs to review the appraisal report, title report, lender affidavit as well as the evidence of homeowner's insurance reflecting CDCU as additional insured. (1-2 business days to complete)

Please note: CDCU must remain an additional insured on the homeowner's insurance until the deferred loan is paid in full.

6. Review Closing Disclosure (CD): CDCU must receive a copy of the CD 3 days prior to closing for review and approval of program compliance requirements. CDCU needs adequate time to

complete the DPA closing packet. (This includes a recorded trust deed, notice of default, and promissory note). We ensure all items are reflected correctly and must sign off on the CD to release funds. (3 business days)

7. Settlement: Once all items have been satisfied, CDCU will wire transfer the DPA award amount or a check will be provided for pickup by the title company at our office. (3 business days to complete)

SIGNED LOAN CLOSING DOCUMENTS TO BE RETURNED TO CDCU

- 1) Escrow Agent Letter of Instructions
- 2) Original Promissory Note
- 3) Original Recorded Deed of Trust
- 4) Original Recorded Request for Notice of Default
- 5) Visual Assessment Disclaimer
- 6) Final Closing Disclosure
- 7) 1st Mortgage Note
- 8) Recorded Warranty Deed
- 9) Copy of the First Mortgage Final Title Policy

Questions & Additional Information

If you have any questions or concerns regarding the different DPA programs or the application process, please contact our office (801)-994-7222 TY711 or email us at dpa@cdcutah.org. Se habla español, se fala Português; interpretation services are available upon request.



Applicant Name(s): _____

Purchase Property Address: _____

Please provide the following with this application. Applicant(s) must fully complete **ALL SECTIONS** and submit **ALL CHECKLIST ITEMS** in order for this application to be considered complete. **Incomplete applications will NOT be reviewed for approval.**

Copies of the following documents are required for the APPLICANT(S) AND ALL HOUSEHOLD MEMBERS THAT EARN INCOME:

- Entire completed and signed Down Payment Assistance application (following pages 1-17 as applicable)
- One form of valid government photo ID (i.e. Driver's License, State I.D, Passport, Permanent Resident card)
- Pay Stubs for the most recent 2 months (These must be consecutive and without gaps)
- Statement/Award letter and Form 1099 for any cash assistance, social security, disability, retirement, trust, pension, unemployment, etc. (if applicable)
- If Self-Employed, provide the Profit & Loss Statement or Income Worksheet for the past 3 months
- Certification of Zero Income form for any member (18 years or older) of the household that does not receive income (if applicable)
- Bank Statements for the most recent 2 months & any other investment or bank account statements
- W-2's for the most recent 2 years
- Most Recent Federal Tax Return (signed)
- Signed Real Estate Purchase Contract (REPC) (including all addendums)
- Credit Report (lender can help provide)
- Loan Estimate (LE) (lender can help provide)
- Loan Application (1003) (lender can help provide)
- Transmittal Summary (1008) (lender can help to provide)
- Verification of Employment from employer and/or Lender income calculation worksheet (lender can provide)

Upon approval- The additional documentation is required before funds can be disbursed:

- Certificate of completion for HUD approved Home Buyer Education course (see Process & Time section for approved classes)
- Certificate of completion for HUD-approved Pre-purchase Counseling (Our advisor will contact borrower to schedule)
- Preliminary Title Report confirming that the property appears to be free & clear for sale to applicant
- Appraisal Report
- Evidence of Homeowner's Insurance with CDCU listed as additionally insured
- Closing Disclosure 3 or more days prior to closing showing our specific verbiage
- Environmental Clearance from participating municipality (CDCU will order & verify)
- Property must pass visual inspection (CDCU will order & verify)





Purchase Property & Contact Information

PURCHASE PROPERTY INFORMATION

Address: _____

City: _____, UT Zip: _____

Purchase price: \$ _____ Anticipated closing date: _____

Home Type: Detached single-family residence Condominium Townhome Other _____

Year built: _____ # of bedrooms: _____ ENERGY STAR rated? Yes No Wheelchair accessible? Yes No

First-time Homebuyer? Yes No

Buyer Information— please provide contact information for *all* buyers

Buyer Name(s): _____

Phone #: _____

Email: _____

Buyer's Real Estate Agent – Please complete with as much information as you have available.

