



DOWN PAYMENT ASSISTANCE PROGRAM

Step by Step Guide

Step One:

Contact the HomeOwnershipCenter (HOC) to register for FIRST TIME HOMEBUYER EDUCATION. You can complete Homebuyer education in person or online!

Step Two:

Schedule your personalized coaching session with one of our coaches to determine how soon you can be a homeowner. During this appointment your home advisor will perform an affordability analysis based on your income and debts. We will discuss various lender programs for your first mortgage, the pre-approval process and if you income qualify for any grants or loan products. The amount of the required, minimum applicant contribution will depend on the particular grant program you participate in, but the sooner you start to save the better. You can expect your contribution to be a minimum of \$2,000.

Step Three:

Your home advisor will work with you to select a lender that is most appropriate for your situation. We will submit a letter to your lender that you are pre-qualified for the grant. At this point you will obtain a pre-approval from the lender for the maximum loan for which you qualify.

Step Four:

You begin shopping for a home with your buyer's agent. Once you have found a home you are interested in you will provide your home advisor with a copy of your contract. **The contract must be made contingent upon professional home inspection and HOC grant approval.**

Step Five:

A CERTIFIED HOME INSPECTION IS A REQUIREMENT OF THE PROGRAM, AT THE EXPENSE OF THE HOMEBUYER. You must provide HOC with a copy of the inspection.

Step Six:

Upon receipt of a signed purchase contract you will then make full application with your mortgage lender. Once they have received a market value appraisal and done the appropriate underwriting, you will receive a commitment letter from your lender. This will determine that you will, in fact, receive the amount of the loan needed for this purchase and will list any further stipulations that must be addressed in order to receive a "Clear to Close" from your lender.

Step Seven:

Your file will be presented to HOC loan committee for FINAL APPROVAL. After reviewing all the information including debt to income ratio, housing ratio, credit score, income, and the home inspection/appraisal the loan committee will decide if you are eligible for a grant award.

Step Eight:

You will be notified of Loan Committee's decision.

Step Nine:

Legal:

Once you have received your clear to close from the lender, your attorney will begin work on title searches and legal documentation needed. The Bank's Attorney will prepare the 1st Note and Mortgage for the Grant. Once all the paperwork has been completed to everyone's satisfaction, a closing date will be set. Once a closing date has been set, your Home Advisor should be notified ASAP in order to request your grant funds needed for closing. The grant funds will be sent as a check to the Buyer's Attorney to disperse at closing.

Step Ten:

One or two days prior to the closing, you will call to schedule an appointment with your Home Advisor to review the attorney generated closing disclosure and to sign your grant documents, note and mortgage. Filing fees to record the grant mortgage will be deducted from the grant proceeds.

Step Eleven:

You close on the purchase of your home!

Step Twelve: (if applicable)

You will meet with the housing rehabilitation specialist to determine the scope of repairs for your home. This only applies if you are receiving a grant that has a rehabilitation component.

Good Luck!



1611 Genesee Street, Utica, New York 13501

TEL 315.724.4197 | FAX 315.724.1415 | NYS TDD RELAY 800.622.1220 | www.theHomeOwnershipCenter.org