

## DOWN PAYMENT ASSISTANCE PROGRAM (DAP) QUICK REFERENCE CARD



Only Homebuyers obtaining a KHC first mortgage are eligible for DAP. All DAPs take a lien position & require input into LP/DU as subordinate financing. DAP funds can never be used to pay for repairs. Once you have determined the loan type it's time to see which of the following KHC Down payment assistance programs your borrower is eligible for. Follow the easy steps below....

1. Check to see the **applicant(s) income** falls under the **Affordable DAP** Income Limits:

If yes then the borrower qualifies for the **Affordable DAP up to \$6,000**. Affordable DAP is amortized over 10 years at 1%. Borrower must qualify with second mortgage payment. If no, then proceed to Regular DAP.

2. Check to see if the applicant(s) income falls under the Secondary Market Income Limits.

If yes then the borrower is eligible for **Regular DAP up to \$6,000**. Regular DAP is amortized over 10 years at 5.50%. Borrower must qualify with second mortgage payment.

3. If under Secondary Market Income Limits, and borrower is purchasing in **Christian County**, then borrower may be eligible for HHF DAP (when available). The **HHF DAP** is **\$10,000**, 0% interest, forgivable second mortgage loan with a 5 year term. It does take a lien position but there is no monthly repayment. Borrower must be a first-time homebuyer. HHF DAP funds are available on a first-come, first served basis.

**FYI:** Quote **KHC interest rate with DAP**. Loan Estimate and Closing Disclosure required on Affordable and Regular DAPs. THE HHF DAP requires a GFE, TIL and HUD-1 disclosures since it does not meet TRID requirements. All these disclosures for DAPs can be generated on KHC's Loan Reservation System.