Agent Name: _____

Company: _____

Phone #: _____

Email: _____

Seller's Real Estate Agent – Please complete with as much information as you have available.

Agent Name: _____

Company: _____

Phone #: _____

Email: _____

Lender Information– Please complete with as much information as you have available.

Loan Officer: _____

Company: _____

Phone #: _____

Email: _____

I am interested in (check all that apply): Managing my finances Purchasing a home Fixing my home Saving my home

APPLICANT INFORMATION

Applicant: _____
Address: _____
City: _____ **State:** _____ **Zip:** _____
Home Phone: _____
Work Phone: _____
Cell Phone: _____
Email: _____
DOB: _____ **SSN:** _____
Highest Level of Education: _____
Sex: Male Female **Ethnicity:** Hispanic Non-Hispanic
Race: White Black Asian
 American Indian or Native Alaskan
 Native Hawaiian or Other Pacific Islander
 Other: _____

CO-APPLICANT INFORMATION

Co-Applicant: _____
Address: _____
City: _____ **State:** _____ **Zip:** _____
Home Phone: _____
Work Phone: _____
Cell Phone: _____
Email: _____
DOB: _____ **SSN:** _____
Relation to Applicant: _____
Sex: Male Female **Ethnicity:** Hispanic Non-Hispanic
Race: White Black Asian
 American Indian or Native Alaskan
 Native Hawaiian or Other Pacific Islander
 Other: _____

Have you received services from other counseling agencies? _____

How did you hear about our organization? _____

HOUSEHOLD INFORMATION

The following questions are for survey purposes only and do not affect an applicant's eligibility.

Marital Status: Single Married Separated Divorced Widowed
Household Type: Single Adult Two or more unrelated adults Married with children Married without children
 Female headed single parent household Male headed single parent household Other _____
Is there a household member who is: Disabled Veteran Elderly
 Disabled Dependent Active Duty Military Foreign Born

Household is English proficient Household is not English proficient

Do you need any special accommodations for language or disability? _____

Current Housing Situation: Homeowner Renter Other: _____

Are you working with a real estate agent? Yes No **Are you working with a lender?** Yes No

Have you owned a home in the past 3 years? Yes No **Have you been a victim of housing discrimination?** Yes No

Please provide the following information for all household members other than applicant & co-applicant:

	<u>Name</u>	<u>Relationship</u>	<u>Age</u>	<u>Date of Birth</u>	<u>Sex</u>	<u>Ethnicity</u>	<u>Race</u>
1.	_____	_____	_____	_____	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic	_____
2.	_____	_____	_____	_____	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic	_____
3.	_____	_____	_____	_____	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic	_____
4.	_____	_____	_____	_____	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic	_____
5.	_____	_____	_____	_____	<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic	_____

HOUSEHOLD INCOME INFORMATION

Gross Annual Household Income: \$ _____ (total yearly income for entire family, before taxes & deductions)

Balance of All Debt: \$ _____

Total Monthly Payments, *Exclude Rent & Utilities*: \$ _____

Applicant Employment Information:

Employer Name: _____

Business Type: _____

Title: _____

Start Date: _____

Pay Period: Weekly Bi-Weekly Semi-Monthly Monthly

Hourly Income: \$ _____

Average Hours Worked per Week: _____

Gross Monthly Income: _____

Net Monthly Income: _____

Other Income: _____

I am a: Certified Teacher Sworn law-enforcement officer
 Firefighter or Certified Emergency Medical Technician

Co-Applicant Employment Information:

Employer Name: _____

Business Type: _____

Title: _____

Start Date: _____

Pay Period: Weekly Bi-Weekly Semi-Monthly Monthly

Hourly Income: \$ _____

Average Hours Worked per Week: _____

Gross Monthly Income: _____

Net Monthly Income: _____

Other Income: _____

I am a: Certified Teacher Sworn law-enforcement officer
 Firefighter or Certified Emergency Medical Technician

Other household members over the age of 18: Additional household members included on a separate page

