

CommunityWorks Down Payment Assistance





Partnership with CommunityWorks



Background

- In 2014, the U.S. Department of Housing and Urban Development revised its regulations regarding the manner in which down payment assistance may be given to a home buyer
- Non-profit organizations are no longer allowed to grant this assistance and record any restriction on the property
- Government entities are able to do so for specific period of time (5 years)
- Signed agreement in place since June of 2015 to assist employees of the former Greenville Hospital System, now PRISMA Health
- Each agreement includes a total of \$50,000 of funding made available for this assistance for 10 buyers at \$5,000 each



Program Requirements

PRISMA (formerly Greenville Hospital System) Employees



Eligibility:

- Full time or part-time employee in good standing for 12 months
- First time home buyers or have not owned a home in the past 3 years
- Household income at or below 90% AMI
- Secure a 30 year, fixed-rate first mortgage
- Invest a minimum of \$500 into the home purchase
- Attend a CommunityWorks orientation
- Attend a home buyer education workshop through Greenville County Human Relations

Eligible Properties:

- Properties within a 10-mile radius of a PRISMA campus or provider practice
- Home must be the buyer's principal residence
- Monthly mortgage payment must be affordable (30% or less of monthly income)

Eligible Uses:

- Down payment and/or closing
- Conventional Loans for homes only purchased outside of Greenville County may only use funds for closing cost assistance **(Funds not provided through City administration if home is outside Greenville County)**
- The total of all mortgages on the property may not exceed 100% of appraised value
- Buyers may not receive any funds back at the time of closing

Terms:

- Funds will be released to the buyer's attorney at closing
- Assistance will be secured by a promissory notes and a mortgage lien on the property
- Assistance is a non-amortizing subordinate loan at 0% interest
- Down payment assistance loan amount will be forgiven over five years
- Loan balanced for employees terminated from PRISMA due to disability will be forgiven

Fee:

- \$325 loan origination fee and applicable wiring fees will be due at closing



Beneficiary Information

Location	Sales Price	Closing Year	Household Size	Household Income	Race	Household Composition	DPA Amount
County	\$82,000	2018	1	\$25,000	AA	Single	\$4,000
County	\$120,000	2018	4	\$49,000	AA	Single, Female Head of Household	\$4,200
County	\$110,000	2018	1	\$36,500	White	Other	\$4,000
County	\$147,000	2019	2	\$36,000	AA	Single, Female Head of Household	\$5,000
County	\$200,000	2020	3	\$30,000	AA	Other	\$5,000
City	\$85,000	2019	1	\$26,000	AA	Single	\$2,975
County	\$155,000	2018	4	\$57,000	White	Two Parent Household	\$5,000
County	\$83,000	2018	1	\$31,000	White	Single	\$5,000
County	\$126,900	2019	3	\$41,000	AA	Single, Female Head of Household	\$4,900
County	\$117,000	2018	1	\$27,000	AA	Single	\$5,000



Administration



- Qualifying potential buyers
- Ensuring buyers complete requirements including home buyer education course
- Drafting award letter and legal documents for closing
- Submitting request for wire transfer



- Signing award letter
- Completing wire transfer request at closing
- Record retention of recorded loan documentation
- Previously, requesting reimbursement from CommunityWorks

***Staff time is minimal to operate program**