Eagle County Loan Fund "ECLF"
Equity Share Down Payment Assistance Program
FOR USE WITH CONVENTIONAL, RD, OR VA MORTGAGES

Eligible Borrowers:	Occupying borrowers must be employed within Eagle County with U.S. citizenship or otherwise legally in the United States on a permanent status and may not own other real estate at time of closing, subject to limited exceptions. Employment in Garfield and Pitkin Counties will be considered acceptable for Eligible Borrowers purchasing in Eagle County in the Roaring Fork Valley. The purchased unit must be the Eligible Borrower's primary residence while the loan is outstanding. ***All Eligible Borrowers must meet with the Eagle County Housing and Development staff prior to applying for this program.***
Eligible Property:	Single family homes, condominiums, townhomes, duplexes, modular homes or manufactured homes on a permanent foundation taxed as real property within the jurisdictional boundaries of Eagle County. *Down payment funds cannot be used with a construction loan.* **Free-Market Properties:** Non-occupying co-borrower must appear on title and sign the ECLF Deed of Trust. **Deed-Restricted Properties:** Non-occupying co-borrower cannot appear on title. No exceptions will be granted.
Income Threshold:	Eligible Borrower's income, including income of non-occupying co-borrower, shall be no greater than 160% of the most recently published HUD Area Median Income adjusted for a **4 person household size** for Eagle County. 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. **No income limit applied when Eligible Borrower is purchasing a deed restricted unit in Eagle County.** ***If a non-occupying co- borrower assists with the purchase of a deed restricted property, the original income limit will apply.***
Loan Amount:	Up to 5% of purchase price with a maximum loan amount of $42,500. **For Borrower's purchasing a property using the Eagle County Good Deeds, Mi Casa Avon, Vail InDEED or other similar deed restriction buy down program, the ECLF loan amount is calculated using up to 5% of the "net" purchase price. The "net" purchase price is the full purchase price less the amount the Borrower is receiving from the deed restriction buy down program.*
Maximum Purchase Price:	$850,000.00
Eligible Borrower Investment:	Eligible Borrower contribution is 1% of the purchase price or 50% of the loan amount,whichever is less. Minimum Eligible Borrower investment is $3,000.00.

Employer Contribution:	If an Eligible Borrower's employer is willing to contribute to a Eligible Borrower's home purchase by making a loan to ECLF for the benefit to the employee, Eagle County Housing and Development Authority will include that contribution in the Loan Amount and will increase the Loan Amount accordingly. Should an employer be willing to make a grant to ECLF for the benefit of the employee, Eagle County Housing and Development Authority and will increase the Loan Amount accordingly.
Compatible Mortgages:	ECLF Equity Share Down Payment Assistance Program may be used in conjunction a Conventional, Rural Development or VA loan products except first mortgages containing a negative amortization feature or a prepayment penalty. **FHA loans <u>are NOT permitted with the ECLF Equity Share loan.</u>** *Other down payment assistance programs can be used but must be in 3rd lien position.*
Loan to Value "LTV":	Minimum first mortgage LTV of 80%. Maximum Combined LTV is 105% of purchase price.
Debt Ratio:	Maximum of 45% and *no exceptions will be granted.*
Assets:	Eligible Borrower, including non-occupying co-borrower, may not have verified assets in excess of one and one half times the annual household income excluding retirement funds.
Repayment of the Loan:	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. 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. **Subordinations of existing loans will be reviewed on a case-by-case basis.**
Use of Funds:	Down payment, closing costs and pre-paid items related to the primary loan.
Homebuyer Training:	Required on all loans, as evidenced by a Fannie Mae, Freddie Mac, HUD or CHFA-approved provider.
Term:	Maximum term is 30 years.
Loan Fees:	Impact Development Fund "IDF" origination fee charged at closing. Fees are subject to change per IDF fee schedule.
Collateral:	Subordinate lien priority on subject real property.
Equity Share:	Loans repaid in full within the initial 24-month period will include loan principal only. Repayments that occur thereafter will include loan principal plus a pro rata share of recognized appreciation (if any) based upon the percentage of the ECLF loan to the original purchase price. (For example, if ECLF loan represents 3.5% of original price, the borrower would repay the original principal balance plus 3.5% of the equity gain at the time of loan repayment.) At time of pay off request the appreciation of the home is established by appraisal, sales price or satisfactory Comparative Market Analysis.
Rate Caps:	Not applicable.

Exceptions Policy:	All aspects of the Eagle County Loan Fund eligibility and underwriting criteria are subject to staff-level authority. Loan terms, pricing and policy exceptions must be approved by Eagle County Housing and Development Authority. Application of these guidelines is at the sole exclusive discretion of the Eagle County Housing and Development Authority.

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. IDF representative will consult with the Eagle County Housing and Development Authority to verify deed-restriction status of property, if needed.
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 (approximately 4 pages) and will appear on the Closing Disclosure (CD). IDF will review and approve the final first mortgage CD prior to funding.
Requirements:	LOAN OFFICERS ARE REQUIRED TO PRESENT ALL EAGLE COUNTY LOAN FUND DOCUMENTS AT, OR PRIOR TO, CLOSING. Both the Eligible Borrower and loan officer must execute the Lender Certification form, acknowledging disclosure of all loan terms and contact information. Title insurance is not required for Eagle County Loan Fund loans.
Settlement:	Eligible 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 Closing Disclosure (CD) and return such funds for proper credit. No changes to the Eagle County Loan Fund 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 Eagle County Loan Fund documents returned to IDF via overnight courier.
Loan Commitment Date:	ECLF Maximum Loan Amount will be set at Loan Commitment Date. If Eligible Borrower should need additional proceeds, the process will begin again and the entire loan amount will be subject to the availability of funds.