



Forsyth County Community & Economic Development
201 N. Chestnut Street, WSNC 27101
336-703-2678
www.Forsyth.cc/Housing

DOWN PAYMENT ASSISTANCE INFORMATION and AUTHORIZATION

Program Highlights

Forsyth County Community & Economic Development Department offers two Down Payment programs with different levels of assistance offering affordable loans for down payment assistance, closing costs, gap financing and other related expenses.

HOME-AHOP (Affordable Home Ownership Program)*

- **Up to \$20,000.** No monthly payment is required. This loan is deferred for thirty years provided the purchaser resides in the property as their primary residence for thirty years. This loan is repayable when the 1st mortgage has been paid in full, upon transfer of title, cash-out refinance, foreclosure or demise.

***Down payment, closing cost, and/or gap financing subject to change without notice based upon funding availability.**

Community Partners Loan Pool (CPLP) via NC Housing Finance Agency*

- **Up to \$50,000 or 25% of Sales Price, whichever is less.** No monthly payment is required. This loan is deferred for thirty years provided the purchaser resides in the property as their primary residence for thirty years. This loan is repayable when the 1st mortgage has been paid in full, upon transfer of title, cash-out refinance, foreclosure or demise.

***Down payment, closing cost, and/or gap financing subject to change without notice based upon funding availability.**

OTHER REQUIREMENTS

- Minimum of \$1,000 home buyer contribution toward home purchase. Gift funds do not count toward buyer contribution, but may be used to assist in the purchase
- ALL Buyers must take a home ownership class AND have a consult with a HUD-Certified Housing Counselor BEFORE request is submitted for Final Approval. There will be a \$125 fee paid to the Provider at CLOSING. The fee will count towards the \$1,000 Buyer Contribution. **Select a Provider from one of the PARTNERS in Educating. Call to Register for the CLASS AND the Consultation. You will be required to pay according to the Provider guidelines. Attend the Class and the Consult. Email a copy of your Certificate to our office.**

PARTNERS In Educating Future Home Buyers

Please call to schedule your class with one of the following organizations below. NOTE: When registering for the class Inform the provider that you are working with Forsyth County to receive Down Payment Assistance.

Center for Homeownership

7820 North Point Blvd., Suite #100, Winston-Salem, NC 27106

www.CenterforHomeownership.org

336-773-0286

Housing Foundation of America, Inc.

122 N. Elm Street, Suite #525, Greensboro, NC 27401

www.HomeApproved.org

800-579-4119



FAQ'S --- FAQ'S--- FAQ'S

Who Qualifies?

Households with a combined TOTAL gross income of 80% or less of the area median income for Winston-Salem/Forsyth County, as established Annually by HUD, may qualify for participation. See the chart below. Acceptable credit and work histories will be required.

Household Size	1	2	3	4	5	6	7	8
Maximum Gross Income	\$45,850	\$52,400	\$58,950	\$65,500	\$70,750	\$76,600	\$81,250	\$86,500

Effective 06/01/2024

How much can I get?

Down Payment funds can provide from \$1,000 to \$70,000 for down payment, closing costs and gap financing to qualified participants. Buyers must qualify for bank or mortgage company financing with interest rates, fees and other terms that meet program requirements. Resale restrictions apply. The property must be located in Forsyth County.

When will I receive the down payment assistance?

The down payment assistance funds are provided to the Closing Attorney for the Closing. Excess funds may result in a Principal Reduction back to Forsyth County to avoid over-subsidizing

Can I rent out the house?

No. You must own and occupy the house. There are other requirements for duplexes. Property that is being acquired must be the Principal Residence of the homebuyer. Down payment is not provided to acquire rental properties.

Do I have to pay it back?

All loans are deferred for thirty years and repayable when the 1st mortgage has been paid in full, upon transfer of title, cash-out refinance, foreclosure or demise.

May my Aunt Co-sign for me?

Your Aunt may co-sign, but only if she will be living in the home with the Buyer.

What else do I need to do?

IMPORTANT !! Share this information with your Realtor® AND Lender so that they understand the program and are able to help you. NOT sharing this information with them could jeopardize you being able to receive the down payment assistance due to guidelines that the program is required to follow.

If you have not already, get together your important documents so that you will have them on-hand to provide.

MAXIMUM Sales Price may not exceed the limits set by HUD for Forsyth County.

NEW Construction Sales Price MAXIMUM is \$290,000;

EXISTING HOME Sales Price MAXIMUM is \$257,000.

Is there a Maximum Sales Price limit on the home that is selected?

To be eligible for down payment assistance, the MAXIMUM Sales Price may not exceed the limits set by HUD for Forsyth County. **NEW Construction Sales Price MAXIMUM is \$290,000; EXISTING HOME Sales Price MAXIMUM is \$257,000.**

Are there requirements related to the Home that is being purchased?

