

Attachment B: Loan Center DPA Pilot Program

<p>This subordinate financing product will be available on a pilot basis to eligible first-time homebuyers who currently reside in defined census tracts in Rhode Island. The loan may be used for a borrower’s down payment and/or closing costs and must be structured with a RIHousing first mortgage and originated through RIHousing’s Loan Center.</p>	
Source of Funds	Affordable Housing Trust Fund
Pilot Allocation	\$1,000,000 (40 loans)
Loan Amount	\$25,000 (may be applied towards down payment and/or closing costs)
Minimum Credit Score	660
Borrower Eligibility	<ul style="list-style-type: none"> • First-time homebuyer who intends to occupy the subject property as primary residence. • Currently residing in eligible census tract at time of loan application • Eligible “low opportunity legacy” areas include Providence, East Providence, Pawtucket, Woonsocket, Warwick, and Newport. (see attached map)
Eligible Property Type	<ul style="list-style-type: none"> • 1 – 4-unit owner occupied properties and approved or warrantable condominiums in Rhode Island.
Income Limits	<ul style="list-style-type: none"> • 1-2-person household- \$99,730 (MRB limit) • 3 or more-person household- \$114,689 (MRB limit) • Household income is defined as the total of all sources of income from borrower(s) and individuals 18 years or older who will occupy the residence
Rate and Term	<ul style="list-style-type: none"> • 0% interest • No monthly payments • Due upon full payment of senior note, sale, transfer, refinance, or failure to owner occupy the subject property • Forgivable after 5 years

August 5, 2021

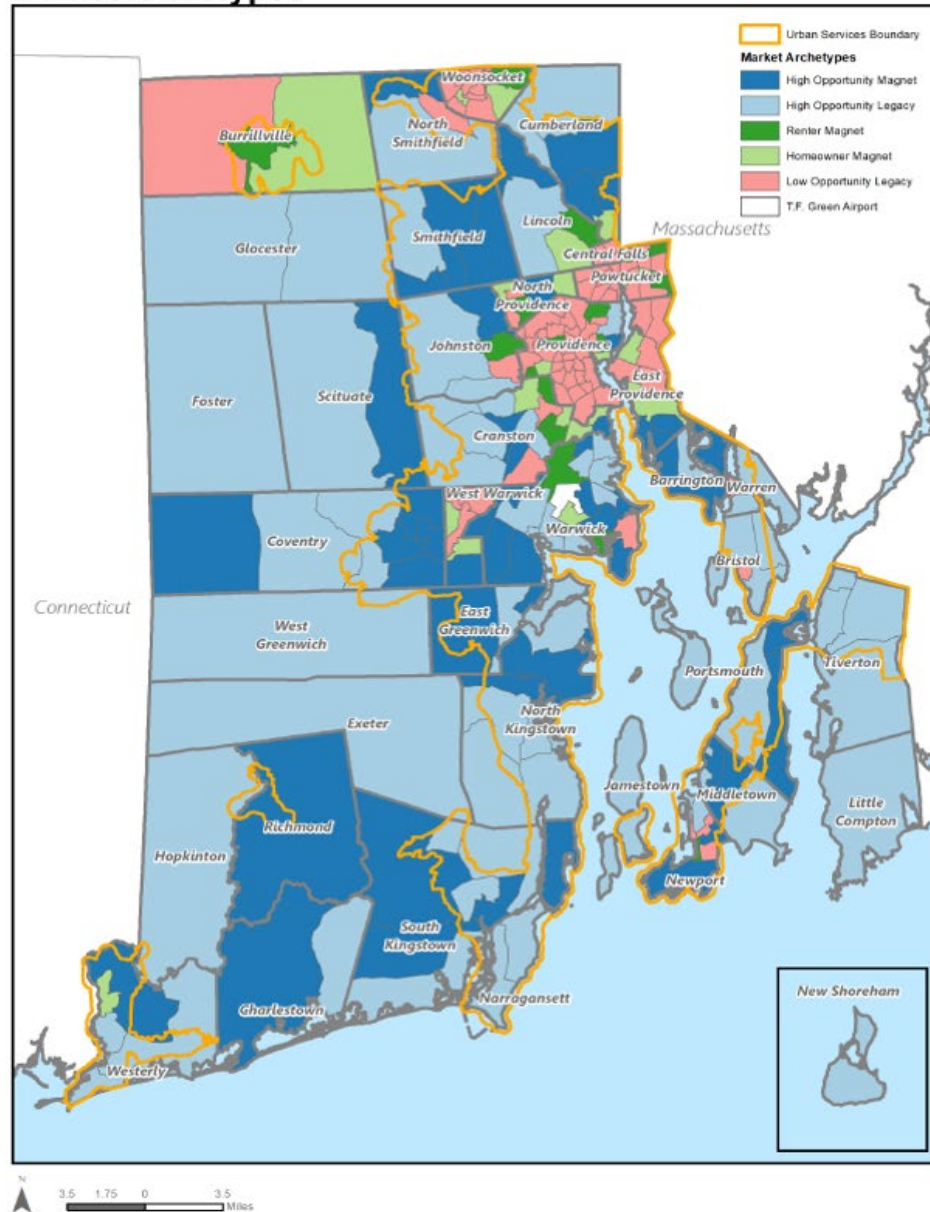
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Underwriting Requirements	<ul style="list-style-type: none">• Borrower(s) and non-mortgagor spouse who will occupy the property and/or be on title must meet first-time homebuyer requirements• Non-occupant co-borrowers and co-signers are not permitted• May not be combined with any other subordinate product from RIHousing or other funding source• Rental income may be used for qualifying purposes on 2-4-unit properties in accordance with applicable investor guidelines• Must satisfy RIHousing first-time homebuyer education requirements
Document Requirements	<p>Application:</p> <ul style="list-style-type: none">• Description & Disclosure (includes Current Address Attestation) <p>Closing:</p> <ul style="list-style-type: none">• Promissory Note• Second Mortgage Deed and Security Agreement• Borrower Affidavit of Eligibility
Fees	<ul style="list-style-type: none">• No recording fees (\$5 fee for electronic recording if applicable)• No additional RIHousing Fees• Optional \$50 settlement fee to the closing agent

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2019 Rhode Island Strategic Housing Plan

Market Archetypes



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