



creating homeowners
building community

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Welcome Home Down Payment Assistance Program Guidelines

Program Overview: This program is designed to provide down payment and closing cost assistance to customers using non-interest bearing, fee-based home financing.

Loan Amount: Welcome Home provides up to \$10,000 structured in two loans of equal amounts.

Eligible Use of Funds: Funds will be used for down payment and closing costs. The borrower cannot receive any portion of these funds as cash. Welcome Home may be combined with other assistance programs.

Deferred Loan Term: Both loans are due on sale with no monthly payment and no accrued interest. Loans must be paid back when you sell the home, transfer title, or no longer live in the home.

Loan Security: The Loans will be secured by two mortgages in equal amounts - one in favor of Minnesota Housing Finance Agency and one in favor of Sakan Community Resources

Approved Lenders: Buyers must receive their primary mortgage through an approved lender. The approved lenders are:

- Guidance Residential
- University Islamic Financial
- Devon Bank

Applicant Eligibility:

- Qualified buyers must have an annual household income that is at or below 80% of the area median income (AMI) based on household income.
- Buyers must have a minimum cash investment of the lesser of \$1000 or 1% of the purchase price from their own verifiable funds. Gift funds, grants or loans are not acceptable.
- Buyers must have a need for the funds based on a house payment to income ratio at or above 25%
- Buyers must not have owned a residence or investment property within the last three years.
- All customers must complete a financial wellness program with an approved counseling provider for this program, listed on the NeighborWorks Home Partners website, **prior to entering a signed purchase agreement, and within one year of applying.**

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- All customers must also complete a Home Stretch workshop from an HOC network provider or online education through Framework prior to closing and within one year of applying.
- If property is a duplex, triplex, or four-plex, buyers will also need to complete landlord education prior to closing and within one year of applying.
- Buyers must homestead and occupy the property as their primary residence for the life of the loans.

Property Eligibility:

- Home must be located in the Twin Cities 7 county metro area of Minnesota which includes the following counties: Ramsey, Hennepin, Anoka, Scott, Carver, Washington, and Dakota.
- Owner occupied single family, duplex, tri-plex, or four-plex, including condos and townhomes are eligible
- New construction properties must have a final certificate of occupancy issued
- Properties held in trust are NOT eligible.

Application Process: Your loan officer will submit your application for you. Please allow 30 days to close from the time the complete application is submitted. Lender Timeline is available here:

Disbursement Process: If the application meets the program guidelines, the loan funds will be wired to the Title Company from NeighborWorks Home Partners. The buyer will sign the loan documents at the first mortgage loan closing.

We appreciate your cooperation and welcome your questions.

Thank You

NeighborWorks Home Partners
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