- Eligible properties must have an appraised value equal to or greater than the FULL contract sales price or higher. All properties must also have an appraisal that was conducted within 6 months of closing to document value.
- Eligible properties can be new or existing single family, stick-built homes; new modular homes; new manufactured homes built to HUD Code on permanent foundations; and townhouse or condominium units (Condominiums must be Fannie Mae Approved when applicable).
- Newly constructed homes must obtain a Certificate of Occupancy existing homes that are GUT rehabilitated before sale, have passed all applicable state and local building codes, and receive a new Certificate of Occupancy will be treated as new construction. If the property has been unoccupied for *more than* 12 months, the property will be classified as an existing home, even if never occupied, and will require additional housing inspection.s
- All existing homes must pass **required property inspections**. Copies of Inspection Reports must be submitted with request for down payment. Needed repairs or replacement must satisfactorily address health, safety, deferred maintenance, and durability issues for the homes to be eligible for DOWN PAYMENT assistance.

- **What are the Required Inspections for Existing Homes?**

HOME, RADON, PEST and MINIMUM HOUSE CODE Inspections. Inspection Fees are paid by the Buyer.

All existing homes must be inspected by a licensed NC Home Inspector. The house must meet Forsyth County Minimum Housing Code prior to purchase. A Code Enforcement Inspector must inspect the house and confirm that it meets these minimum standards. There is no charge for the Forsyth County Inspection. The home inspection should cover the functionality of building systems and relative age of these systems. The home inspection should also document the age, based on manufacturer's label of all major equipment and systems, including but not limited to water heater, HVAC system, roof and exterior. NOTE: There may be additional inspections required, such as Septic, Well or Structural.

Are there PROPERTY STANDARDS the homes must meet?

Deficiencies identified by the Inspection Reports that threaten the property or borrower must be repaired.

Needed repairs must adequately address:

1. All major structural threats to the property (i.e. moisture / water penetration or standing water, structural integrity).
2. All threats to health and safety of the buyers (i.e. trip hazards, air quality, security, windows that do not stay raised when opened, doors do not securely lock/unlock electrical, plumbing).
3. All major deferred maintenance issues.
4. Energy efficiency whenever possible (i.e. double-paned windows that have lost their seal/fogged, inadequate insulation).
5. New and existing houses in good condition that comply with program requirements. Existing houses built before 1978 must not have any Lead-Based Paint hazards / Defective Paint / Peeling Paint / Chipped Paint. Note: Homes built before 1978 require additional Inspections.
6. Items related to Cosmetic Issues differ from the above and are not related to the above.

Re-inspections serve as Proof of Repairs and are required before a loan can be approved

More on Homes Built Before 1978:

The Federal Government banned the use of lead-based paint for homes in 1978 so homes built before then have additional requirements to meet.

FCCED will ONLY consider the purchase of pre-1978 homes that have passed ONE of the following inspections/assessments:

- Visual Assessment (*minimum required) demonstrating NO deteriorating paint above HUD's "De Minimus" (minimum) levels
- Lead-based paint Inspection Including a Visual Assessment documenting the condition of any paint found containing lead
- Lead-based paint Risk Assessment

*See Lead-Based Paint Visual Assessment Introduction & Forms

Timing of Inspections

The timing of Inspections, etc... should be performed as early as reasonably possible to allow time for repairs and re-inspections (if needed). In all situations, the due diligence period must allow sufficient time for inspections and re-inspections.

AFFORDABILITY

- Buyer must demonstrate the ability to pay the mortgage, other debt, and maintain the home.
- The housing debt to income ratio (front end) should not exceed **32%** after taking into consideration the Forsyth County second mortgage. A front end exceeding this means too much house >> too expensive.
- The total debt to income ratio (back end) should not exceed **45%** after taking into consideration the Forsyth County second mortgage. A back end exceeding this means too much debt >> reduce debt.
- On the other hand, we do not want these ratios to be too low. We do not want to over subsidize. The participant should borrow the maximum amount while staying within these ratios



Forsyth County Down Payment Assistance Program

(1) The Applicant and Co-Applicant must provide all of the following, if it applies:

- Please complete and sign the attached application
- Attach a copy of a Picture ID for the Applicant and Co-Applicant
- Attach a copy of the Social Security Card for the Applicant and Co-Applicant
- Proof of Citizenship, if applicable
- Copy of 2 months Pay Stubs for ALL household members, unless in school
- Proof of Child Support (Most recent 13 months print out)
- Current Year SSI (Social Security Supplemental Income Awards letter)
- Current Year SSA (Social Security Awards letter - if applicable)
- Current Pension checks or letter
- Current Year VA Disability or Retirement letter
- Signed Federal Tax Returns for three most recent year
- All W-2s and/or 1099s for most recent year
- Profit and Loss Statement if Self-Employed
- Copy of Home Buyer's Education Certificate - **Date MUST be 1 year or less**
- Proof of Consult with a Housing Counselor
- Verification of School Enrollment for anyone in the household 18+ years old
- If applicable, Copy of RECORDED Separation Agreement with Free Trader Language, Divorce Decree or Death Certificate of Pre-deceased Spouse.
- For Married couples that are separated WITHOUT documentation, Income of the other spouse will be need to be provided and will be counted for household TOTAL Compliance Income. Likewise, the other spouse will need to be present at the CLOSING to sign legal documents

