



## VHFA DOWN PAYMENT PROGRAMS Quick Reference Guide

VHFA Down Payment Programs offer eligible homebuyers assistance with down payment and/or closing costs. The guide provides a brief overview and does not replace the VHFA Program and Procedural Guide. See Chapter 6 for more information.

- **VHFA Compliance:** All borrowers and any non-borrowing spouse must meet the requirements of both the selected VHFA Homeownership Program and the applicable Down Payment Program. These programs are available only when paired with a VHFA Homeownership program and may supplement or override the requirements of the Homeownership Program.
- For instructions on reserving and accessing forms for a VHFA Down Payment Program, refer to the **VHFA Lender Portal Guide**.

	SHARED EQUITY ASSISTANCE	FIRST-GENERATION	ASSIST
Eligible Uses	Limited to down payment and VHFA eligible closing costs for the purchase transaction. Refer to the VHFA Program and Procedural Guide for Details.	Limited to down payment and VHFA eligible closing costs for the purchase transaction. Refer to the VHFA Program and Procedural Guide for Details.	Limited to down payment and VHFA eligible closing costs for the purchase transaction. Refer to the VHFA Program and Procedural Guide for Details.
Rate and Term	0% grant with no repayment, forgiven	0% grant with no repayment forgiven	0% non-amortizing loan. Payment in full required upon property disposal or 1 <sup>st</sup> mortgage payoff or per the note.
First Mortgage Products	Can only be paired with an eligible Fannie Mae or Freddie Mac Community Land Trust or Resale Restricted loan. Must include shared equity from a VT Housing Trust.	Fannie Mae HFA Preferred, Freddie Mac Advantage or Government loan type. See VHFA Procedural Guide for details.	Fannie Mae HFA Preferred Freddie Mac Advantage, RD or FHA loan type. See VHFA Procedural Guide for details.
Homeownership Programs	MOVE, MOVE MCC and Advantage (with Housing Trust shared equity program)	MOVE, MOVE MCC and Advantage.	MOVE only.
FHA Mortgage Loan Additional Requirement	Not applicable. FHA not accepted with shared equity transactions.	When the lender provides an FHA first mortgage, the First-Generation Homebuyer Program Grant Acknowledgement and Award Letter is required by FHA. <b>IMPORTANT:</b> if borrower is also receiving ASSIST, an ASSIST Loan Acknowledgement and Award Letter is also required.	For FHA first mortgage, the ASSIST Acknowledgement and Award Letter is required. <b>IMPORTANT:</b> if borrower is also receiving a First-Generation grant, the First-Generation Acknowledgement and Award Letter is also required.
VHFA DPA with other DPA Programs	Financing and/or DPA assistance from other sources including the full gift amount must be applied before VHFA DPA programs.	Financing and/or DPA assistance from other sources including full gift amount must be applied before VHFA DPA programs.	Financing and/or DPA assistance from other sources including the full gift amount must be applied before VHFA DPA programs.
Pairing with Other VHFA Assistance	<b>Must be applied before other VHFA DPA Programs:</b> may combine with First-Generation and ASSIST.	<b>Must be applied before ASSIST.</b>	<b>Applied Last</b> after Shared Equity Assistance and First-Generation. <b>Amount adjusted as applicable based on all other funds received.</b>

<b>Amount</b>	All grants are \$5,000 for all income levels. No funds may be given to the borrower.	All grants are \$15,000 for all income levels. No funds may be given to the borrower outside of eligible POCs.	Up to \$10,000 Maximum for all income levels. All other funding sources must be applied first and there must be sufficient down payment or VHFA eligible closing costs for the ASSIST amount used. VHFA reviews post-closing. No funds to the borrower outside of eligible POCs.
<b>LTV/CLTV</b>	The LTV must comply with the first mortgage product requirement. See applicable <b>U.S. Bank Product Guide</b> . This is a non-repayable grant that does not affect the LTV.	The LTV must comply with the first mortgage product requirement. See applicable <b>U.S. Bank Product Guide</b> . This is a non-repayable grant that does not affect the LTV.	The LTV must comply with the first mortgage requirement. See the applicable <b>U.S. Bank Product Guide</b> . ASSIST must be included in the CLTV. Maximum CLTV 105%.
<b>Asset Restriction</b>	Not applicable.	Borrower/non-borrowing spouse combined liquid assets less than \$20,000. See VHFA Asset Worksheet for Lenders.	Borrower/non-borrowing spouse combined liquid assets less than \$20,000 See VHFA Asset Worksheet for Lenders.
<b>First Time Homebuyer Requirement</b>	All borrowers and any non-borrowing spouse must meet the program requirements. Refer to the VHFA Program and Procedural Guide.	All borrowers and any non-borrowing spouse must be <b>true</b> first-time homebuyers. No ownership interest or spousal benefit in a principal residence at any location at any time.	All borrowers and any non-borrowing spouse must be <b>true</b> first-time homebuyers. No ownership interest or spousal benefit in a principal residence at any location at any time.
<b>First Generation Additional Eligibility Requirements</b>	n/a	<b>One borrower must meet either A or B</b> <b>A.</b> (1) borrower's parents or legal guardians have never had an interest in a principal residence, <b>OR</b> (2) lost ownership of a home due to foreclosure, short sale or deed-in-lieu and have not owned a home since that loss, <b>OR</b> <b>B.</b> At least one borrower is an individual who has at any time been placed in foster care.	n/a
<b>Taxability</b>	Shared Equity Assistance funds may be excludable from taxable income. However, IRS precedents are pursuant to facts and circumstances not identical to the Shared Equity Assistance program. Homebuyers must contact a tax preparer for determination. VHFA does not issue opinions on IRS federal or state tax rules.	First Generation Grant funds may be excludable from taxable income. However, IRS precedents are pursuant to facts and circumstances not identical to the First-Generation program. Homebuyers must contact a tax preparer for determination. VHFA does not issue opinions on IRS federal or state tax rules.	ASSIST is a no-interest loan with repayment – not taxable income to the homebuyer.
<b>Origination/Closing and Delivery</b>	See VHFA Program and Procedural Guide.	See VHFA Program and Procedural Guide.	See VHFA Program and Procedural Guide.
<b>General Questions:</b> <a href="mailto:vhfahomeownership@vhfa.org">vhfahomeownership@vhfa.org</a>		<b>Questions for required documents, program eligibility, loans in process, contact a VHFA Compliance Specialist:</b> <a href="mailto:Homeownershipdept@vhfa.org">Homeownershipdept@vhfa.org</a>	