



Down Payment and Closing Cost Program of Barnstable County

A buyer who is interested in this loan program is required to attend a Homebuyer Education Workshop Series and submit an application. The application is submitted when an accepted Offer is received by the Buyer. Buyers must be determined income eligible by Housing Assistance Corporation according to HUD guidelines. (80% or less of area median income.) Single-family home purchase price may not exceed \$318,000. *Barnstable County is the lender.*

Down Payment and Closing Cost Funds through Housing Assistance Corporation:

- Available in an amount of \$1,000 to \$20,000 per buyer.
- Based on need, the buyer accesses his own funds first.
- **Buyer must contribute 1.5% of their own funds of purchase price.**
- Used only for down payment and/or closing costs *disbursed at closing*.
(In certain cases additional funds may be available for repairs needed.)
- This is a 0% interest, no payment, deferred loan, **paid back when the owner sells/transfers the home or in some cases upon refinancing.**
- Closed simultaneously with the first mortgage.

Funds cannot be reserved/requested until the Housing Assistance Corporation receives the following from you:

- Copy of Purchase and Sale Agreement.
- Copy of Voluntary Acquisition Notice, completed & signed (in application pkg.).
- Completed Confirmation Notice (Housing Assistance Corp. form).
- Copy of the Mortgage Commitment Letter to the buyer.
- Copy of the Loan Disclosure.
- Copy of the Appraisal.
- Verification from lender that buyer meets minimum credit score of 600, and total debt to income ratio of no more than 45%.
- Total LTV of all loans cannot exceed 103% of purchase price.



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- HAC must receive a copy of the Closing Disclosure settlement statement when issued– exact amount of DPCCP funds requested is derived from the CD statement. The goal of the program is to “zero out” cash from Borrower, if possible.

Then Housing Assistance Corporation will:

- Reserve the requested funds and schedule HQS inspection. (It takes approximately 3 weeks from the receipt of the HQS inspection to be able to close.)
- Forward the closing documents to the attorney – a check will be delivered to the attorney by the homebuyer, who picks it up at our office before the closing.

(Again, HAC must receive a copy of the Closing Disclosure settlement statement three days before closing – exact amount of DPCCP funds requested is derived from the CD statement.)

It is important to keep in touch with Housing Assistance Corporation regarding the status of the loan especially if:

- The closing date changes or the applicant is denied the loan.

We must have the *Confirmation Notice* form, completed by the Lender, in our office in order to request the funds.

HOUSING ASSISTANCE CORPORATION ADMINISTERS THE DPCCP FOR BARNSTABLE COUNTY THROUGH THE DEPARTMENT OF HUMAN SERVICES.

WE REQUEST THE FUNDS 3 WEEKS BEFORE CLOSING. IF WE DO NOT REQUEST THE FUNDS IN A TIMELY MANNER (3 WEEKS BEFORE CLOSING), THE CHECK WILL NOT BE AVAILABLE ON THE CLOSING DATE.

Please let me know if there are any changes regarding this loan. *Be aware that funds are available on a first come, first served basis and that the Down Payment Closing Cost Program is contingent on funding.*



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