

GROW South Dakota Home Ownership Programs

PROGRAM	TYPE	PURPOSE	MAXIMUM AMOUNT	LIEN POSITION	TERM	MONTHLY PAYMENT	MAXIMUM INCOME CRITERIA	*ELIGIBILITY REQUIREMENTS	SERVICE AREA
Down Payment/Closing Cost (SDHOF)	Deferred Loan	Purchase Primary Residence	\$5,000	2nd	Contact Office for details	No	Under 80% AMI	Income; Underwriting criteria; *HBE – All; 70% min LTV 1 st Mtg.; Layering Restrictions; Purchase Price Limits	Statewide (Rural) Sioux Falls Rapid City (Urban)
Down Payment/Closing Cost (CMF)	Deferred Loan	Purchase Primary Residence	\$7,500	2nd	Contact Office for details	No	Under 80% AMI	Income; Underwriting criteria; <u>Purchase Price Limits</u> ; *HBE	Statewide
Direct Lending	Amortized Loan	Purchase Primary Residence	\$175,000	1st	7 year balloon with maximum 30 year amortization	Yes	None	Underwriting criteria; * HBE	Statewide
Small Loan Fund	Amortized Loan	Consumer predatory debt, judgments, vehicle repairs	Up to \$2500	Unsecured	Up to 24 Months	Yes	None	Underwriting Criteria; Financial Education through LSS	Statewide



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General Disclaimer- All programs have various eligibility, income or funding requirements. Funding availability varies. Rates and terms are subject to change. GROW South Dakota encourages applicants to choose mortgage financing that meets their needs, and does not direct or restrict buyers to a particular lender or loan product.

Note: Due to volume, closing dates no earlier than 14 days from issued GROW SD Commitment letter.

*HBE – Homebuyer Education through GROW South Dakota



DOWN PAYMENT CLOSING COST ASSISTANCE

Guidelines

	Ratio	Repayment	Wire	Doc Fee	Origination
HOF	Lender AUS	Deferred	15	30	N/A
CMF	29/43	Deferred	15	30	N/A

Funds: The Down Payment and/or Closing Cost Assistance funds are deferred loans to be used for purchase of their primary residence. There is a silent second mortgage. The clients sign both a note and a mortgage.

Eligibility: Income based – varies based on county and household size/purchase limits.

Ratio Maximum Limits: **HOF** - Determined by Lender AUS – Approve/Eligible determination

CMF – Housing max 29% Total Debt Ratio 43%

Term: Matched to Lender's first mortgage loan.

Rate: 0%

Payments: No monthly payments due.

Repayment Deferred: Full payment is due any of the following below:

1. Sale of the home
2. Refinance with a cash out
3. Maturity of first mortgage
4. Home is no longer the clients primary residence

Fees: 1. \$30 mortgage recording fee. 2. \$15 wire fee.

FHA Loans: *per FHA guidelines, any subordinate financing (GROW SD funds) must be disclosed up front to the client at time of application to be eligible for FHA loan guaranty. Grow SD funds cannot be used for the 3.5% borrower equity requirement.*