



Description of the DPA Homebuyer Assistance Program for Cleveland, Logan and Pottawatomie Counties

The Homebuyer Down Payment & Closing Cost Assistance Program (DPA Program) provides funds for low-to-moderate-income individuals and families to purchase their home and realize the great American Dream of Homeownership.

Neighborhood Housing Services Oklahoma (NHSOKLA) offers different DPA Programs with some similarity in basic requirements and some specific requirements for each program to meet the needs of clients and market demand. Each program offers assistance for a designated areas. All DPA Programs are contingent upon funding availability and are administered on a first come first serve basis. Funds will not be reserved until Neighborhood Housing Services Oklahoma (NHSOKLA) receives a copy of the fully executed purchase contract.

Assistance is provided in the form of a five-year forgivable second mortgage to be filed at the County Courthouse and held by the Oklahoma Housing Finance Agency (OHFA) or Neighborhood Housing Services Oklahoma (NHSOKLA). The second mortgage is subject to forgiveness after buyers have occupied the home as their primary residence for five years (Affordability Period). If the property is sold, refinanced or conveyed during the five-year affordability period, the buyers will need to contact NHSOKLA at (405) 231-4663 and request a payoff amount prior to closing. The forgiveness of the second mortgage is 1/60th per month, beginning when OHFA submits closeout information into HUD's IDIS system. If the property is no longer your primary residence during the five-year affordability period, the full amount of DPA that was provided may be required to be paid back.

Cleveland, Logan and Pottawatomie County HOME Program:

This program serves two different areas and the buyer's household must meet the HUD's 80% Average Median Income limits. Income is calculated utilizing the HUD Part 5 calculation method.

Assistance is available for Cleveland County (*excluding the City of Oklahoma City and Norman*), Logan and Pottawatomie County.

The amount of assistance will be calculated as follows: Funding amount needed for downpayment, including closing costs, after all credits toward the purchase and homebuyer required investments have been calculated.

It is imperative that you contact the NHSOKLA office prior to committing to a property for verification that the property address qualifies for Down Payment assistance!



80% Area Median Income Guidelines **effective 06/01/2021

Family Size	Annual Income
1	\$41,000.00
2	\$46,850.00
3	\$52,700.00
4	\$58,550.00
5	\$63,250.00
6	\$67,950.00
7	\$72,650.00
8	\$77,300.00

New Income Limits are established by HUD Annually

The Following Requirements apply to all DPA programs:

Excluded Students are prohibited from receiving HOME housing assistance.

- Program restrictions on student participation found at [24 CFR 5.612](#), which exclude any student who:
 - ✓ Is enrolled in a higher education institution
 - ✓ Is under age 24
 - ✓ Is not a veteran of the U.S. military
 - ✓ Is not married
 - ✓ Does not have a dependent child(ren)
 - ✓ Is not a person with disabilities
 - ✓ Is not otherwise individually eligible, or has parents who, individually or jointly, are not eligible on the basis of income.
- The buyer must attend a certified Homebuyer Education Workshop prior to closing and provide NHSOK with a copy of the certificate.
- Must receive one on one purchase counseling with NHSOKLA's HUD certified counselors prior to closing.
- Buyer must invest a **minimum** of 1% of sales price towards the home purchase. Cash back at closing if required investment exceeds this guideline is not allowed!
- Property must be primary residence.
- Property being purchased must have been owner occupied/vacant at least 6 months prior to purchase date.
- Down payment assistance approval is subject to a satisfactory Uniform Physical Condition Standards (UPCS) Inspection conducted by a NHSOKLA Inspector. There is no fee for the inspection.
- Property cannot be located in Flood Zone
- **Costs such as loan processing fees, loan servicing fees, and/or underwriting fees must not exceed \$1,000 total.**
- Front-end (housing payment only) must be at least 15% but can't exceed 35% and back-end (all debts combined) cannot exceed 42.99% of household monthly gross income.
- If a co-mortgagor/co-signor is used to qualify for mortgage loan, the co-mortgagor/co-signor cannot be on the deed to the property. Primary applicant must still qualify with above stated ratios.
- Buyer must legally reside in the United States

Homebuyers must fall at or below the established income limits for each DPA Program. Applicants who are over the income guidelines may re-apply 6 months after the original date of application.



Participation in Homebuyer Assistance programs require cooperation from all parties involved in the purchase transaction. NHSOKLA, the buyer, realtor, seller, lender, and Title Company all have specific responsibilities in the homebuyer program. The homebuyer should allow a minimum of 45 days to complete the homebuyer program.

Submission of Application

Applicants must schedule a down payment assistance application appointment through NW Compass via NHSOKLA's website <https://nhsokla.force.com/nhsoklacft>

Down Payment Assistance Applications must be complete! Any missing information including disclosing liabilities, child support, Alimony/ Spousal support will be cause for assistance denial.

