

FIRST-GENERATION HOMEBUYERS

Community Down Payment Assistance Fund

TIMELINE FOR FIRST MORTGAGE LENDERS

We look forward to working with you to help your customers access the First-Generation Homebuyers Community Down Payment Assistance funds. These funds are subject to the same TRID and other lending regulations as a first mortgage. We are following this timeline and request your cooperation in helping to move the process forward for your borrowers.

Application

Borrowers must apply at www.firstgendpa.org Please note: Inquiries to DPA Lenders are NOT allowed. Once reviewed, completed applications are assigned to a DPA Lender. The DPA Lender contacts the borrower to complete the required attestations and releases. Once received, the DPA Lender contacts the Loan Officer who must return the signed Mortgage Underwriter Pre- Approval Attestation form within 10 business days.

Fund Reservation

If the DPA Lender confirms eligibility, funds are reserved, and a Reservation Letter is issued to the borrower and lender. Reservations are valid for 90 calendar days. Borrowers may request a one-time 60 calendar day extension.

If the DPA Lender determines the borrower(s) to be ineligible, the DPA Lender will notify the borrower(s) and First Mortgage Lender of denial.

Purchase Agreement and Conditional Commitment – Minimum 35 days needed to Close once the Commitment is issued. These items are needed to issue a Commitment.

Within 3 business days of receipt of the Purchase Agreement, the First Mortgage Lender must provide the DPA Lender the following documents:

- Copy of signed Purchase Agreement
- Any changes to income since Reservation Letter was issued
- Loan Estimate
- Signed URLA/Application
- Photo ID
- ITIN (if applicable)
- Proof of MN Residency

Once received the DPA Lender issues a Conditional Commitment Letter and preliminary disclosures that must be signed and returned to DPA Lender. The Conditional Commitment Letter is valid for 60 calendar days and the loan must close before expiration.

If the DPA Lender determines the borrower(s) to be ineligible, the DPA Lender will notify the borrower(s) and First Mortgage Lender of denial.

Loan Closing

A minimum of 10 business days prior to loan closing the First Mortgage Lender must provide the DPA Lender the following documents:

- Copy of all Gift Letters with verification (cannot exceed 10% of purchase price)
- Appraisal (at least first 4 pages of URAR)
- Title Commitment with contact information and wiring instructions
- Confirmation of closing date and time
- Homeowners Insurance Binder listing DPA Lender as Loss Payee, including Flood Insurance if applicable

If the DPA Lender determines the borrower(s) to be ineligible, the DPA Lender will notify the borrower(s) and First Mortgage Lender of denial.

A minimum of 5 business days prior to loan closing the First Mortgage Lender must provide the DPA Lender the following documents:

- Copy of Final URLA with verified assets not exceeding \$50,000 after closing – signed by lender
- Signed 1008 Underwriting Transmittal, FHA 929000-LT, or equivalent
- Closing Disclosure – must be balanced and no TRID exceptions
- Note
- Mortgage

The DPA Lender issues a Preliminary Closing Disclosure to the First Mortgage Lender to review with borrower, obtain signatures, and return to the DPA Lender.

Prior to closing the DPA Lender wires the funds and emails the closing documents to the Title Company, as provided by First Mortgage Lender.

Within 5 business days after loan closing the First Mortgage Lender and/or Title Company provides the DPA Lender copies of the following documents:

- Signed First Mortgage
- Signed First Mortgage Note
- Signed Final First Mortgage Closing Disclosure