(2) Terms and Conditions of your 1st Mortgage Loan:

- All Terms & Conditions must be approved by Forsyth County CED Department
- Maximum Interest Rate cannot exceed the NC Home Advantage Mortgage rate plus 1%
- Must be a FIXED interest rate loan for the FULL loan term
- Maximum term is 30 years
- Cannot have a Balloon Payment
- Maximum fees are 2% of the 1st mortgage loan amount
- Maximum Housing Ratio cannot exceed 32% (Front-End)
- Maximum Debt-to-Income Ratio cannot exceed 45% (Back-End)

IMPORTANT: YOU MAY SECURELY UPLOAD YOUR INFORMATION TO US BY USING THE FOLLOWING LINK:

<https://forsythhousing.sharefile.com/r-r34239abed5364d49af935ce3b98c5122>





DOWN PAYMENT ASSISTANCE INFORMATION AND APPLICATION

DATE: _____		APPLICANT INFORMATION	
Name:		How did you hear about the program?	
Date of birth:	SSN:	Cell Phone:	
Marital Status: (Check One) <input type="radio"/> Married <input type="radio"/> Separated <input type="radio"/> Unmarried <input type="radio"/> Widowed <input type="radio"/> Divorced			
Email Address:		Home Phone:	
Current address:			
City:		State:	ZIP Code:
<input type="radio"/> Own <input type="radio"/> Rent <input type="radio"/> Live with Relative <input type="radio"/> Other		How long at this address?	
Monthly payment or Rent: \$		Do you receive Section 8? <input type="radio"/> Y <input type="radio"/> N Amount: \$	
Previous address (if less than 2 years at current address):			
City:		State:	ZIP Code:
<input type="radio"/> Own <input type="radio"/> Rent <input type="radio"/> Live with Relative <input type="radio"/> Other		Monthly payment or Rent: \$	How long at this address?
What is your comfort level for a House Payment?			

APPLICANT EMPLOYMENT INFORMATION			
Employer:		Start Date:	
Address:		Work Phone:	
City:		State:	ZIP Code:
Position:		(Check One) <input type="radio"/> Hourly <input type="radio"/> Salary <input type="radio"/> Annual (Enter Amount) \$ _____ (How Many Hours A Week): _____ How often Paid?: _____	

APPLICANT ADDITIONAL EMPLOYMENT INFORMATION			
Employer:		Start Date:	
Address:		Work Phone:	
City:		State:	ZIP Code:
Position:		(Check One) <input type="radio"/> Hourly <input type="radio"/> Salary <input type="radio"/> Annual (Enter Amount) \$ _____ (How Many Hours A Week): _____ How often paid?: _____	

ASSETS (CHECKING, SAVINGS) or OTHER SOURCES OF INCOME		
NAME OF BANK OR CREDIT UNION	TYPE	ACCOUNT BALANCE
	CHECKING	

CO-APPLICANT INFORMATION

Name:		Will you live in new home being purchased? <input type="checkbox"/> Y <input type="checkbox"/> N	
Date of birth:	SSN:	Cell Phone:	
Marital Status: (Check One) <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried <input type="checkbox"/> Widowed <input type="checkbox"/> Divorced			
Email Address:		Home Phone:	
Current address:		How long at this address?	
City:	State:	ZIP Code:	

CO-APPLICANT EMPLOYMENT INFORMATION

Employer:		Start Date:	
Address:		Work Phone:	
City:	State:	ZIP Code:	
Position:	(Check One) <input type="checkbox"/> Hourly <input type="checkbox"/> Salary <input type="checkbox"/> Annual (Enter Amount) \$ _____ (How Many Hours A Week): _____ How often Paid?: _____		

CO-APPLICANT ADDITIONAL EMPLOYMENT INFORMATION

Employer:		Start Date:	
Address:		Work Phone:	
City:	State:	ZIP Code:	
Position:	(Check One) <input type="checkbox"/> Hourly <input type="checkbox"/> Salary <input type="checkbox"/> Annual (Enter Amount) \$ _____ (How Many Hours A Week): _____ How often Paid?: _____		

Assets (Checking, Savings) or Sources of Income

NAME OF BANK OR CREDIT UNION	TYPE	ACCOUNT BALANCE
	CHECKING	

LIST ALL OCCUPANTS THAT WILL BE LIVING IN THE HOUSE TO BE PURCHASED AND ANY INCOME RECEIVED BY EACH (Wages, Child Support, Social Security, Pension, Alimony, Self-Employment, Veterans Benefits, etc...)

