



Del Norte Neighborhood Development Corporation

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Del Norte NDC – DPA/Closing Cost Program

LOAN TERMS

- Borrowers must occupy the home as their primary residence; a change in owner occupancy status will trigger immediate repayment of the loan.
- Un occupied borrowers are not eligible for program
- Loan amount is determined by the borrower’s need
- Loan is due on sale, title transfer, or in 30 years
- No interest and no payments
- Loan is not assumable

REQUIREMENTS

- Borrower must be under contract to apply for assistance.
- Lender must submit a complete application at least 3 weeks before closing. (Including lender information form).
- Borrower must meet with Del Norte for one-on-one counseling at least 2 weeks before closing.
- Borrower must not have more than 3 months of cash reserves. (Three months of PITI plus 20% of gross income per month).
- Borrower and Co-borrower must be a first-time homebuyer.
- First-time Homebuyer Education class required.
- Borrower will be required to sign a promissory Note and Deed of Trust at closing.
- Income limits: Borrowers must be at or under 80% AMI. (Chart below).

Household Size	1	2	3	4	5	6
Maximum Household Income	\$50,350	\$57,550	\$64,750	\$71,900	\$77,700	\$83,450

BORROWER CASH INVEST:

Clients cannot receive funds back at closing that have been invested in the transaction before closing.
NO EXCEPTIONS.

CONVENTIONAL LOANS:

A minimum of \$1,000 of their own funds.

FHA LOANS:

3.5% of their own funds or receive DPA from CHFA or a gift.

CREDIT REQUIREMENTS:

No minimum credit scores
 Additional requirements may apply

RATIOS:

May not exceed 41/45

DEBT

All current debt is counted in DTI ratios, even if it debt does not have an outstanding balance of 12 months.

FIRST MORTGAGE:

FHA, Conventional or VA
 30-year fixed rate (must be at or below market rate)

LOAN AMOUNT IS BASED ON NEED:

FHA up to \$5,000
 Conventional up to \$10,000

PAYMENT SHOCK:

Proposed payment cannot exceed 1.5% of current rent cost

MAXIMUM PURCHASE PRICE:

\$350,000

DEL NORTE FEES:

\$125.00 Origination
 \$20.00 Wire of funds



***PLEASE NOTE:** Eligibility for assistance is based on household income; all household income will be considered for eligibility.