

2010 First Time Homebuyer Program DPA Loan Procedures

1. Loan Officer makes online reservation for first mortgage via eHousing online system and notes information for DPA loan in "Additional Mortgages" section.
2. Loan Officer/Processor submits to the CDA a copy of the signed DPA loan application, along with the reservation cover letter, signed lead based paint pamphlet receipt and a copy of the fully executed (and approved if necessary) purchase agreement to reserve funds for the DPA loan.
3. The CDA reserves DPA loan funds and e-mails a confirmation of reservation to the Loan Officer.
4. Loan Officer/Processor submits to the CDA all required pre-closing documentation according to the checklist provided by the CDA, including:
 - a. Copy of the buyer's first mortgage application (10-03) and FHA underwriting and transmittal summary (or VA equiv)
 - b. Copy of FHA appraisal showing property meets minimum FHA standards
 - c. Copy of 1st pages of credit report, verifying credit scores
 - d. Supporting documentation of household income and assets, including verification forms (need written VOEs & documentation of additional or no income; VODs or 3 mos. bank statements for bank accounts & most recent statement for retirement/investment accounts)
 - e. Copy of Homestretch Completion Certificate for all borrowers
 - f. Original, signed homebuyer agreement
 - g. Original DPA loan application and Lead Based Paint Pamphlet Receipt
 - h. Copy of signed Disclosure Regarding Lead Based Paint if property built prior to 1978
 - i. Buyer's Certification, if buyer is purchasing the home they currently rent
5. CDA reviews and verifies borrower income information to be sure borrower qualifies for the applicable DPA loan.
6. Once the CDA has received properly completed pre-closing documentation, the CDA sends an "Approval to Close" letter to the Loan Officer/Processor.
7. The Lender closes the first mortgage loan and the DPA loan, submits the DPA closing documentation to US Bank at the same time the first mortgage loan is submitted.
8. US Bank confirms the DPA closing documentation on the checklist has been submitted correctly, confirms first mortgage documentation, and purchases both loans.
9. US Bank sends closing DPA loan documentation to the CDA, along with a reimbursement request for DPAs purchased.
10. The CDA confirms the closing documentation for the DPAs is correct and reimburses US Bank for DPAs. If any deficiencies are found, US Bank will require originating lender to correct deficiencies.