



Greeley Home Ownership Program for Employees (G-HOPE)

Eligible Borrowers:	Regular, full-time employees whose employer is based in <u>Greeley</u> . One employee loan per household. <i>Qualified borrowers do not have to be first time homebuyers.</i> May only benefit from this program offer one time.
Eligible Property:	Primary and full-time residence occupancy only. Single-family homes are the only acceptable properties. Multi-family units, condominiums, townhomes, and mobile homes are not permitted. Eligible properties are those zoned for Residential or Commercial use and which have been lawfully established for single-family residential use.
Location:	Eligible employees must purchase a home within either the University or the Redevelopment Districts (referred to as the G-HOPE Boundary; see map)
Income Threshold:	None
Loan Amount:	Up to \$2,500.00 or 2% of the purchase price, whichever is less. Up to \$4,000.00 if the purchased property is on or West of 14 th & 17 th Avenues Up to \$6,000.00 if the purchased property is between 14 th & 17 th & 8 th Avenues Up to \$8,000 if the purchase property is on or East of 8 th Avenue <i>An additional \$1,500.00 is available to qualified <u>University employees</u> if purchased property is within the University District.</i>
Compatible Mortgages:	Employees and co-borrowers must qualify for primary mortgage financing through a reputable lending institution offering terms acceptable to both the employee and the City of Greeley (City). The Program may be used in conjunction with conforming conventional, government loans (if first mortgage lender approves program conditions and combined loan to value meets City guidelines), and certain portfolio programs which meet the federal definition of a Qualified Mortgage. <i>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.
Minimum Investment:	Employee must make a minimum contribution towards the purchase price and related settlement charges equal to \$1,000.00. Settlement charges may include all or part of the one-time processing fee for this loan.
Interest Rate:	0%
Forgiveness:	The home purchased with assistance from the G-HOPE program is entitled to forgiveness of up to 100% of the original principal balance provided the borrower is in compliance with all terms of the promissory note. Upon the first anniversary of the loan, 20% of the original principal balance is forgiven; an additional 20% of the original principal balance is forgiven at each anniversary of the loan until 100% is forgiven at the end of year 5. Any principal balance forgiven will be reported to the IRS as Miscellaneous Income to the Borrower in the year in which forgiveness is granted.
Repayment:	Principal and interest payments are not required. Subsequent subordinations requests are not permitted. Loan is due upon sale, transfer of title, when the primary mortgage is paid off, or when the property is no longer owner-occupied.

Use of Funds:	Down payment (other than “Minimum Investment”) closing costs and items related to the primary loan excluding buyer pre-paid items.
Homebuyer Training:	Required for all Applicants that: have not owned a primary residence within 3 years prior to application; or, have experienced a foreclosure or personal bankruptcy within the 7 years prior to application. Training shall be evidenced by a Fannie Mae, Freddie Mac, HUD or CHFA-approved provider.
Term:	Maximum term is 5 years.
Loan 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.
Exceptions Policy:	All aspects of G-HOPE program eligibility and underwriting criteria are subject to approval from the City of Greeley.

Origination Procedures

Application:	Mortgage loan officer submits Loan File Checklist to Impact Development Fund, complete with all documentation shown on the form, including a signed affidavit of legal presence. Any remaining documentation requirements will be detailed.
Processing:	Impact Development Fund will obtain title commitment and evidence of hazard insurance. Final loan 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 loan proceeds direct to title. Wires are sent 24 hours prior to the scheduled closing date, so the loan officer must 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. Impact Development Fund will review and approve the final first mortgage CD. <i>Title insurance is not required for City of Greeley G-HOPE loans.</i>
Requirements:	LOAN OFFICERS ARE REQUIRED TO PRESENT ALL G-HOPE DOCUMENTS AT, OR PRIOR TO, CLOSING. Both the borrower and loan officer must execute the Lender Certification form, acknowledging disclosure of all loan terms and contact information.
Settlement:	No changes to the City of Greeley G-HOPE loan documents or loan amount shown on the CD are permitted.
Post-Closing:	The original deed will be recorded by title with all other original City of Greeley G-HOPE loan documents and returned to IDF via overnight courier.