

Flagler County
Down Payment/Closing Cost Assistance Program
MEMORANDUM OF UNDERSTANDING

Prospective Flagler County SHIP Program Homebuyers (Flagler H.O.M.E. Program) Please read the following information about the Down Payment/Closing Cost Assistance Program. It is important you understand the Flagler H.O.M.E Program.

1. The Flagler County Housing Partnership will determine your eligibility for receipt of assistance from the government funded SHIP Program.
2. If eligible, you are required to complete a Homebuyers Education Course which consists of two sessions and attend at least one session of Credit Counseling. When the course is completed, the Partnership will finish processing your application.
3. Prior to SHIP loan assistance approval, as a minimum, Flagler County must receive proof that the following have been done:
 - A completed and signed application
 - A verification of employment/income
 - A verification of assets
 - A credit report check
 - A contract for purchase
 - A course completion certificate
 - A lender final approval letter
 - A lender's control sheet
 - An appraisal
4. The home you have selected for purchase must be affordable under the County definition of affordability. The payments may not exceed 30% of an amount representing the percentage of the median adjusted gross income limits adjusted for family size.
5. For all loans, except Farmers Home Direct, when all program guidelines have been met, the County will provide down payment/closing costs **up to** (or less, whichever is required at closing) the amount allowed by your income category based on financial need. However, the County's financial assistance will not cover the following: appraisal fees, application fee, cost of credit reports, homeowners insurance, any deposits or binders for the purchase and sale agreement for real estate.
6. For Farmers Home Direct loans, when all program guidelines have been met, the County will provide closing costs up to the amount allowed by your income category. However, the County's financial assistance will not cover the following: cost of credit reports, homeowners insurance, and any deposits or binders for the purchase and sale agreement for the real estate.
7. Downpayment/Closing Costs assistance will be secured with a second mortgage for 360 months at 0% interest. This mortgage is forgiven at a rate of 3.33% per year for 30 years. If the property is held for 30 years, the second mortgage due is zero. If property is sold before 30 year term ended, 25% of any net profit is to be returned to the SHIP program.
8. Your closing agent must provide at least ten (10) working days notice of your loan closing date. The County must receive an invoice and a HUD settlement at least three to five (3-5) working days before the date of closing. (Your agent may call the County at 313-4037 if additional information is needed).
9. Your completion of requirements does not assure you of Homeownership but enables you to apply for that opportunity. You are fully responsible for the success of your home purchase. Also, you hold the County and its employees, advisory committee members, and agents harmless from any loss or damage that may be related to your effort in obtaining a home.