

Home\$tart®

Down Payment and Closing Cost Assistance for Qualifying Homebuyers
FEDERAL HOME LOAN BANK OF DES MOINES



Home\$tart® is a down payment and closing cost assistance program offered by FHLB Des Moines to qualifying first time home buyers through member financial institutions.

FREQUENTLY ASKED QUESTIONS

Who can qualify for a Home\$tart grant?

The Home\$tart program is available to qualifying first time home buyers earning up to 80 percent of area median income for the location of the residence being purchased. Income limits are adjusted based on household size. Home\$tart recipients must also:

- Complete an approved home buyer education class and provide documentation to your credit union. Two approved free sources are: www.readyneest.com > homebuyer-resources > the-test and www.frameworkhomeownership.org.
- Qualify for mortgage financing with their lender.

You must have a signed Purchase and Sale Agreement to enroll in Home\$tart.

How much grant money may I receive through Home\$tart?

Home\$tart participants may receive up to \$7,500 in grant funds.

How do I enroll in Home\$tart?

Holy Rosary Credit Union is a member of the FHLB Des Moines and is a Home\$tart participant! We can qualify you for Home\$tart and explain the program in greater detail.



QUESTIONS? CONTACT

816.221.2734
[Fatima Izatt@107](mailto:FatimaIzatt@107)
[Mary Phan@109](mailto:MaryPhan@109)
holyroscarycu.org

Are there any restrictions on the type of home I may purchase?

Home\$tart grants may be used to purchase single-family homes, manufactured homes, condominiums and other types of residences. The home you purchase must be used for your primary residence. There are no neighborhood restrictions (i.e., type or location).

Are there restrictions on how the grant may be used?

Home\$tart grants may be used for down payment and closing costs for purchase of a home or for repairs in connection with the home purchase.

What happens if I sell my house?

If your home is purchased with Home\$tart assistance, it is subject to a five-year deed restriction requiring that you return a portion of the grant if you sell your home within five years. This amount will be prorated based on the length of time you own the home, and the funds will be taken from your sale proceeds. If you sell your home at a net loss or to another low- or moderate-income home buyer or if you lose your home through foreclosure, the prorata amount owed on your grant will be forgiven; in these cases, your title company should contact FHLB Des Moines to request a forgiveness review. However, if you live in the home for at least five years, you never have to repay the grant. It's all yours!

LENDING STRENGTH

Federal Home Loan Bank of Des Moines is a member-owned cooperative that provides funding solutions and liquidity to nearly 1,400 financial institutions. For a quarter of a century, we have dedicated 10 percent of our net income to creating and preserving homes in our district. Our member financial institutions can receive Affordable Housing Product grants to create livable communities for households with limited incomes.

SAMPLE OF INCOME QUALIFICATION LIMITS - 80% LOW INCOME LIMITS**

Number per Household	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Person	7 Person	8 Person
Annual Income	\$49,650	\$56,750	\$63,850	\$70,900	\$76,600	\$82,250	\$87,950	\$93,600

**The information was obtained from the <https://www.huduser.gov/portal/datasets/il/il2024/2024summary.odn>. The query was based on a family living in Jackson County, MO which is based on 2024 income data. For exact information, please visit their site and review 80% Income Limits.

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INTERESTED IN THE HOME\$TART? HERE'S WHAT YOU NEED TO KNOW TO GET STARTED.

Fund Availability

Funds in the Home\$tart down payment assistance program are available on a first-come, first-served basis.

Fund Timing

New funds become available in Home\$tart every quarter (1st of January, April, July, October) To have the best chance for Home\$tart assistance, we recommend that your Home\$tart application is completed before the beginning of a new quarter. This allows us to submit your application on the first of that month and hear back from the Federal Home Loan Bank of Des Moines before your closing date.

What Counts as Income?

Household income includes income from every household member 18 years old and above. Aside from this age exception, household income means all income, including:

- Self employment
- Seasonal employment
- Rental income
- Child support / alimony
- Money received from a family member passing away
- Some forms of government assistance, such as Supplemental Security Income (SSI), Social Security, VA benefits, Unemployment Insurance, Housing Choice Voucher / Section 8 income, Temporary Aid to Needy Families (TANF), do count towards income.

SNAP/food stamps and LIHEAP do not count towards income.

What happens in what order?

1. Make sure your finances are ready to purchase a home. Sign up for a Solid Foundations session to be learn what it takes to be ready to buy a home.
2. Have some savings put aside to add to the Home\$tart grant, no matter how small.
3. Get pre-qualified for a mortgage with Holy Rosary Credit Union. Speak with one of our loan officers to get started.
4. Identify a house in the price range of your pre-qualified mortgage. Sign a sales contract with a clause stating, "contingent on receiving down payment assistance". This prevents you from losing earnest money if you end up not receiving down payment assistance and are unable to close on the home.
5. Borrower completes a home buyer education class and receives the certificate.
6. Borrower provides HRCU with all necessary information and documents to be pre-qualified for the Home\$tart down payment assistance and signs the necessary paperwork.
7. You will be notified if funds are reserved.
8. HRCU will then submit your Home\$tart application.

PAPERWORK NEEDED

To Start the Process

- Certificate of completion of homebuyer education course
- Pay stubs or have your company submit a verification of employment form
- Signed sales contract (and amendments if necessary)
- Household summary
- Certification of zero income for each household member over 18 with no income
- Household questionnaire

To Complete the Application

- General warranty deed
- Closing disclosure
- Deed Restriction



Federally Insured by NCUA. Equal Housing Lender.

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