



Hampton Roads Loan Fund Partnership

2020-2021 DOWNPAYMENT ASSISTANCE PROGRAM REQUIREMENTS FOR BUYER/BORROWER & REAL ESTATE AGENTS

The Hampton Roads Loan Fund Partnership (HRLFP) administers HOME funds in partnership with the Virginia Department of Housing and Community Development. This information is a guide for buyers and agents.

Buyer Eligibility

- **The buyer/borrower will automatically be ineligible for the DPA Program if the buyer/borrower has ratified a contract/standard purchase agreement to purchase a property prior to being determined income and asset eligible for the program, receiving a DPA certification letter, the Homebuyer Agreement and return of this form signed by buyer/borrower and real estate agent.**
- The DPA certification letter is not a commitment to provide DPA funds. It only means that the household meets the income and asset requirements of the DPA program and can begin the home search.
- The buyer/borrower must qualify for an approved first mortgage that includes; VHDA loan products, USDA, VA, and FHA loan products. Other loan products will be reviewed and approved on a case-by-case basis. Buyer must have sufficient cash on hand to cover the minimum required 1% of sales price contribution to the home purchase for the DPA program.
- Buyer must have a home inspection by a licensed Home Inspector.

Property Eligibility

- A home inspection done by a certified home inspector with separation of duties is required. Any "required" repairs notated on the inspection report that will affect the habitability, and safety of the home will have to be repaired prior to closing, and a re-inspection must be done to determine that all repairs were completed prior to closing. Certificate of Occupancy Certificates are acceptable on new construction.
- Property was last occupied by the owner/seller pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act as amended (URA), Section 24.10(b) (2)
- Condominium or manufactured units are subject to VHDA restrictions (see VHDA website for condominium guidelines).
- Properties built before 1978 must pass a Visual Lead Inspection by a Certified Lead Inspector. If the unit "fails" the visual paint assessment, then the seller and/or buyer must hire a VA state licensed lead contractor or someone who has been trained in HUD approved safe work practices course to repair/stabilize the deteriorated paint.
- In order for a project to be considered "Exempt and Categorically Excluded", it must meet ALL of the requirements under the following criteria:
 - Special Flood Hazard Areas and Flood Disaster Zones,
 - Coastal Barriers Resource Areas,
 - Airport Runway Clear Zones, and
 - Military Installation Clear Zones/Airfields

Additional Information for Standard Purchase Agreement/Contract of Sale

- There should be a **minimum of 45 days from date of ratified contract and settlement date**, with a legible copy of the ratified contract provided submitted within three (3) business days. (Standard Purchase Agreements/Contracts of Sale with less than 45 days between contract ratification and settlement date may be denied.)

- If there was a lease/rental agreement on the Property, lease termination letter must be provided and indicate that tenant terminated lease. (If the owner terminated the lease, property must have remained vacant for over 90 days prior to ratifying contract or property is ineligible).
- The Standard Purchase Agreement/Contract of Sale must contain under, "Other Contingencies" the following:

"Sale is contingent upon the property being free of be free of any deficiencies in accordance with UPCS (Uniform Physical Condition Standards) Any "required" repairs notated on the inspection report that will affect the habitability, and safety of the home will have to be repaired prior to closing, and a re-inspection must be done to determine that all repairs were completed prior to closing. An itemized list of required repairs will then be submitted to the Buyer/Selling agent. Seller agrees to repair/remedy all items noted.

- A copy of the home inspection report must be submitted to the HRLFP Administrator for review as well. A copy of Property Inspection Contingency Addendum (if applicable) completely signed by all parties is required.
- Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards initialed and completely signed and dated by all parties **(only applicable if the property was built prior to 1978)**.

I/We hereby acknowledge and represent that I/we have read and understand the foregoing HRLFP Downpayment Assistance Program Requirements for Buyer/Borrower and Real Estate Agents.

Signature of Buyer(s)/Borrower(s):

Name:

Date:

Name:

Date:

Signature of Buyer/Borrower's Real Estate Agent

Name of Selling Agent:

Date:

Name of Selling Firm:_____