Iowa Tribe of Oklahoma

DOWN PAYMENT / CLOSING COST ASSISTANCE PROGRAM

**Policy Statement**

**The purpose of the Iowa Tribe of Oklahoma’s Housing Authority's Down Payment Assistance program is to provide the members of the Iowa Tribe of Oklahoma with affordable homeownership financing opportunities to help improve the quality of life of the members of the Iowa Tribe of Oklahoma.**

**1. Program Description.**

The Down Payment/Closing Cost Assistance Program is specifically designed to increase the availability of affordable housing by addressing homeownership on several levels. It combines Iowa Tribe of Oklahoma’s Housing Authority’s funds with private first mortgages, thereby multiplying many times over the number of native families that can be assisted with Iowa Tribe of Oklahoma’s Housing Authority's funds.

A. Eligibility - The Down Payment/Closing Cost Assistance Program is available to Iowa Tribe of Oklahoma Members Only.

B. Credit - Down Payment/Closing Cost Assistance Program borrowers must meet the credit requirements of the first mortgage lender (bank/lender). Applicants will be

screened to determine credit worthiness. The Iowa Tribe of Oklahoma’s Housing Authority will assist applicants in demonstrating that they have stable income and the ability and willingness to meet financial obligations.

C. Affordability -Down Payment/Closing Cost Assistance funds are available to buy down the cost of owning a home. This results in a lower mortgage amount and lower monthly payments.

D. Support -Trained staff will assist eligible applicants in successfully working through the process of making an application to a bank/lender for a first mortgage loan.

**2. Assistance Available.**

The Iowa Tribe of Oklahoma’s Housing Authority has established and implemented the Down Payment/Closing Cost Assistance Program to assist creditworthy Tribal Members in purchasing a home. The Down Payment Closing Cost Assistance is designed to make home ownership attainable for Tribal Members and make mortgage payments more affordable.

A. Maximum Down Payment/Closing Cost Assistance Amount. The maximum amount of assistance for each homeowner will be ($5,000) Five Thousand Dollars per lifetime.

B. Down payment/Closing Cost assistance is a fixed amount towards purchases exceeding

 $25,000.00; the Iowa Tribe of Oklahoma’s Housing Authority Board of Commissioners

 must approve any lesser amount.

**3. Eligibility.**

A. Applicant must be an Iowa Tribal Member

B. The applicant must be able to obtain a mortgage loan with an eligible lender for the

 maximum affordable amount. The lending institution must be willing to participate in the

 Down Payment/Closing Cost Assistance Program and its requirements. The borrower

 will sign a Release of Information form so that Iowa Tribe of Oklahoma’s Housing

 Authority is able to share information with the lending institution.

 C. The applicant shall not own any other residential property.

**4. Ineligibility.**

Applicants will be considered ineligible for not meeting any of one or more of the following items:

1. Providing false information on the application.
2. Failing to complete required forms or to supply requested information
3. Not Qualifying for a home loan with an approved vendor.

**5. Waiting List/Applicant Pool**

A. The Down Payment/Closing Cost Assistance Program is operated on a first-come first­ served basis

B. The Housing Authority will maintain a list of eligible applicants based on the date and time the completed application is received by Iowa Tribe of Oklahoma’s Housing Authority.

C. If funds are unavailable for the Down Payment/Closing Cost Assistance Program, Iowa Tribe of Oklahoma Housing Authority may suspend or discontinue accepting applications until funds become available.

**6. Reservation of Funds.**

A. Funds will be reserved for each applicant when the loan application is complete, including a copy of the Earnest Money Agreement and all information required by the mortgage lender.

B. Funds will be reserved for at least Thirty (30) days and may be extended for Ten (10)

days at a time until closing.

**7. Property Requirements.**

1. The property must be a single-family residence, including condominiums, townhouses and Manufactured/Pre-Fabricated homes and mobile homes.
2. The house must pass all Housing Quality Standards as established by the Iowa Tribe of Oklahoma’s Housing Authority. All homes must be within acceptable health and safety standards as defined by the Iowa Tribe of Oklahoma’s Housing Authority. No substandard homes will be allowed to be purchased through this fund.

 **8. Home Buyer Education**

A. All applicants will be required to meet with the Iowa Tribe of Oklahoma’s Housing Authority staff for homebuyer counseling prior to loan approval. The purpose of this requirement is:

(1) To enable the applicant to understand the responsibilities that accompany participation in Iowa Tribe of Oklahoma’s Housing Authority's Down Payment/Closing Cost Assistance Program.

(2) To enable the applicant to understand the home buying process,

(3) To enable the applicant to understand and prepare to assume homeownership responsibilities and tasks,

**9. Appeals Process**

A. Individuals or families who have applied for the Down Payment/Closing Cost Assistance Program and who, for any reason, have been determined to be ineligible will be notified by Iowa Tribe of Oklahoma’s Housing Authority in writing. The notification shall state the reasons for ineligibility. All information relative to the rejection of the applicant shall be

documented and placed in the applicant's file.

B. An applicant who has been determined ineligible for the Down Payment/Closing Cost Assistance Program may request a second determination within 30 days of the date on the written notification. The applicant may resubmit eligibility documentation at the time of the second determination. A written notification of selection or denial will be provided based on the information submitted by the applicant.

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