NAME:	Relationship	Date of Birth	Income/Benefit

Are you currently under contract to buy a Home:
 Y N
Address?

Do You Have a Realtor? Y N
Name of Realtor:

Anticipated Closing Date of Home Purchase?

Do You Have a Lender? Y N
Name of Lender:

Are you a "first time home buyer"*: Y N
 *A first-time home buyer is a person that has not been the owner-occupant of a home in the last three years or has been displaced from their home as a result of civil action or relocation.



ADDITIONAL REQUIRED INFORMATION

Are you in the military, a Veteran or a Surviving Spouse of Veteran? Y N

Do you have student loans? Y N Expected Graduation Date?

DOWN PAYMENT LOAN DISCLOSURE

The Forsyth County HOME-AHOP or NCHFA CPLP Down Payment funds are not a grant funds.

THE DOWN PAYMENT FUNDS ARE A LOAN.

No payments are due until you (1) sell or transfer home, (2) refinance your first mortgage, or (3) if, you no longer occupy your home as your principal residence. No interest is charged while you have the Forsyth County HOME-AHOP or NCHFA CPLP Down Payment Loan and your loan is not in default.

Applicant Date >

Co-Applicant Date >

DEMOGRAPHIC INFORMATION OPTIONAL

Applicant: I do not wish to furnish this information.

Co-Applicant: I do not wish to furnish this information.

(Check appropriate choices on each line)

(Check appropriate choices on each line)

Ethnicity:

Hispanic or Latino Not Hispanic or Latino

Ethnicity:

Hispanic or Latino Not Hispanic or Latino

Race: American Indian Alaska Native
 Asian Black or African American Native
 Hawaiian Other Pacific Islander White

Race: American Indian Alaska Native
 Asian Black or African American Native
 Hawaiian Other Pacific Islander White

Sex: Male ____ Female ____

Sex: Male ____ Female ____



Continued on next page

Authorization & Certification

The undersigned applicant(s) authorize Forsyth County Community & Economic Development, to verify all information provided on the Bank/Mortgage Lender home loan application. This includes permitting the Bank/Mortgage Lender to provide our office with copies of information obtained by the Bank/Mortgage Lender and reported to it by the applicant(s). The applicant(s) also authorize Forsyth County Community & Economic Development to obtain his/her/their credit report(s) from their Bank/Mortgage Lender as part of this application process. The applicant(s) agree to provide Forsyth County Community & Economic Development with information it requests in a timely manner.

The undersigned also understands that completing this application process should not be construed as being approved for a down payment assistance loan.

The undersigned understands that ALL program guidelines must be followed as it relates to Property Conditions, Financing and Occupancy. The undersigned applicant(s) understands that a Complete evaluation will be conducted as required and that a FINAL APPROVAL must be obtained in order to close.

The undersigned applicant(s) also understands that the Closing Date is contingent upon when the FINAL APPROVAL is obtained and disbursement of down payment assistance funds. The undersigned applicant(s) certify that all information provided to our office by the Bank/Mortgage Lender loan application is true and accurate. This application may be included as an attachment to the Uniform Residential Loan Application submitted by the Bank/Mortgage Lender.

Signature of Applicant _____

Date: _____

Signature of Co-Applicant _____

Date: _____



Steps to Take



- 1. Complete & Submit Your Application for Down Payment. (Identification and proof of ALL household income is required)**
- 2. Complete an Approved Home Buyer Education Course AND Consult Session with HUD-Certified Housing Counselor (See Page 1 for Partner Agencies)**
- 3. Choose a Participating 1st Mortgage Lender to get Pre-Approved (Lender will need to Submit your Information)**
- 4. Choose a Realtor® to work with as you search and select your home. (Your Realtor® will need to Submit a copy of the Agency Agreement that you have signed)**
- 5. Find your NEW or EXISTING HOME (not exceeding the Sales Price Maximum Limit)**
- 6. Once you have an Accepted Offer to Purchase on the Home, forward a copy of the FULLY EXECUTED contract to our office. (Note: PROPERTY ELIGIBILITY will be evaluated)**
- 7. ALL required INSPECTIONS must be provided and should be conducted in a timely manner for review.**
- 8. REPAIRS and RE-INSPECTIONS must be provided in a timely manner for review.**
- 9. Lenders must SUBMIT Items Needed**
- 10. Realtors must SUBMIT Items Needed**
- 11. Down Payment Assistance requests will be REVIEWED and UNDERWRITTEN as funds are available.**
- 12. Final Reviews will be completed and ALL parties will be notified. (Reviews are done in a timely manner when ALL information needed has been obtained).**