Name: _____

Employed: Yes No

Employer Name: _____

Title: _____

Start Date: _____

Pay Period: Weekly Bi-Weekly Semi-Monthly Monthly

Hourly Income: \$ _____

Average Hours Worked per Week: _____

Name: _____

Employed: Yes No

Employer Name: _____

Title: _____

Start Date: _____

Pay Period: Weekly Bi-Weekly Semi-Monthly Monthly

Hourly Income: \$ _____

Average Hours Worked per Week: _____

I certify that the information above is true and correct to my knowledge:

Applicant Signature

Printed Name

Date

Co-Applicant Signature

Printed Name

Date



First-Time Homebuyer Certification

According to HUD's definition of a first-time homebuyer, found under Title 24 of the Code of Federal Regulations (CFR), a first-time homebuyer is an individual who meets any of the following criteria:

- An individual who has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property. This includes a spouse (if either meets the above test, they are considered first-time homebuyers).
- A single parent who has only owned with a former spouse while married.
- An individual who is a displaced homemaker and has only owned with a spouse.
- An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations.
- An individual who has only owned a property that was not in compliance with state, local or model building codes and which cannot be brought into compliance for less than the cost of constructing a permanent structure.

Source: <https://archives.hud.gov/offices/hsg/sfh/ref/sfhp3-02.cfm>

I certify under penalty of perjury that I am a first-time homebuyer according to the aforementioned criteria. I understand that false or misleading information provided by me may cause this application to be denied.

WARNING: Section 1001 of Title 18 of the U.S. Code making it a criminal offense to make willful false statements or misrepresentations to any department or agency of the U.S. as to any matter within its jurisdiction.

Date

Affiant (Homebuyer) Signature

Affiant (Homebuyer) Printed Name

Affiant (Homebuyer) Signature

Affiant (Homebuyer) Printed Name



Down Payment Assistance Programs Disclosure Statement

The purpose of the programs is to assist low-to-moderate income eligible households purchase single-family homes by providing a down payment assistance deferred loan/grant. All programs are federally funded and are very similar, however, there are important differences in the terms. Please carefully review all the specific details of the program you are applying to. It is the applicant’s responsibility to check the purchase property address on the [Salt Lake County Assessor’s website](#) to confirm and select the correct program below based on precise location area.

Own in Salt Lake City:

Award Amount: Up to \$39,000	Purchase Price Limit: \$492,000
Award Amount: Under \$15,000 Forgiveness term of 5 years Award Amount: \$15,000-\$40,000 Forgiveness term of 10 years	
Interest Rate: 0%	Payments: Deferred (No payments due)
Radon Testing: Offered free of charge (Optional)	Requirement: Applicant must be a first-time homebuyer as defined by HUD. Property must remain as the primary residence
<p>Repayment Terms: The original DPA deferred loan/grant amount shall be repaid in full if the homeowner sells, exchanges, transfers title, decides to refinance for a non-qualifying reason or ceases to live in the property as the primary residence before the forgiveness term is satisfied.</p>	



The following program requirements and restrictions on occupancy apply to ALL programs and must be strictly followed to comply. These restrictions are recorded against the property in the Deed of Trust.

- Assistance can only be provided to homebuyers whose entire household income does not exceed 80% of Area Median Income (AMI) at the time of application, adjusted for household size, as defined by the current income limits for Salt Lake County published by the U.S. Department of Housing and Urban Development (HUD).
- The property must be occupied by the Homebuyer as the principal residence during the entire term of the loan.
- The property is required to pass a visual assessment inspection to ensure federal health, safety, code issues or lead-based paint hazards are addressed. The current assessment fee is \$75. This fee along with any other fee associated with the down payment assistance transaction will be taken from the award amount at closing.
- Homebuyers must contribute \$1,000 in personal liquid funds towards the transaction.
- Homebuyers must meet minimum residual income guidelines depending on household size.
- Homebuyers must meet cash reserve requirement to cover at least one month of the total monthly housing expenses included in the front-end ratio.
- Homebuyers must invest any funds that are over \$10,000 from applicable assets into the purchase of the home.
- The home must always be maintained in accordance with CDCU's Maintenance Policy.
- Homebuyers must pay all taxes, special assessments, and maintain homeowners' insurance. Failure to comply with these requirements will cause the note to become due and immediately payable.
- Please be advised that in accordance with federal guidelines, CDCU will notify the seller on behalf of the buyer of the fair market value determined by the official appraised value once available.
- No exceptions to forgive repayment of the full or partial amount of the deferred loan/grant will be granted if the recipient does not satisfy the program terms. All recipients must comply with the federal level HOME & CDBG program requirements that cannot change for any reason.
- Homebuyers agree to cooperate and comply with CDCU's annual monitoring requirements by supplying true and accurate owner information.

