

THE ROAD TO HOME

HRDC Down-payment Assistance Programs

Loan Checklist - Effective 4/13/2015

This checklist was developed to help households, lenders, and realtors determine if a loan will meet the down-payment assistance requirements of The Road to Home. It is merely a tool, not a substitution for the guidelines. Only loans meeting the criteria below will be considered for down-payment assistance. If you have questions regarding a loan, please contact The Road to Home.

Borrower Eligibility:

Yes or No

- 1) Does the household qualify as a first-time home buyer? _____
- 2) Has the family completed homeownership education? _____ Date: _____
- 3) Does the household meet the income guidelines for the program? _____

Family Size and **Maximum** income (effective 3/10/2015)

Area	1	2	3	4	5	6	7
Gallatin County	38,450	43,950	49,450	54,900	59,300	63,700	68,100
Park County	33,550	38,350	43,150	47,900	51,750	55,600	59,400
Meagher County	33,550	38,350	43,150	47,900	51,750	55,600	59,400

- 4) Will the household meet their required contribution? (**1% of purchase price**) _____
- 5) Will net household assets (not including retirement) be **less than \$5,000 after closing**? _____

Financing Eligibility:

- 1) Is the loan MBOH? *Note: Only an MBOH first can be used. RD Direct is allowed with an exception; consult with staff to prepare request.* _____
- 2) Is the purchase price less than the HOME limit? _____

Existing New Construction

Gallatin County	\$257,000	\$257,000 effective 4/13/2015
Park County	\$181,000	\$200,000 effective 4/13/2015
Meagher County	\$148,000	\$200,000 effective 4/13/2015

- 3) Is this home intended to be the household's primary residence? _____
- 4) If the home is a manufactured home, is it on a permanent foundation? _____
- 5) If the home is a manufactured home, does it meet either RD or FHA standards? _____
- 6) Is the total loan to value (including down-payment assistance) less than **105%**? _____
- 7) Is the proposed interest rate fixed for the entire term of the loan? _____
- 8) Is the proposed **front-end ratio** between **28%** and **32%**? _____
- 9) Is the proposed **back-end ratio** less than **42%**? _____

Property Eligibility:

- 1) Is the unit currently owner-occupied or vacant? _____
- 2) Has the unit been inspected by a certified home-inspector? _____
- 3) Was the unit built after 1978? (If no, please answer #4) _____
- 4) If the unit was built before 1978, has an inspection been performed that determined that no chipping or peeling paint was present? _____

***Note:** In addition to the professional home inspection performed under the terms of the agreement to purchase the property, HRDC will conduct a **Housing Quality Inspection** and the property must **"PASS"** this inspection. For any "no" response, please provide an explanation.

