



FREQUENTLY ASKED QUESTIONS

What is the Home Grants Program?

Home Grants was formed in an effort to assist individuals and families in obtaining Grant/Gift funds from participating non-profit organizations that promote sound home-ownership programs. Enrolled program participants receive in-depth education on the benefits and responsibilities of owning a home. Also included in the many Home Grants benefits is a comprehensive balanced budget program. Home Grants is a specially designed down-payment assistance program to assist consumers throughout the country! The program is chartered under the federally recognized Home Grants Program. *Home Grants is recognized by the Internal Revenue Service to administer HUD down payment assistance Grants/gifts (private opinion letter available upon request).*

What are the “financial” requirements in a Home Grants transaction?

There is a small service fee of \$650.00 for issuing a Home Grant. An amount equal to the grant must be replenished to the non-profit organization. Contributions are generally based on the calculations of the respective lender’s loan underwriter. **The Grant Fund Replenishment can come from any Source.**

Is the Home Grants Program restricted to first time homebuyers?

NO. Home Grants will make all of its’ services and funding programs available to anyone needing such assistance. Home Grants insures the Educational Requirements of the buyer are complied with in accordance with the program. Home Grants Staff will work directly with homebuyers to arrange for the required counseling, Home Grants will not delay loan closings. Home Grants will make contact and arrangements with the Grant/Gift recipients prior to the loan closing to administer the required education classes.

Does the administration fee have to be paid by the Seller?

No. The Seller, Builder, Realtor or Mortgage Company may pay the \$650.00 Home Grants administration fee.

Where does the grant replenishment come from?

Generally, the seller of the property makes the replenishment of the non-profit agency. However, if the Seller does not wish to participate for the full amount of the grant then the remainder can be split between the lender, realtor, relative or friend. Without replenishing the fund we would most certainly run out of funds to gift. Donations to a non-profit organization are generally tax deductible but each party should seek advice from their CPA.

Can Home Grants pay Appraisal Fees, Lender Points and other common closing cost?

YES. Home Grants funds are frequently used to pay all or most closing costs, and in many cases the funds are also used as the “required” down payment on a home.

Who is required to attend the Budgeting and Homebuyer Counseling?

Anyone listed, as a “Borrower” in the transaction who will be occupying the home in question must attend the counseling courses; Non-occupying co-Signers who will not be occupying the home need not attend the courses.

Are there minimum or maximum income limits for the program?

NO. The program was designed to assist any individual who is willing to be educated on the responsibilities of owning a home and living on a balanced budget; income is not a limiting factor.

Footnote: Home Grants does not serve as a real estate agent or mortgage lender. A select group of lenders issue mortgage loans to Home Grants approved Participants