

## 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 two KHC Down payment assistance programs your borrower is eligible for. Follow the easy steps below....

1. Check to see the **household income** falls under the **Affordable DAP** Income Limits:

If yes then the borrower qualifies for the **Affordable DAP up to \$4,500**. Affordable DAP is amortized over 10 years at 1%. Must go to maximum LTV allowed on first mortgage amount. 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 the borrower is eligible for **Regular DAP up to \$6,000** in \$100.00 increments with a minimum \$500.00 loan amount. Regular DAP is amortized over 10 years at 5.50%. Must go to maximum LTV allowed on first mortgage amount. Borrower must qualify with second mortgage payment.

**FYI:** Quote **KHC interest rate with DAP**. Loan Estimate and Closing Disclosure required on all DAPs. Both the DAP Loan Estimate and Closing Disclosure can be found on KHC's website.