

Resilient Homeownership GAP Loan Program

Eligible Property	Real property which contains a 1-unit single family dwelling located within the corporate limits of the City of Minot and outside of the current FEMA Advisory Map of the 100-year flood plain.
Eligible Buyer Priorities	<p>Priority #1 – Owner(s) or lessee(s) currently occupying real property being acquired for the City of Minot’s flood control project or NDR flood mitigation area</p> <p>Priority #2 – Owner(s) who occupied real property or lessee(s) that resided in real property which was significantly damaged or destroyed by the 2011 flood</p> <p>Resilient Homeownership Program GAP Loan funds will be available for existing resale homes and newly constructed homes in qualified resilient neighborhoods.</p>
Purchase Price	The purchase price of the Eligible Property must not exceed the current North Dakota Housing Finance Agency (NDHFA) purchase price maximum for a 1-unit dwelling which is currently \$294,600.
Participant Requirements	<p>The Homeownership GAP Loan funds will generally be reserved for participants with an annual household income at or below 80 percent of the Area Median Income for Ward County, ND.</p> <p>In January 2019, the Homeownership GAP Loan program was expanded for qualified participants with an annual household income at or below 120 percent of the Area Median Income for Ward County, ND.</p> <p>Participants who currently own real estate must invest at least 90 percent of that real estate’s Net Sale Proceeds toward the purchase of an Eligible Property.</p> <p>Borrower(s) must qualify for and secure the Eligible Property with a 30-year fixed interest rate first mortgage, including escrow for taxes and insurance, from NDHFA through an NDHFA Participating Lender.</p> <p>The maximum household Homeownership GAP loan is based on:</p> <p style="padding-left: 40px;">The lessor of, purchase price or appraised value of the Eligible Property being purchased less the current real estate’s Net Sale or Buy-out Proceeds less the beginning balance of the new first mortgage used to secure the Eligible Property.</p>

	<p>While this Homeownership GAP loan is in effect:</p> <p>Borrower(s) must occupy the Eligible Property as their Primary Residence. The property may not, at any time, become a non-borrower occupied investment property and/or become larger than a 1-unit single family dwelling.</p> <p>If at any time it is determined the Eligible Property is operating in a prohibited manner, ownership of the Eligible Property is transferred without the express consent of the mortgage holder, or upon sale of the Eligible Property, the currently outstanding balance of the Homeownership GAP loan will be immediately accelerated, becoming due and payable in full.</p> <p>Owner's may not have an interest in any other residential real estate at the time of closing.</p> <p>Borrower(s) must complete and receive a certificate for an approved NDHFA Homebuyer Education course.</p>
<p>Homeownership GAP Loan Terms</p>	<p>The Homeownership GAP loan will be structured as a zero-interest, forgivable loan secured by a Declaration of Lien Interest against the Eligible Property. The loan will be forgiven monthly over a 15-year period.</p> <p>The Homeownership GAP loan will not, at any time, be subordinate to a variable interest rate or negatively amortized loan.</p> <p>The Homeownership GAP loan may, at the sole discretion of the mortgage holder, be subordinated to a fixed rate Home Equity Loan for the sole purpose of improving the Eligible Property.</p> <p>Funds recaptured from any Homeownership GAP loan will be used to support future affordable housing initiatives within the City of Minot.</p>
<p>Maximum Homeownership GAP Loan</p>	<p>\$60,000</p>
<p>Down Payment and Closing Costs</p>	<p>Owner(s) must invest at least 90 percent of their current real estate's Net Sale or Buy-out Proceeds toward the purchase of an Eligible Property.</p> <p>Borrower(s) are encouraged to work with their NDHFA Participating Lender to determine eligibility for any down payment and/or closing cost assistance program(s).</p>
<p>Maximum Combined-Loan-to-Value (CLTV)</p>	<p>Follows first mortgage program guidelines</p>

Housing Payment-to-Income Ratio	Not more than 33 percent																											
Total Debt-to-Income Ratio	Determined by Borrower-selected mortgage program's guidelines																											
Asset Limits	<p>Owner's total post-closing Liquid Assets may not exceed more than 20 percent of the Eligible Property's purchase price.</p> <p>Liquid Assets are defined as cash assets PLUS the current value, LESS any penalties/fees associated with liquidation of any other household asset which can be readily converted to cash with nominal impact to its value and/or which, by converting to cash, does not impose a significant tax burden to a household member.</p>																											
Household Income Limit	<p>The current Household Income Limits for Ward County available at www.ndhfa.org</p> <table border="1"> <thead> <tr> <th>Household Size</th> <th>80% AMI</th> <th>120% AMI</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$50,050</td> <td>\$75,050</td> </tr> <tr> <td>2</td> <td>\$57,200</td> <td>\$85,800</td> </tr> <tr> <td>3</td> <td>\$64,350</td> <td>\$96,500</td> </tr> <tr> <td>4</td> <td>\$71,450</td> <td>\$107,200</td> </tr> <tr> <td>5</td> <td>\$77,200</td> <td>\$115,800</td> </tr> <tr> <td>6</td> <td>\$82,900</td> <td>\$124,400</td> </tr> <tr> <td>7</td> <td>\$88,600</td> <td>\$132,950</td> </tr> <tr> <td>8</td> <td>\$94,350</td> <td>\$141,550</td> </tr> </tbody> </table>	Household Size	80% AMI	120% AMI	1	\$50,050	\$75,050	2	\$57,200	\$85,800	3	\$64,350	\$96,500	4	\$71,450	\$107,200	5	\$77,200	\$115,800	6	\$82,900	\$124,400	7	\$88,600	\$132,950	8	\$94,350	\$141,550
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Property Standards	<p>Purchase of existing resale homes in qualified resilient neighborhoods must be inspected and meet HUD's Housing Quality Standards and Energy Star or HUD's Energy Building Check-list standards. Participants are encouraged to secure a home inspection prior to purchase of the property.</p> <p>If the property was built prior to 1978, a Lead-Based Paint inspection will be required. If lead-based paint is identified, mitigation measures must be completed in accordance with the inspection documentation. An Environmental Review clearance will be conducted by the City of Minot and must be approved prior to closing.</p>																											