I certify under penalty of perjury that the information in this application is true and correct to the best of my knowledge. I hereby authorize CDCU to verify all information provided using whatever verification methods and documentation is necessary. I understand that false or misleading information provided by me may cause this application to be denied and or legal action may be taken against me. Furthermore, if any false or misleading information provided in this application is discovered after the transaction is completed, I will be held personally and financially liable for the transaction costs plus interest at twelve percent (12%) per annum and any legal fees.

WARNING: Section 1001 of Title 18 of the U.S. Code making it a criminal offense to make willful false statements or misrepresentations to any department or agency of the U.S. as to any matter within its jurisdiction.

Homebuyer Signature

Homebuyer Signature

Printed Name

Printed Name

Date

Date



Notice to Seller & Occupancy Certification

AFFIANT (seller) _____ states and represents that:

1. Affiant is the owner, or an interest holder in a partnership, or an officer and shareholder of a corporation, which owns and is voluntarily selling the property located at:

_____ hereafter referred to as “the property.”

Number & Street City Zip Code

2. Affiant has entered into an agreement to sell the property with:
_____ (Buyer).

4. Affiant is advised the buyer has submitted an application to Community Development Corporation of Utah (CDCU) to obtain a federally funded deferred loan/grant to apply towards the purchase of the property.

5. Affiant is hereby notified that neither CDCU nor the Buyer has power of eminent domain and therefore, if negotiations fail to result in an amicable agreement, CDCU shall not acquire said property and affiant is under no obligation to complete the sale of the property.

6. A preliminary estimate of the fair market value (i.e. purchase price) of the property listed in the Real Estate Purchase Contract (REPC) offer was provided prior or concurrent with the REPC. Affiant will receive an additional notification with the fair market value determined by the appraised value once available. If the appraised value differs from the stated preliminary estimate value (i.e. purchase price), the affiant has the opportunity to withdraw from the existing agreement.

7. Affiant hereby consents CDCU to complete a visual inspection of the home to ensure federal health, safety, code issues, and/or lead-based paint hazards are verified. Inspection may include radon gas testing.

8. Affiant asserts that: Other than the Affiant and Affiant’s immediate family, no persons have resided at the property during the previous 90 days, OR if any person other than the Affiant and Affiant’s immediate family has been a tenant residing at the property during the last 90 or more days, the tenancy of any such person in the property has not been terminated as a result of the planned sale to Affiant’s purchaser.

***REQUIRED:** Table below must be completed by listing ALL individuals that have occupied the property in the last ninety (90) days prior to the date of the purchase offer to the present date. If property has not been occupied in the last ninety (90) days, write vacant or N/A:

Full Name	Part of the Owner’s Household? Y/N	Currently residing in the property? Y/N

As indicated in the purchase offer, no additional persons may be permitted to occupy the property without first being issued a prospective move-in tenant notice.

I hereby acknowledge my responsibilities under the preceding statement and declare the occupancy list to be accurate to the best of my knowledge and belief. I understand this information is submitted for the purpose of preventing conflict with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. If I fail to provide accurate occupancy information for the above mentioned property, **CDCU** may hold me liable for the cost of all relocation claims and related legal costs relating to persons omitted from the occupancy list.

