



Description of the DPA Homebuyer Assistance Program for Oklahoma City

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 target area (**Refer to Maps and DPA Program Matrix**). 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 ten-year forgivable second mortgage to be filed at the County Courthouse and held by the City of Oklahoma City or Neighborhood Housing Services Oklahoma. The second mortgage is subject to forgiveness after buyers have occupied the home as their primary residence for ten years (Affordability Period). If the property is sold, refinanced or conveyed during the ten-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 1/120th per month, beginning 60 days after closing. If the property is sub-leased during the ten-year affordability period, the full amount of DPA that was provided will be required to be paid back.

The City of Oklahoma City 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 1040 Adjusted Gross method.

Assistance amount available under the Oklahoma City's HOME Program shall not exceed \$18,000 with an additional \$5,000 reserved for interest buydown if required to make the mortgage payment affordable. Property must be located in the target areas determined by the City of Oklahoma City (refer to Boundary Area Map).

The amount of assistance will be calculated as follows: Funding amount needed to obtain loan to value (LTV) not to exceed 95% of purchase price, including closing costs and 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 and funding is available!



80% Area Median Income Guidelines

Family Size	Annual Income
1	\$48,200.00
2	\$55,050.00
3	\$61,950.00
4	\$68,800.00
5	\$74,350.00
6	\$79,850.00
7	\$85,350.00
8	\$90,500.00

New Income Limits are established by HUD Annually

The Following Requirements apply:

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.
- Buyer required to attend a Neighborhood Housing Services Oklahoma certified Homebuyer Education workshop. Certificates from other Homebuyer Education providers will not be accepted.
- Buyer is required to provide a detailed budget including all debt, proposed principal, interest, taxes and insurance (PITI) and household expenses must show the home purchase is sustainable.
- Two months PITI reserves are required
- Buyer must invest a **minimum** of 1% of sales price towards the home purchase. Cash back at closing if invest exceeds this guideline is not allowed!
- Property must be primary residence.
- Property being purchased must have been owner occupied/vacant at least 3 months prior to purchase date.
- Down payment assistance approval is subject to a satisfactory Housing Quality Standards Inspection conducted by a NHSOKLA Inspector. There is no fee for the inspection.
- Property cannot be located in Flood Zone
- Front-end (housing payment only) cannot exceed 33.99% and back-end (all debts combined) cannot exceed 42.99%
- 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 at ratios of 33.99/42.99%
- 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

Prior to submitting an application for Down Payment Assistance, applicant must be pre-approved with a mortgage lender of their choice.

Applicants must contact our office and schedule an appointment with our Down Payment Assistance Coordinator to submit their application. **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.**
- ✓ Bring the application, General Release, Disclosure and Acknowledgment, Conditional Grant Agreement and non-returnable copies of the following documents with you to the appointment:
 - Credit report – this can be the credit report your lender pulled and provided or you can obtain a free copy of your credit report at www.annualcreditreport.com
 - 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
- ✓ Application and provided documentation are valid for 4 months from date of application.
*****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*****.

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)	Evidence of Insurance
Certification1008/MCAW	

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 three 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.**

ELIGIBLE CLOSING COSTS

Items payable in connection with loan

- Loan Origination Fee-no more than $\leq 1\%$ of principal (+\$200 on loans \leq \$100,000)
 - Appraisal report
 - Points to Buy Down interest rate
 - Credit report

- Items Required By Lender to be Paid in Advance
 - Interest from ___ to ___ Days
 - Mortgage Insurance Premium
 - Hazard insurance premium

Reserves Deposited With Lender

- ✓ Hazard Insurance,
- ✓ Mortgage Insurance(buyer may bring additional funds to avoid mortgage insurance)
- ✓ County Property Taxes

Title Charges

- ✓ ½ Settlement/Closing Fee
- ✓ Abstract or Title Search – must be sellers expense – no assistance applied
- ✓ Title Examination
- ✓ Document Preparation Fee
- ✓ Notary Fee
- ✓ Title Insurance

Government Recording and Transfer Charges

- ✓ Recording fees: deed, mortgage and releases
- ✓ City/County tax: deed, mortgage
- ✓ State Tax/ Stamps
- ✓ Mortgage certification/Documentary stamp

- ✓ Additional Settlement Charges
- ✓ Property Survey – Pin Surveys fees are capped
- ✓ Pest Inspection
- ✓ Home Inspection
- ✓ Home Service Warranty (from buyers' contribution)

NOTE: Fees must be reasonable and customary for the area. Other Borrower paid costs are not automatically disapproved, but will be reviewed on a case-by-case basis.



