

# **Estes Valley Workforce Housing Assistance Down Payment Assistance Loan Program PROGRAM GUIDELINES**

**Eligible Borrowers:** Borrowers must be First Time Homebuyers as defined as not having owned Real Property in the last 3 years.

**Income:** Borrower's household income must be between 81% and 150% of the Area Median Income (AMI) for Larimer County at the time of application. All types of income of ALL household members who are NOT full time students will be used for computation.

**Employment:** At least one adult/borrower must be employed within the Park R3 School District boundaries in a year round position at least 30 hours per week.

**Residency:**

- Borrowers must be residents of the Park R3 school district. If a household is moving to Estes Park for employment purposes, this will be considered on a case by case basis.
- All Adult household members must prove lawful presence in the United States.
- Home being purchased must be the borrower's permanent and primary residence. The home must be lived in by the borrowers for a period of no less than 11 months out of every year. NO Rentals, either short or long term of the property shall be allowed. Rental of property will render this loan in default and therefore due and payable.

**Applicant Investment:** The applicant/borrower must have a minimum of \$3000 Investment into this home purchase. This may be in the form of Earnest money, pre-paid or other customary expenses that need to be paid prior to closing. If the family has not met this required minimum at the time of closing, the borrower must bring the balance to closing. Funds may NOT be a loan that must be repaid.

**Asset Limit:**

- Buyers can have no more than \$20,000 of liquid assets after closing.
- Retirement accounts such as IRA's and 401Ks are exempt.
- No real property can be owned at the time of closing.

Note: As many special situations can exist with regards to assets, this particular guideline will be looked at on a case by case basis.

**Eligible Properties:**

- The property being purchased must be located within the Park R3 School district boundaries.
- Homes purchased with EVWHA funds must meet HUD Housing Quality Standards for existing housing and all other applicable local and state building codes and standards. Homes undergo an HQS inspection unless the home buyer has hired a private inspector; a copy of the inspection report will be required for the file.
- No maximum purchase price shall be placed on the home being purchased.

**Loan items:**

- The maximum amount of the Down Payment Assistance loan available to any one borrower is 3.5% of the purchase price OR a maximum of \$10,500. The amount approved is dependent on resources available to the program. UNDER NO CIRCUMSTANCES SHALL CASH BE GIVEN TO THE BUYER AT CLOSING.
- Funds from EVWHA can be used for down payment and/or closing costs.
- Loan to Value. Total of ALL loans secured by this property may not exceed 100% of the current appraised value.

- Loan Terms:
- Interest shall accrue at a rate of 2% per year.
  - Repayment amount: Loan shall be amortized for a period of 10 years. Repayment will commence approximately 45 days after closing and is due on the 1st of each month. Coupons and instructions for payment will be mailed to borrower.
  - If needed for **primary lender approval** the option to defer payments for a period not to exceed 24 months may be allowed. Interest however will begin to accrue at closing. NO negative amortization shall be allowed.
  - Late fee: After the 6th of each month if payment has not been received, a late fee of \$25.00 will be added.
  - NO pre-payment penalty shall be assessed. Borrower may pay the balance due at any time.
  - This EVWHA loan shall be due and payable as evidenced by Deed of Trust and Promissory note, when one of the following occurs:
    1. 10 years has elapsed from the date of closing.
    2. Home is sold.
    3. Home is no longer the borrower's primary residence. Each year the owner will be mailed a certified, return receipt letter verifying that they are still residing in the property as their primary residence.
    4. Residency and rental requirements can be exempted on a temporary basis IF APPROVED BY THE ADVISORY COMMITTEE IN ADVANCE and only in the case of severe hardship.

- Debt Ratios: To ensure that the homebuyers have a successful experience the following ratios must be met:
- Front End 33%. Housing Costs cannot exceed 33% of household monthly income.
  - Back End: 41%. All household debt, including housing costs cannot exceed 41% of household monthly income.

Home Ownership Counseling: All buyers whose names will appear on the deed of trust are required to complete a home ownership counseling program. A copy of the certificate of completion must be given to the EPHA staff prior to closing. Program must be CHFA certified.

Pre-Qualification: Applicants, at the time of application MUST have a pre-qualification letter from a primary lender.

Timing: After application has been submitted, buyer must have eligible property under contract within 90 days; and must close within 6 months of approval in the EVWHA program.

- Acceptance: Your approval of this loan is completely dependent on:
- Meeting & proving all of the requirements.
  - Timing. Delivery of all required documents.
  - Available program funding.
  - \$100 Application Fee – Refundable if not approved

Note: All applicants are strongly encouraged to utilize the services of a Real Estate professional for the home purchase.



**Assets & Debts**

Please list all Banking Accounts and Assets:

Balance/Value:

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Please list all Debts:

Monthly Payment:

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As per the program guidelines, a \$3000 minimum must be contributed. What is the source of these funds?

