

Homebuyer Assistance Grant Program For Active Military and Veterans Terms and Guidelines

SUMMARY: A grant program for the purchase of a single-family, owner occupied, principal residence. If the Borrower(s) has owned, refinanced or purchased a principal residence in the last three (3) years from the date of purchase, they are not eligible for the program. Active military and veterans are eligible for grants up to \$5,000; however grants cannot exceed 25% of the purchase price. Active military is defined as a member of the U.S. Armed Forces or National Guard and Reserves. Lenders can use the grant in conjunction with their own first lien or the grant can be combined with MSHDA's first mortgage and Down Payment Assistance (DPA) program. When using MSHDA's first mortgage and DPA, Lenders must use a waterfall review, i.e. a first lien with MSHDA; apply the grant, then if needed apply the MSHDA DPA.

PRODUCTS: This grant can be used on any first lien mortgage loan type including MSHDA products.

GRANT PURPOSE: Assist in the purchase of a single family/one-unit, owner occupied, principal residence. Individual loan type guidelines should be followed. Grant funds may be used toward down payment, closing costs and/or prepaid items.

GRANT TERMS: There is no lien and no repayment is required.

**SALES PRICE/
INCOME LIMITS:** None

REQUIREMENTS: **Active military or veteran Homebuyer(s) purchasing a single family/one-unit principal residence located in the State of Michigan.** Only Homebuyers who have not had a mortgage on, or purchased, or refinanced their principal residence in the last three (3) years from the date of purchase of the home being purchased, are eligible.

**ELIGIBLE
PROPERTIES:** Single family/one-unit homes and condominiums (attached or detached).

New or existing manufactured homes permanently affixed to a foundation and taxed as real estate.

GRANT AMOUNT: Grants shall not exceed the lesser of 25% of the purchase price of the home or \$5,000.00.

**CASH BACK AT
CLOSING:** Limited to the amount the buyer pays outside of closing. POC's must be reflected on the HUD1 Settlement Statement.

**APPLICATION
DOCUMENTS:** Homebuyer Assistance Grant Program Application/Affidavit
IMPORTANT NOTE: All borrowers used to qualify for the first mortgage loan must sign the grant application/affidavit. Only one of the borrowers must be Active military or a veteran.

CLOSING DOCUMENTS: 1. Copy of final fully executed HUD-1 Settlement Statement.