***Note:** *Email is needed to send the seller an additional notification letter with the fair market value determined by the appraised value once available in accordance to federal funding guidelines.*

Date: _____

Email: _____

Affiant (Seller) Signature

Affiant (Seller) Signature

Printed Name

Printed Name



Authorization for Release of Information

The undersigned hereby authorizes Community Development Corporation of Utah (CDCU) to use, reproduce and release all personal and financial information regarding the undersigned to any governmental agencies which may include: Salt Lake County, Salt Lake City, The City of Taylorsville, The U.S Department of Housing and Urban Development (HUD), Housing Partnership Network and/or NeighborWorks America Data Collection System and/or their agents, and any other persons, as may be reasonably required of CDCU, for purposes of processing and completing the application, reporting, providing proof of appropriate use of funds and other monitoring required by such governmental agencies or private persons or entities. By signing this authorization, the undersigned agrees and consents to such use and reproduction of the information for necessary/reasonable purposes of CDCU. The undersigned also agrees, upon request, to provide follow-up information to CDCU for the purposes of program evaluation, monitoring, and compliance.

The undersigned also understands and agrees that CDCU may verify any and all information on the down payment assistance application directly with the employer and/or the financial institution or any other third-party agencies used to obtain a loan. Such information includes, but is not limited to, employment history and income, bank, money market and similar account balances, credit history, and tax documents. I understand that photocopies of this information may be used for the purposes stated. If I do not sign this authorization, I understand that my application may be denied.

Homebuyer Signature

Date

Printed Name

Homebuyer Signature

Date

Printed Name

Optional

The undersigned hereby authorizes Community Development Corporation of Utah (CDCU) to use the name and pictures of the family members of the undersigned in publications and promotional information provided to third parties by CDCU. By signing this authorization, the undersigned agrees and consents to such use and reproduction of the information for the reasonable purposes of CDCU.

Homebuyer Signature

Date

Homebuyer Signature

Date



Lender Affidavit

The undersigned affirms that:

1. The undersigned represents the Lender responsible for issuing the purchase money loan (in first position) for the purchase of the residence located at:

Property address *City* *Zip Code*

issued to _____ as buyer.
Name(s)

2. The undersigned will read the executed Down Payment Assistance (DPA) Letter of Commitment between Community Development Corporation of Utah (CDCU) and the buyer, with respect to the deferred loan/grant being made to help finance down payment and/or closing costs associated with the purchase of the property referenced above.
3. In order to complete the DPA application process in a timely manner and to comply with federal program guidelines, the lender must ensure the below requirements and timeline are met as well as provide the list of documents below.

Requirements:

- Lender must verify that buyer contributes at least 1% in personal liquid funds towards the purchase transaction. No cashback is allowed.
- Lender must communicate any adjustments in the transaction, forward any REPC addendums and notify in advance if there are any changes in the settlement date to ensure CDCU can accommodate on a best effort basis. Without prior notification, changes may cause delays.

Note: Disbursement of funds is contingent upon the property passing the visual assessment inspection. Agents/buyers will need to quickly address any issue listed on the report to avoid delaying the closing.

Documents: *(To be submitted after letter of commitment is provided)*

- Copy of the Appraisal Report
- Copy of the Preliminary Title Report
- Vesting/manner in which title will be held so CDCU can complete DPA closing documents
- Copy of the Closing Disclosure (CD) 3 days prior to closing showing the correct awarded amount and reflect "CDCU DPA program" as the source of funds provided
- Proof of Homeowner's Insurance reflecting CDCU as additional insured:
 No loan #
 Community Development Corporation of Utah
 501 E. 1700 S.
 Salt Lake City, UT 84105

***Note:** Lender must be aware that **failure to provide** the required documents or missing any of the outlined details **will delay the process**. CDCU **cannot** accommodate any rushes due to **oversight** of the requirements.

Processing Time Summary:

The DPA process generally takes 25-30 days to complete. It's very important to submit a fully completed application as soon as possible once a buyer is under contract. Applications that are submitted without reasonable time to process will need to request an extension upfront. CDCU will not process rushes, no exceptions.