*Please circle below:*

Savings/Cash on hand

Gift\*

Other Asset\*

\*Please explain circumstances

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Are you currently working with a REALTOR®? Y N If yes, who:

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Agency: \_\_\_\_\_ Phone: \_\_\_\_\_

**Estes Valley Workforce Housing Assistance  
Down Payment Assistance Loan Program**

**Employment Verification**

THIS SECTION TO BE FILLED OUT BY **APPLICANT** ONLY

Employer: \_\_\_\_\_ Date: \_\_\_\_\_

Name of Applicant: \_\_\_\_\_ Phone #: \_\_\_\_\_

Address: \_\_\_\_\_

I hereby request that the following information be furnished to the Estes Park Housing Authority. I understand that this information will be kept confidential and will only be used for program qualification. By signing I hereby authorize release of this information.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

THIS SECTION TO BE FILLED OUT BY **EMPLOYER** ONLY

Dates of employment: \_\_\_\_\_ Employers Phone #: \_\_\_\_\_ *Please circle below:*

Base pay per hour: \_\_\_\_\_ Hours worked per week: \_\_\_\_\_ Seasonal or  
Year Round

Expected tips per day: \_\_\_\_\_ Expected pay raises: \_\_\_\_\_ *Please circle  
pay period below:*

If seasonal, how many months worked per year? \_\_\_\_\_ Daily Weekly  
Biweekly Monthly

Earnings year to date: \_\_\_\_\_ Estimated earnings for next 12 months: \_\_\_\_\_

Remarks: \_\_\_\_\_

Completed by (print): \_\_\_\_\_ Position: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Questions? Please contact the Estes Park Housing Authority 970-577-3730

Form may be returned via mail:  
EPHA  
PO Box 1200  
Estes Park, CO 80517

Fax:  
970-586-0249

Email:  
rkurelja@estes.org

**Estes Valley Workforce Housing Assistance  
Down Payment Assistance Loan Program**

**Asset Verification**

THIS SECTION TO BE FILLED OUT BY **APPLICANT** ONLY

Name:

Address:

Phone #:

I hereby request that the following information be furnished to the Estes Park Housing Authority. I understand that this information will be kept confidential and will only be used for program qualification. By signing I hereby authorize release of this information.

Signature:

Date:

THIS SECTION TO BE FILLED OUT BY **BANKING REPRESENTATIVE** ONLY

Bank Name:

Phone #:

*please circle* Checking or Savings

Account #:

Current Balance:

*please circle* Checking or Savings

Account #:

Current Balance:

*please circle* Checking or Savings

Account#:

Current Balance:

*please circle* Checking or Savings

Account#:

Current Balance:

Please list any  
other accounts:

Current Balance:

Completed by (print):

Position:

Signature:

Date:

Questions? Please contact the Estes Park Housing Authority 970-577-3730

Form may be returned via mail:

Fax:

Email:

EPHA  
PO Box 1200  
Estes Park, CO 80517

970-586-0249

rkurelja@estes.org

**ESTES VALLEY WORKFORCE HOUSING ASSISTANCE  
DOWN PAYMENT ASSISTANCE APPLICATION**

Please attach the following documents to this application:

(Failure to include any of these documents will result in the delay of processing your application.)

All loan funds from this program must be used solely towards the purchase of your home.

- Copies of **last two years income tax returns** as filed. If you are self-employed, we will need at least three years tax returns.
- Copies of **last two months pay stubs**. Not applicable if self employed.
- Copy of your **prequalification letter** from your lender.
- Affidavit and proof of lawful presence** in the United States.
- Copy of your **driver's license** (for all note holders).
- Signed **income verification**.
- Verification of **all assets** (bank statements, brokerage account, etc).
- \$100 Application Fee** – Refundable if not approved.
- Proof of **Estes Park residency**. This could be from rental history (lease, utility bills, car registration, etc.)
- I have received and understand the **EVWHA Down Payment Assistance Loan Program Guidelines**.  
Applicant(s) initial

The Estes Park Housing Authority reserves the right to ask for additional items should we deem it necessary for qualification.

Applicants must understand that to participate in this program you must contribute a minimum of \$3,000 of your own money as per the program guidelines. Do you agree to this? \_\_\_\_\_Yes \_\_\_\_\_No

To participate in this loan program you and your co-applicant will be required to attend a one-time Home Ownership training class. Are you willing to make that commitment? \_\_\_\_\_Yes \_\_\_\_\_No

Are you a first-time homebuyer? \_\_\_\_\_Yes \_\_\_\_\_No

By signing this you attest to the fact that all information submitted on this application is true and accurate, and that the property you are purchasing will be used as your primary residence. In addition you also agree to allow the exchange of information between the Housing Authority, your REALTOR® and Lender.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_