

## Terms of Purchase Assistance Loans

<b>Program Intent</b>	The intent of this program is to promote owner-occupancy of residential properties. The program provides funding for downpayment/closing cost assistance in conjunction with the purchase of a home within the neighborhood.
<b>Interest Rate</b>	0 %
<b>Amortization Type</b>	Deferred
<b>Loan Amount:</b>	\$1,000 minimum; \$4,000 maximum
<b>Total Project Costs / Matching</b>	It is the borrower's responsibility to obtain the amount of funds necessary to purchase the property in accordance with the 1st mortgage program guidelines. In the event the final cost exceeds the requested loan amount, the borrower must obtain the additional funds from sources acceptable to the 1st mortgage lender (if any).
<b>Term:</b>	10-years. If the borrower sells, transfers title or if the home is no longer the primary residence of the original borrower prior to the 10-year anniversary date, the entire original principal balance is due and payable. The loan may also become due and payable upon refinance. After 10-years the loan is 100% forgiven.
<b>Eligible Borrowers</b>	<p>All borrowers must be legally residing in the United States and may include (based on approval of 1<sup>st</sup> mortgage lender):</p> <ul style="list-style-type: none"> <li>• U.S. Citizens</li> <li>• Foreign Nationals</li> <li>• Permanent Resident Aliens</li> <li>• Non-Permanent Resident Aliens</li> </ul>
<b>Ineligible Borrowers</b>	<p>Ineligible borrowers include;</p> <ul style="list-style-type: none"> <li>• Non-Occupant Co-Borrowers</li> <li>• Non-real person entities (such as Sole Proprietorships, Corporations, , etc.)</li> <li>• Properties held in a Contract-for-deed (except when the property is being "refinanced" to wholly transfer ownership).</li> <li>• Foreign Nationals</li> </ul>
<b>Eligible Properties</b>	1-4 unit residential properties located with the geographical boundaries of the Lind Bohanon neighborhood. Townhomes and Condominiums permitted.

<b>Ineligible Properties</b>	Ineligible properties include; <ul style="list-style-type: none"><li>• Non-owner occupied (aka Absentee Owned)</li><li>• Dwellings with more than 4 units</li><li>• Co-ops</li><li>• Manufactured homes</li><li>• Time shares</li><li>• Properties used for commercial purposes</li></ul>
<b>Ownership/Occupancy</b>	Owner Occupied.
<b>Loan-to-Value</b>	Based on 1st mortgage lenders approval, but not to exceed 110%.
<b>Income Limits</b>	No income limit.
<b>Debt-to-Income Ratio</b>	None.
<b>Multiple Loans per Property / Borrower</b>	Borrowers may only obtain one purchase assistance deferred loan from this program. If ownership changes, the new owner is eligible. If a previous recipient purchases a new qualifying home, they would be eligible again at that new property.
<b>Eligible Improvements</b>	These funds may only be used for downpayment or closing cost requirements related to the purchase of the home
<b>Ineligible Improvements</b>	N/A .
<b>Sweat Equity / Homeowner Labor</b>	N/A
<b>Property Inspection</b>	Not Required.
<b>Post Installation</b>	N/A
<b>Contract / Permits</b>	N/A
<b>Bids</b>	N/A
<b>Work Completion</b>	N/A