CDCU needs reasonable time to coordinate all the below processes:

- a. Application Eligibility & Underwriting Review (3-5 business days)
- b. Obtain City/County Environmental Clearance (Up to 1 week to complete)
- c. Send Letter of Commitment to buyer & Lead Based Paint Form-If applicable (1-2 days)
- d. Order Visual Assessment after receiving signed letter of commitment (1-2 weeks to complete)
- e. Review Appraisal/Title Report/Lender Affidavit (1-2 business days)
- f. Review Closing Disclosure, create DPA closing packet, and order funds (3 business days)

The Buyer will be receiving the following type of loan:

- FHA: Case # _____
- Utah Housing
- Conventional
- Other _____

Anticipated date of settlement: _____

Buyer's Title Company: _____

Escrow Officer: _____

Phone # and Email of Escrow Officer: _____

Name of Lending Institution / Brokerage

Name of Lender's / Broker's Representative

Signature of Lender's / Broker's Representative

Title of Lender's / Broker's Representative



Agency & Counseling Program Disclosure

NOTE: If you have an impairment, disability, language barrier, or otherwise require an alternative means of completing this form or assessing information about housing counseling, please talk to your counselor about alternative accommodations

About us and Program Purpose: Community Development Corporation of Utah (CDCU) is a nonprofit, HUD-approved housing counseling agency. CDCU strengthens our communities by empowering all Utahns through access to affordable housing and financial security. We provide free housing counseling and education services, including Financial Management/Budget Counseling, Home Improvement, and Rehabilitation Counseling, Mortgage Delinquency and Default Resolution Counseling, Pre-purchase Counseling, Financial, Budgeting, and Credit Workshops, and Pre-purchase Homebuyer Education Workshops. These programs and services are offered regardless of race, creed, color, ethnicity, national origin, religion, sex, sexual orientation, gender expression, age, physical or mental ability, veteran status, military obligations, and marital status. We administer services in conformity with local, state, and federal anti-discrimination laws, including the federal Fair Housing Act (42 USC 3600, et seq.). **As a housing counseling program participant, please affirm your roles and responsibilities along with the following disclosures and initial, sign, and date the form on the following page.**

Client and Counselor Roles and Responsibilities:

Counselor’s Roles & Responsibilities	Client’s Roles & Responsibilities
<ul style="list-style-type: none"> • Reviewing your housing goal and your finances • Preparing a Client Action Plan that lists the steps that you and your counselor will take in order to achieve your housing goal. • Review/help prepare a household budget. • Your counselor is not responsible for achieving your housing goal but will provide guidance and education in support of your goal. • Neither your counselor nor agency employees, agents, or directors may provide legal advice. 	<ul style="list-style-type: none"> • Providing accurate information about your income, debts, expenses, credit, and employment. • Completing a budget and the steps assigned to you in your Client Action Plan • Attending meetings, returning calls, providing requested paperwork in a timely manner. • Notifying your counselor when changing a housing goal. • Attending educational workshops as recommended. • Retaining an attorney if seeking legal advice and/or representation in matters such as foreclosure or bankruptcy protection.

Termination of Services: CDCU reserves the right to terminate services at any time if it is determined that the Client does not qualify for the programs that CDCU offers if the Client’s needs cannot be met by said programs, if a respectful and professional relationship is not maintained or if there is failure to work cooperatively with housing counselor or staff. This includes, but is not limited to, missing three consecutive appointments. The client may also terminate services at any time.

INITIALS: _____ / _____

Agency Conduct: No CDCU employee, officer, director, contractor, volunteer, or agent shall undertake any action that might result in, or create the appearance of, administering services for personal or private gain, providing preferential treatment for any person or organization, or engaging in conduct that would compromise CDCU’s compliance with federal regulations or our commitment to serving the best interests of our clients.

Agency Relationship/ Release of Information: CDCU has financial affiliations with a variety of sources, including congressionally appropriated funds through the Department of Housing and Urban Development (HUD), NeighborWorks, Housing Partnership Network, the United States Treasury, local municipalities, and banks, as well as other public and private organizations including foundations and individuals. CDCU currently receives financial compensation for clients that participate in Framework’s online Homeownership Education course. The client hereby grants permission for CDCU to share the Client’s personal information with the aforementioned as applicable for tracking and reporting purposes. As a housing counseling program participant, you are not obligated to use the products and services of CDCU or our partners.

Alternative Services, Programs, and Products & Client Freedom of Choice: In the interest of full disclosure, CDCU also provides the following services: Home Renovation Loan program, Down Payment Assistance programs, Mortgage Assistance programs, Home Sales programs, and Real Estate Representation. As a housing counseling client, you are not obligated to participate in any of these services. You are entitled to choose whatever services and/or products best meet your needs.

