

# FIRST-GENERATION HOMEBUYERS

## Community Down Payment Assistance Fund

### Frequently Asked Questions — First Mortgage Lenders

For complete program requirements, refer to the *Term Sheet*, *Lender Timeline*, and *Mortgage Underwriter Pre-Approval Attestation* at [www.FirstGenDPA.org](http://www.FirstGenDPA.org)

#### Income Eligibility & Calculation

**Q: IS INCOME ELIGIBILITY BASED ON TAX RETURNS ONLY, OR DOES QUALIFYING INCOME ALSO FACTOR IN?**

Yes, both matter. Income eligibility for this program considers both the income reflected on the borrower's most recent federal tax return and their qualifying income as determined by the first mortgage underwriter. Both must be at or below \$118,900. The DPA Lender makes the final income eligibility determination and may request additional documentation.

*Example: A borrower's most recent tax return shows income of \$100,000, but they recently received a promotion, and their qualifying income is now \$120,000. This borrower is not eligible because the qualifying income exceeds the limit even though the tax return does not.*

#### Whose Income Counts

**Q: WHOSE INCOME MUST BE INCLUDED IN THE ELIGIBILITY DETERMINATION?**

Income eligibility is not limited to borrowers on the first mortgage note. The DPA Lender will include the income of all borrowers obligated to the first mortgage and their legal spouses if that spouse will live in the property, as well as any person listed on Title and their legal spouses if those persons will live in the property. First mortgage lenders are not responsible for collecting income documentation for non-borrowers, that verification is handled by the DPA Lender.

*Example: A borrower is on the first mortgage note. The borrower's legal spouse is not on the note but will live in the property. The spouse's income must be included in the eligibility determination even though they are not a borrower.*

#### Co-Signers & Co-Borrowers

**Q: ARE CO-SIGNERS OR NON-OCCUPANT CO-BORROWERS PERMITTED?**

No. Non-occupant co-borrowers and co-signers are not allowed. All co-borrowers must be first-time homebuyers and must occupy the home. Additionally, borrowers cannot be added to an application once a Conditional Commitment has been issued.

*Example: A borrower's parent wants to co-sign to help them qualify for a higher loan amount but will not live in the property. This is not permitted. Only borrowers who will occupy the home are allowed on the application.*

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### Purchase Agreement & Closing Timeline

**Q: CAN A BORROWER APPLY FOR THIS PROGRAM IF THEY HAVE ALREADY SIGNED A PURCHASE AGREEMENT?**

Yes, but borrowers with an executed Purchase Agreement should be counseled carefully before applying. The DPA Lender will not expedite a file because a PA is in place. Applications are reviewed in the order they are received, and there is no guarantee of how quickly eligibility can be confirmed. And once confirmed, a minimum of 35 calendar days is needed to close. Borrowers in this situation are unlikely to meet their closing date.

### Homebuyer Education Requirements

**Q: WHO IS REQUIRED TO COMPLETE HOMEBUYER EDUCATION?**

All borrowers obligated to the first mortgage, their legal spouse, any person listed on Title, and their legal spouses must complete a homebuyer education course, provided those persons will live in the property. Education must be completed prior to making an offer to purchase the home/submitting a Purchase Agreement.

**Q: WHAT HOMEBUYER EDUCATION COURSES ARE ACCEPTED?**

Eligible courses are Home Stretch and Realizing the American Dream, which are instructor-led in person or live virtual only. The following are not accepted: Fannie Mae HomeView, Freddie Mac CreditSmart Homebuyer U, and Framework Homeownership (effective June 1, 2026). Certificates completed through Framework on or before May 31, 2026, remain eligible if completed within the required 12-month window. A copy of the certificate must be provided when the borrower applies.

To find an upcoming course: [Home Stretch Workshop Calendar](#)

*Example: A borrower and their legal spouse are purchasing a home together. Both must complete an eligible course prior to submitting a Purchase Agreement. The borrower completes Home Stretch, but the spouse enrolls in an online self-paced Framework course; this does not meet the requirement. Both must complete Home Stretch or Realizing the American Dream through an instructor-led in-person or live virtual session.*