



## Impact Development Fund City of Boulder Middle Income Down Payment Assistance (MIDPA) Program Guidelines

Eligible Borrowers:	Buyers may have owned a home in the past, or still own a home at time of application. However, buyers must sell their home before closing on a home. Property must be owner-occupied as a principal residence (see definitions in Title 9, B.R.C. 1981). At least one person in the household must work 30 or more hours per week (unless retired or permanently disabled). Additionally, at least one person in the household must have a work history of 1 year within the most recent 12 months.
Eligible Properties:	Permanently affixed real property unencumbered by deed restriction and not governed under a land trust agreement. Property must be located within the City Limits of Boulder.
Income Threshold:	120% of the most recently published HUD Area Median Income, adjusted for actual household size for Boulder County. <b>Refer to income limits on pg. 3.</b> Income is established by currently demonstrated income, excluding: overtime, shift bonus, commissions and bonus income that have not been earned consistently during the previous 2-year period and/or do not have a strong likelihood of continuance.
Loan Amount:	Up to \$200,000.00 or 30% of the purchase price, whichever is less.
Maximum Purchase Price:	\$1,375,000 for Single-family Homes* \$544,936 for a Condo, Townhome, or Other* <i>*Maximum home purchase price is derived from the most recently available annual Median Sales Price of units sold in the City of Boulder. The source of this data is the Information Real Estate Service (IRES) courtesy of the Boulder Area Realtors Association (BARA) and is regularly updated here.</i>
Compatible Mortgages:	MIDPA may be used in conjunction with Conventional and certain portfolio products that offer fixed or intermediate variable rate terms designed for entry-level buyers. <b><i>FHA, VA, Subprime and other non-conforming products are not permitted.</i></b>
Loan to Value:	Maximum Combined Loan to Value is 105% of purchase price.
Debt Ratio:	Maximum back ratio of 42%.
Minimum Investment:	Borrower must have a minimum direct transaction investment of 5% of the purchase price from a source acceptable to the primary lender. In no case may the Seller or premium pricing of the mortgage interest rate satisfy this minimum requirement.
Assets:	See asset limits on page 3. Retirement assets with IRS early withdrawal penalty are not counted against the asset limits up to the following amounts: Under age 40 \$30,000, Ages 40-55 \$55,000 and Over Ages 55 \$110,000. <i>The amount of the borrower's down payment, up to 20% of the purchase price, is not counted against the asset limit.</i>
Repayment:	Principal and interest payments are not required. Payments for less than the full amount of principal, accrued interest and public recording fees are not accepted. Subsequent subordination requests are not permitted. The loan will become immediately due upon sale, transfer, refinance, when the home is no longer the primary residence or upon the death of the buyer. The loan will become due in its entirety at completion of the 15-year term.
Use of Funds:	Down payment, closing costs and pre-paid items related to the primary loan.

Homebuyer Training:	To participate in the program each household must attend a city orientation, and a homebuyer education class approved by the Colorado Housing Finance Authority (CHFA). These classes are also available on-line. The city orientation is required prior to turning in an application. The CHFA-approved Homebuyer class is required prior to going under contract on a home.
Term:	The term of the loan is 15 years.
Loan Fees:	IDF origination fee of \$350 charged at closing. Fees are subject to change per Impact Development Fund (IDF) fee schedule.
Collateral:	Subordinate lien priority on subject real property.
Resale Restriction:	Property will become subject to the City of Boulder's "Permanently Affordable Housing Covenant". The City of Boulder will administer all aspects of the restriction.
Inspection:	The City of Boulder requires an inspection to ensure the home meets basic livability standards.
Exceptions Policy:	All aspects of the City of Boulder Middle Income Down Payment Assistance Program eligibility and underwriting criteria are subject to Staff-level exception authority. Loan terms and pricing must be approved by IDF.

## Origination Procedures

Application:	Mortgage loan officer submits Loan File Checklist to Impact Development Fund, complete with all documentation shown on the form. Any remaining documentation requirements will be detailed.
Processing:	Impact Development Fund will order 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:	IDF 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). IDF will review and approve the final first mortgage CD prior to funding. Title insurance is not required for City of Boulder Middle Income Down Payment Assistance loans.
Requirements:	LOAN OFFICERS ARE REQUIRED TO PRESENT ALL CITY OF BOULDER MIDDLE INCOME DOWN PAYMENT ASSISTANCE 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:	Borrower may NOT receive any proceeds at the time of settlement regardless of total contribution. Title will be instructed to show any excess proceeds as a principal reduction to IDF on the first mortgage Closing Disclosure (CD) and return such funds for proper credit. No changes to the City of Boulder Middle Income Down Payment Assistance loan documents or loan amount shown on the CD are permitted as a result of excess proceeds.
Post Closing:	The original deed will be recorded by title with all other original City of Boulder Middle Income Down Payment Assistance loan documents returned to IDF via overnight courier. Any excess proceeds will be applied as principal reduction, with applicable notice delivered to the borrower upon receipt.

## 2023 Income and Asset Limits

	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Income Limit	\$ 111,600	\$ 127,560	\$ 143,520	\$ 159,360	\$ 172,200	\$ 184,920	\$ 197,640	\$ 210,360
Asset Limit	\$ 140,000	\$ 159,450	\$ 179,400	\$ 199,200	\$ 215,250	\$ 231,150	\$ 247,050	\$ 262,950