- ✓ **Incomplete Down Payment Assistance applications missing any documents listed below will not be accepted.**
- ✓ Submit the application, General Release, Disclosure and Acknowledgment, Conditional Grant Agreement and non-returnable copies of the following documents with you to the appointment:
 - Two months most recent pay stubs for all working family members
 - Documentation of any other income, including social security, disability etc.
 - Divorce decree (if applicable and receiving child support)
 - Last two years W-2 forms
 - Federal income tax returns from last two years
 - Driver's licenses and social security cards for all household members
 - Last two months' bank statements
 - Fully executed purchase contract*****
 - Certificate of completion of Homebuyer Education, if available
 - Lender pre-approval, if available
 - Loan Estimate prepared by lender

*****DPA funds will not be reserved until applicant is in contract to purchase property AND the Lender /Borrower has provided NHSOKLA a copy of the Loan Estimate prepared by the lender*****
- ✓ Application and provided documentation are valid for 4 months from date of application.



DOCUMENTS NEEDED FROM REALTOR

The realtor must provide NHSOKLA with copies of the following documents:

- ✓ Sales contract signed by buyer and seller
- ✓ Lead paint disclosure or the document “Lead-Based Paint: A Threat to Your Children” and all other Disclosures
- ✓ Complete and return the Realtor Information Sheet (provided by NHSOKLA at application interview)
- ✓ Schedule a Housing Quality Inspection with NHSOKLA Inspector. This is free and should be performed after the appraisal and repairs are completed. The inspection should be scheduled at least 1 week in advance of closing.

DOCUMENTS NEEDED FROM LENDER

Signed Loan Application	Loan Estimate
Credit Report	Appraisal
Closing Disclosure signed by homebuyer(s)	Flood Certification
Employment Verification	1008/MCAW
Evidence of Insurance	

DOCUMENTS NEEDED FROM TITLE COMPANY

Provide the following documents to NHSOKLA before closing:

- ✓ Title Commitment and Survey
- ✓ Settlement Statement

After closing the title company must return the requested documents to Neighborhood Housing Services Oklahoma or The City of Oklahoma City (listed on the instruction form for title company instructions).

Once NHSOKLA has approved the Final Closing Disclosure, no further changes are allowed to be made to the final settlement statement

PROPERTY REQUIREMENTS

- ✓ The home must be located in an area where funding is currently available (see maps).
- ✓ The home must pass a Housing Quality Standards Inspection before closing. If repairs are needed they must be completed before closing. Copies of receipts for materials, photos, or re-inspection will be required as proof of repairs.
- ✓ Persons who live in the house prior to purchase cannot be displaced. The house must have been occupied by the seller, buyer, or been vacant for six months. The seller will be asked to sign the Homebuyer/Seller Certification verifying no displacement has occurred. If displacement has occurred, the **seller** will be required to settle any claims filed as a result of the displacement.
- ✓ **Property cannot be located in a flood zone.**





Lead

In homes built before 1978, treat peeling paint as a lead hazard unless proven otherwise.



What can you do?

1. If your home was built before 1978:

- Mop smooth floors (using a damp mop) weekly to control dust.
- Vacuum carpets and upholstery to remove dust, preferably using a vacuum with a HEPA filter or a “higher efficiency” collection bag.
- Take off shoes when entering the house.
- Pick up loose paint chips carefully with a paper towel; wipe the surface clean with a *wet* paper towel.
- Take precautions to avoid creating lead dust when remodeling, renovating, or maintaining your home.
- Have it checked for lead hazards by a lead professional (including the soil).

2. For your child:

- Frequently wash your child’s hands and toys to reduce exposure.
- Use cold tap water for drinking and cooking.
- Avoid using home remedies (such as *arzacón*, *greta*, *pay-loo-ah*, or *litargirio*) and cosmetics (such as *kohl* or *alkohl*) that contain lead.
- Have your child’s blood lead level tested at age 1 and 2. Children from 3 to 6 years of age should have their blood tested, if they have not been tested before and:
 - They live in or regularly visit a house built before 1950;
 - They live in or regularly visit a house built before 1978 with on-going or recent renovations or remodeling; or
 - They have a sibling or playmate who has or did have lead poisoning.

For more information...

Visit HUD’s website at www.hud.gov/offices/lead for more information about addressing health hazards in homes or to learn if HUD has a Healthy Homes program in your community. From HUD’s website, you can download a copy of “Help Yourself to A Healthy Home” for more practical steps you can take to make your home a lead-safe home.

Other Federal Resources

U.S. Department of Housing and Urban Development, Office of Healthy Homes and Lead Hazard Control
www.hud.gov/offices/lead or call (202) 755-1785

The National Lead Information Center
(800) 424-LEAD (5323)
www.epa.gov/lead/pubs/nlic.htm

Centers for Disease Control and Prevention (CDC)
www.cdc.gov/nceh/lead

Environmental Protection Agency (EPA)
www.epa.gov/lead

U.S. Department of Labor, Occupational Safety & Health Administration
www.osha.gov/SLTC/lead

U.S. Consumer Product Safety Commission (CPSC)
www.cpsc.gov or call (800) 638-2772

Dust created by opening and closing windows is a common lead hazard.



Photo by: January E. Jones, Improving Kids’ Environment