



Product Guideline
Town of Vail
Employer Assisted Housing Benefit
Employee Home Ownership - EHOP®

Eligible Borrowers:	Full time employees of the Town of Vail working at least 40 hours per week, in good standing with 6 months of service with the Town and purchasing a primary residence. Employees must not own other residential property within 50 mile region of Town of Vail at the time of closing. It may be permissible to own residential property anywhere outside of the 50 mile region that is currently under contract for sale.
Eligible Properties:	Single family homes, condominiums, townhomes, duplexes, modular homes or manufactured homes on a permanent foundation taxed as real property within the Town of Vail limits* or within 50 miles of the Town limits*. <i>*Assistance amounts vary depending on location of property and deed restricted properties.</i>
Max. Purchase Price:	None.
Income Threshold:	No income limitations.
Loan Amounts:	Assistance through Town of Vail EHOP for properties within the Town of Vail limits are eligible for up to \$120,000 in assistance. Properties outside the Town limits but within 50 miles of the Town are eligible for up to \$75,000 in assistance. Properties within or outside the Town limits that are deed restricted properties are eligible for assistance up to 10% of the purchase price. <i>*EHOP loan amounts that exceed 20% of the purchase price require Town of Vail Board approval prior to Impact Development Fund issuing loan approval.</i>
Application of Funds:	Equity Share Mortgage funds may only be used for down payment, closing costs, and pre-paid items related to the primary loan.
Compatible Mortgages:	EHOP loan may be used in conjunction with conforming conventional and certain portfolio programs that offer fixed or intermediate variable rate terms designed for entry-level buyers. (i.e. FLEX, My Community, 5/1, 7/1, etc.). <i>FHA, VA, Subprime and other non-conforming products are <u>not permitted</u>.</i>
Loan to Value:	Maximum Combined Loan to Value is 100% of purchase price.
Debt Ratio:	Monthly payments on all debt, including mortgage, credit cards, automobile loans, school loans, etc., may not exceed 43% of gross (before tax) income. <i>*Any exceptions to the Debt Ratio Guidelines are at the sole discretion of the Town of Vail.</i>
Minimum Investment:	Borrower must have a minimum investment of 5% of the purchase price from a source acceptable to the primary lender. In no case may the Seller or the premium pricing of the mortgage interest rate satisfy the minimum requirement.

Assets:	Borrower may not have verified net assets in excess of one and one half times the household income, excluding government approved retirement funds.
Repayment:	Equity Share Mortgage may be repaid at any time. Repayments will include principal plus a pro rata share of the recognized appreciation (if any) based upon the percentage of the EHOP equity share to the original purchase price.
Homebuyer Training:	Required on all loans, as evidenced by a Fannie Mae, Freddie Mac, HUD, or CHFA-approved provider.
Term:	Maximum term is 15 years.
Fees:	IDF origination fee charged at closing. Fees are subject to change per Impact Development Fund (IDF) fee schedule.
Collateral:	Subordinate lien priority on subject real property.
Rate Caps:	Not Applicable.
Exceptions Policy:	All aspects of the Town of Vail EHOP eligibility and underwriting criteria are subject to Town of Vail exception authority.

Origination Procedures

Application:	Mortgage loan officer shall submit to Impact Development Fund the Loan File Checklist complete with all documentation shown on the form.
Processing:	Impact Development Fund will order title commitment and evidence of hazard insurance. Final equity share documents are delivered electronically to loan officer for presentation to borrower. All outstanding items must be cleared prior to funding.
Closing:	Impact Development Fund will deliver closing instructions and equity share proceeds directly to the title company. Funds transferred by wire should be sent 24 hours prior to scheduled closing date. The loan officer shall advise of any schedule changes as soon as possible.
Fees Collected:	The origination fee is collected at closing, in addition to the public recording fee for the deed of trust (4 pages) and will appear on the Closing Disclosure (CD). All settlement figures should appear on a separate CD. IDF will review and approve the final first mortgage CD prior to funding.
Requirements:	The Eligible Borrower's loan officer shall present all required documents at, or prior to, closing. The borrower and loan officer shall execute the Lender Certification form, acknowledging disclosure of all loan terms and contact information.
Settlement:	No changes to loan documents or loan amount shown on the Closing Disclosure are permitted.
Post Closing:	The original deed will be recorded by title with all other original Town of Vail EHOP documents returned to Impact Development Fund via overnight courier.