

Urban League of Metropolitan St. Louis Housing Division

Guidelines for providing closing cost/down-payment assistance – Up to \$3000

Assistance is provided to clients who have received the Urban League's home-ownership certificate and funds are available. Certificates are issued to clients that have completed an Advising Session after the Framework online educational workshop or Urban League's Face-to-Face or Virtual Home-ownership training and have received an acceptable loan product that has been reviewed by the Urban League Housing staff according to the standards of examination. The standards and procedures require that the lender shall provide the client with a written per-approval and Loan Estimate Statement. In evaluating all approvals by lenders, mortgage lending services or mortgage brokerage services in connection with a prime, sub-prime, or federally regulated mortgage loan allows us to examine the following key areas.

Standards of Examination

- Federal laws
- Sub-prime lending – acceptable terminology and terms
- Predatory lending – avoidance of unacceptable practices and terms
- Lending rate – within acceptable range above prime lending rate
- Sub-prime product – warranted for clients financial standing
- Prohibition of charges not previously disclosed
- Plan description and disclosure requirement
- No unfair or deceptive acts and practices

Additional Eligibility Criteria

1. Client must have a verifiable source of income, borrowers' earnings must be within the 120% median household income.
2. Client must sign a Financial Gift Authorization Form.
3. Must complete Urban League's home-buyer education and one-on-one Advising Session with "Home-ownership Ready" status.
4. Must have contributed \$1,000 to the process of purchasing a home.
5. Must secure a fixed rate mortgage on the purchased home.

The request for closing cost assistance will be made using the Approval Letter and Loan Estimate Statement. The check will be released to the reputable Title Company upon receipt of the Truth in Lending Disclosure and a verified closing date.