Referrals and Community Resources: You will be provided a community resource list that outlines regional services available to meet a variety of needs, including utility assistance, food banks, and legal aid assistance, among others. This list also identifies alternative agencies that provide services, programs, or products identical to those offered by CDCU.

Errors and Omissions and Disclaimer of Liability: I/we agree that CDCU, its employees, agents, and directors are not liable for any claims and causes of actions arising from errors or omissions by such parties, or related to my participation in CDCU counseling; and I hereby release and waive all claims of action, liabilities, expenses (including reasonable attorney’s fees) against CDCU and its affiliates/partners. I have read this document, understand that I have given up substantial rights by signing it, have signed it freely and without any inducement or assurance of any nature, and intend it to be a complete and unconditional release of all liability to the greatest extent allowed by law. If any provision of this document is unenforceable, it shall be modified to the extent necessary to make the provision valid and binding, and the remainder of this document shall remain enforceable to the full extent allowed by law. Please note that representatives of CDCU do not provide tax or legal advice and that you should consult your tax advisor or attorney for such guidance.

Quality Assurance: In order to assess client satisfaction and in compliance with grant funding requirements, CDCU or one of its partners, may contact you during or after the completion of your housing counseling service. You may be requested to complete a survey asking you to evaluate your client experience. Your survey data may be confidentially shared with CDCU grantors such as HUD. By signing this Disclosure Statement I give CDCU authorization to share my information with HUD and other third parties, as applicable.

I/we acknowledge that I/we received, reviewed, and agree to CDCU’s Program Disclosures.

Client Signature Date

Client Signature Date

Counselor Signature Date

If acceptance of the Program Disclosure Form is taken by phone:

The counselor’s signature above acknowledges that this Program Disclosure Form was read to the client and the client has verbally agreed to CDCU’s Program Disclosures. A hard copy of the disclosure was sent to the client on



Privacy Policy and Practices

We at Community Development Corporation of Utah (CDCU) value your trust and are committed to the responsible management, use, and protection of your personal information. This notice describes our policy regarding the collection and disclosure of personal information. "Personal Information" or "non-public personal information", as used in this notice, means information that identifies an individual personally and is not otherwise publicly available. It includes personal financial information such as credit history, income, social security number, and other specific information you have provided us.

Information We Collect

We collect non-public personal information, including:

- Information we receive from you verbally, or on applications or other forms
- Information about your transactions with us, our affiliates, or others
- Information we receive from consumer reporting agencies
- Information we receive from personal and employment references

Information We Disclose

We may disclose the following kinds of non-public personal information about you:

- Information we receive from you on applications or other forms, such as your name, address, social security number, employer, occupation, assets, debts, and income
- Information about your transactions with us, our affiliates, or others, such as parties to your transactions, your account balances, and your payment history
- Information we receive from consumer reporting agencies, such as your credit bureau reports, credit history, and credit worthiness

To Whom We Disclose Information

We may disclose some or all of your non-public personal information to the following types of nonaffiliated third parties to provide program services to you:

- Creditors or other third parties where we have determined that it would be helpful to you or would aid us in counseling or otherwise assisting you
- Others (such as non-profit organizations or funding partners that make our services possible) as required for the purpose of review, auditing, research, and oversight
- We may also disclose personal information about you to anyone as permitted or required by law.

You have the opportunity to "opt-out" of certain disclosures (direct us to not make those disclosures) by informing CDCU of your decision in writing.

Confidentiality and Security

Within the organization, we restrict access to non-public, personal information about you to those employees who need to know that information to provide services to you and to help them do their jobs, including financial or housing counseling, loan underwriting, loan servicing, or aiding you in obtaining a loan from others. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to protect your nonpublic personal information. We do not share non-public personal information with any non-affiliated third parties for the purpose of making sales calls or marketing products or services to you.

Emails and Updates

Please initial if you would NOT like us to contact you by email with updates and information about services that we feel may interest you _____

By signing below, you acknowledge that you have received and read this disclosure notice.