NEIGHBORHOOD HOUSING SERVICES OKLAHOMA

4101 North Classen Boulevard
Oklahoma City, Oklahoma 73118
405-231-4663 www.nhsokla.org
Privacy Policy Statement

Neighborhood Housing Services Oklahoma (NHSOKLA) is committed to assuring the privacy of individuals and/or families who have contacted us for assistance. We realize that the concerns you bring to us are highly personal in nature. We assure you that all personal information shared orally and/or in writing will be managed within ethical and legal considerations. Additionally, we want you to understand how we use the personal information we collect about you. Please carefully review this notice as it describes our policy regarding the collection and disclosure of your nonpublic, personal information.

What is nonpublic, personal information?

- Information that identifies an individual personally and is not otherwise publically available information, such as your Social Security Number or demographic data such as your race and ethnicity
- Includes personal financial information such as credit history, income, employment history, financial assets, bank account information and financial debts

What personal information does NHSOKLA collect about you?

We collect personal information about you from the following sources:

- Information that you provide on applications, forms, email, or verbally
- Information about your transactions with us, our affiliates, or others
- Information we receive from your creditors or employment references
- Credit Reports

What categories of information do we disclose and to whom?

We may disclose the following personal information to financial service providers (such as companies providing home mortgages), Federal, State, and nonprofit partners for program review, monitoring, auditing, research, and/or oversight purposes, and/or any other pre-authorized individual and/or organization. The types of information we disclose are as follows:

- Information you provide on applications/forms or other forms of communication. This information may include your name, address, Social Security Number, employer, occupation, account numbers, assets, expenses, and income.
- Information about your transactions with us, our affiliates, or others; such as your account balance, monthly payment, payment history, and method of payment.
- Information we receive from a consumer credit reporting agency; such as your credit bureau reports, your credit and payment history, your credit scores, and/or your creditworthiness.
- We do not sell or rent your personal information to any outside entity.
- We may share anonymous, aggregated case file information; but this information may not be disclosed in a manner that would personally identify you in any way. This is done in order to evaluate our program, gather valuable research information, and/or design future programs.
- We may also disclose personal information about you to third parties as permitted by law.

How is your personal information secured?

We restrict access to your nonpublic personal information to NHSOKLA employees who need to know that information in order to perform their housing counseling duties. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information; and we train our staff to safeguard client information and prevent unauthorized access, disclosure, or use.

Opting Out of Certain Disclosures

You may direct NHSOKLA to *not* disclose your nonpublic personal information to third parties (other than disclosures made to project partners and those permitted by law). However, if you choose to opt out, we will not be able to answer any questions from your creditors, which may limit NHSOKLA's ability to provide services such as foreclosure prevention



counseling. If you choose to opt-out, please sign below under the “Opt-Out” clause. If you choose to release your information as stipulated in this Privacy Policy, sign under the “Release” clause. You may change your decision any time by contacting our agency.

OPT-OUT: I request that NHSOKLA make no disclosures of my nonpublic personal information to third parties other than project partners and those permitted by law. By choosing this option, I understand that NHSOKLA will NOT be able to answer any questions from my creditors. I understand that I may change my decision any time by contacting NHSOKLA.

_____	_____	_____	_____	_____
Name 1 (Printed)	Signature	Date	Name 2 (Printed)	Signature
	Date			

RELEASE: I hereby authorize NHSOKLA to release nonpublic personal information it obtains about me to my creditors and any third parties necessary to provide me with the services I requested. I acknowledge that I have read and understand the above privacy practices and disclosures.



NEIGHBORHOOD HOUSING SERVICES OKLAHOMA

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Oklahoma City, Oklahoma 73118
405-231-4663 www.nhsokla.org

Counseling Disclosure Neighborhood Housing Services, Oklahoma

Neighborhood Housing Services Oklahoma (NHSOKLA) offers pre-purchase and non-delinquency post-purchase counseling. The agency also offers Pre-Purchase Homebuyer Education workshops.

Pre-purchase Counseling: Clients receive comprehensive one-on-one counseling, which covers the entire homebuying process from beginning to end. Counselors assist their clients with creating a sustainable budget/spending plan for their current household situation, and a clear action plan is developed to achieve the overall goal of homeownership. Clients also receive important material on home inspection, pre-foreclosure, and any other homeownership topic relevant to successfully maintaining a home.

Non-delinquency Post-purchase Counseling: Clients receive important material on how to properly maintain a home, refinance a home, and select a realtor. Clients are assessed for individual needs and are assisted with the tools and services to successfully maintain a home.

Resolving or Preventing Forward Mortgage Delinquency or Default Counseling: Clients receive comprehensive one-on-one counseling, assisting clients in sustainable/crisis budget, including identifying resources that might be available. Clients also receive assistance working with loan servicers to identify solutions, Ensure documents needed by servicer are completed and up to date.

Pre-purchase Homebuyer Education Workshops: Attendees will receive information on topics that will prepare the prospective homebuyer to make informed home purchase decisions. Topics include homebuyer readiness, money management, understanding credit, getting a mortgage loan, shopping for a home, keeping your home/managing finances, and maintaining a home.

NHSOKLA also develops and manages rental properties, in addition to developing housing for sale to low to moderate income families.

Relationships with Industry Partners:

NHSOKLA has financial or exclusive relationships, or both, with specific industry partners including, Bank of America, Bank of Oklahoma, Chase Bank, Wells Fargo Bank, Midfirst Bank, Arvest, Simmons Bank, Sarkeys Foundation, Oklahoma Housing Finance Agency, City of Midwest City, Green County Habitat, Weokie Credit Union, HUD, Lift Community Action Agency, Native American Housing Services Inc., and Neighborworks America.

No Client Obligation:

Participation in our HUD housing counseling services does not obligate you to receive, purchase, or use any other services offered by this agency or by parties mentioned above or any other party.



NHSOKLA Fees for service are as follows:

Rental Application	\$50.00/per applicant over 18
Pre-Purchase Counseling (<i>credit/budget review</i>)	\$50.00
Required Pre-Purchase Counseling with Green County Habitat **must be approved for assistance with Green County**	Free
Required Pre-Purchase Counseling for Midwest City **must be approved for assistance with Midwest City**	Free
Required Pre-Purchase Counseling for NHSOKLA DPA **must be approved for assistance with NHSOKLA**	Free
Required Pre-Purchase Counseling for Weokie Homepath **must be approved for Homepath Loan**	Free
Virtual or In-Person Homebuyer Education Workshop	Free
Foreclosure Prevention Counseling	Free
eHome America (online Homebuyer Education)	\$125.00
Program Specific Housing Counseling	\$60.00

*****Hardship waiver requests charged will be reviewed on a case by case basis*****

Alternatives:

As a condition of our services, in alignment with your goals, and in compliance with HUD’s Housing Counseling Program requirements, we must provide information on alternative services, programs, and products, if applicable and known.

I have read and have received a copy of this disclosure.

_____ *Date* _____

Client

This disclosure was conveyed verbally via a virtual/telephonic session, or electronically.

_____ *Date* _____

Neighborhood Housing Services Oklahoma

Ten Important Questions to Ask Your Home Inspector

1. What does your inspection cover?

The inspector should ensure that their inspection and inspection report will meet all applicable requirements in your state if applicable and will comply with a well-recognized standard of practice and code of ethics. You should be able to request and see a copy of these items ahead of time and ask any questions you may have. If there are any areas you want to make sure are inspected, be sure to identify them upfront.

2. How long have you been practicing in the home inspection profession and how many inspections have you completed?

The inspector should be able to provide his or her history in the profession and perhaps even a few names as referrals. Newer inspectors can be very qualified, and many work with a partner or have access to more experienced inspectors to assist them in the inspection.

3. Are you specifically experienced in residential inspection?

Related experience in construction or engineering is helpful, but is no substitute for training and experience in the unique discipline of home inspection. If the inspection is for a commercial property, then this should be asked about as well.

4. Do you offer to do repairs or improvements based on the inspection?

Some inspector associations and state regulations allow the inspector to perform repair work on problems uncovered in the inspection. Other associations and regulations strictly forbid this as a conflict of interest.

5. How long will the inspection take?

The average on-site inspection time for a single inspector is two to three hours for a typical single-family house; anything significantly less may not be enough time to perform a thorough inspection. Additional inspectors may be brought in for very large properties and buildings.

6. How much will it cost?

Costs vary dramatically, depending on the region, size and age of the house, scope of services and other factors. A typical range might be \$300-\$500, but consider the value of the home inspection in terms of the investment being made. Cost does not necessarily reflect quality. HUD Does not regulate home inspection fees.

7. What type of inspection report do you provide and how long will it take to receive the report?

Ask to see samples and determine whether or not you can understand the inspector's reporting style and if the time parameters fulfill your needs. Most inspectors provide their full report within 24 hours of the inspection.

8. Will I be able to attend the inspection?

This is a valuable educational opportunity, and an inspector's refusal to allow this should raise a red flag. Never pass up this opportunity to see your prospective home through the eyes of an expert.

9. Do you maintain membership in a professional home inspector association?

There are many state and national associations for home inspectors. Request to see their membership ID, and perform whatever due diligence you deem appropriate.

10. Do you participate in continuing education programs to keep your expertise up to date?

One can never know it all, and the inspector's commitment to continuing education is a good measure of his or her professionalism and service to the consumer. This is especially important in cases where the home is much older or includes unique elements requiring additional or updated training.