(Client Signature)

(Client Signature)

(Date)



Maintenance Policy

1. **CONDITION:** The Homeowner shall maintain the property in good, safe, and habitable condition in all respects, except for normal wear and tear, and in full compliance with all applicable laws, ordinances, rules and regulations of any governmental authority with jurisdiction over matters concerning the condition of the property. The property must meet these minimum housing standards:
 - a. No pest report findings
 - b. No obvious signs of dry rot or mildew
 - c. Functioning roof without obvious signs of deterioration
 - d. Gutters direct water away from house
 - e. Siding and trim in good condition
 - f. Exterior paint in acceptable condition
 - g. Foundation walls in good condition
 - h. Crawl space or basement is dry, with no water penetration and with appropriate vapor barrier
 - i. Decking/stoops with safety rails if required by code
 - j. All windows and doors in functioning condition; operable windows have screens
 - k. Functioning hot water heater
 - l. Functioning interior heating system
 - m. Functioning and properly grounded electrical system and fixtures
 - n. Plumbing system and fixtures in working order without obvious damage
 - o. Floor coverings do not have holes, tears or missing sections
 - p. Landscaping in neat and healthy condition
 - q. Yards well-kept and free of debris; no code violations, including improper storage of household items, improper disposal of rubbish, or illegally parked cars on property
 - r. Routine maintenance of systems and appliances performed (i.e. changing filters, etc.)
2. **COST OF MAINTENANCE.** The costs required to maintain these minimum housing standards is the responsibility of the Homeowner. The Homeowner shall not permit any mechanics' liens to be recorded against the Property.

By signing below, you agree to maintain the Property in accordance with this policy.

Homebuyer Signature

Homebuyer Signature

Printed Name

Printed Name

CERTIFICATION OF ZERO INCOME

(Each adult household member must complete this form.)

Household Member Name: _____

Purchase Property Address: _____

A. Within the next 12 months, will you receive income from any of the following sources?

You must supply additional information to verify all 'Yes' answers.

- | | | | | | |
|-----|----|---|-----|----|---|
| Yes | No | Wages, bonus, commissions, tips, etc. | Yes | No | Self-employment (includes Uber/Lyft, online sales, etc.) |
| Yes | No | Unemployment Benefits | Yes | No | Annuities, insurance policies, stocks, etc. |
| Yes | No | Worker's Compensation | Yes | No | Pensions, IRA, 401K |
| Yes | No | Disability Payments | Yes | No | Income from rental property |
| Yes | No | Alimony | Yes | No | Death Benefits |
| Yes | No | Child Support | Yes | No | Interest/dividends from assets, including bank accounts |
| Yes | No | Social Security | Yes | No | Direct Sales Consulting such as Mary Kay, Tupperware, Pampered Chef, etc. |
| Yes | No | Help with paying bills or other expenses or regular gifts of money from family or friends who don't live with you (including online donations such as GoFundMe or through a local bank) | Yes | No | Work for cash (babysitting, lawncare, etc.) |
| | | | Yes | No | Any other source/Anticipated income (if yes, explain below) |
- _____

B. Mark the ONE statement that applies to you:

I do not expect to have any source of income in the next 12 months.

I have been hired for a new job or I will be receiving another source of income soon. I will give you more information for verification purposes.

C. If you have circled N for each source of income in section A, and you do not expect to have any source of income in the next 12 months, explain how you will pay for the following:

(write N/A if the cost does not apply to your household)

- Rent or Mortgage *(including garage rent, if applicable)* _____
- Utilities _____
- Food _____
- Clothing _____
- School supplies _____
- Cell phone or phone _____
- TV *(cable, dish, satellite)* and/or internet _____
- Medical care _____
- Medications & prescriptions _____
- Personal care products *(shampoo, toothpaste, etc.)* _____
- Vehicle expenses *(car payments, insurance, fuel, etc.)* _____
- Payments on credit card balances _____
- Other expenses not listed above _____
- Additional comments _____

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. I further understand that providing false representations constitutes an act of fraud. False, misleading, or incomplete information may result in the termination of my agreement. I understand that I may be required to periodically update this information as requested.

Signature of Household Member

Printed Name of Household Member

Date

