



## DPA Requirements

The City of St. Louis Down Payment Assistance (DPA) Program provides down payment and closing cost assistance to eligible homebuyers purchasing their home in the City of St. Louis. The Community Development Administration (CDA) acts as representative for the City of St. Louis government. This program is totally or partly funded through CDA and HUD.

The Housing Partnership, Inc. is the only agency that facilitates this program. Funds are provided as a 0% interest, \$0 payment loan that is forgiven after homebuyers reside in the property for 5 consecutive years as their primary residence. A prorated amount of 20% will be forgiven each year. Funds can be used for down payment and/or closing costs.

This program has many components and requires cooperation from multiple parties. As such, **we require the closing date to be scheduled at least 45 days after we are first notified of the active contract.**

We will send **one** update email per week to all parties (client, lender, real estate agent, and title company). We will communicate more frequently when the closing is less than a week away.

Some items are required to issue a pre-approval. Other items are required to issue a final approval. **All items are requested at least 2 business days before closing** so we have time to get our cashier’s check and documents prepared for the closing.

If you have **any** questions about the requirements or your responsibilities, please ask!

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## Overview of DPA Program

The City of St. Louis DPA program offers **up to \$10,000** of assistance. Total household income must be under the 80% AMI limit.

This funding is treated as a second mortgage from the City of St. Louis, MO, including the signing of a Promissory Note and Deed of Trust. The loan can drop to third position if the lender is also facilitating MHDC or another program that is required to be in second position.

	Household Size							
Income Limit	1	2	3	4	5	6	7	8
	\$57,800	\$66,050	\$74,300	\$82,550	\$89,200	\$95,800	\$102,400	\$109,000

### Main Requirements

*The details below reflect only the main requirements and do not represent all guidelines.*

#### **Homebuyer Requirements:**

<b>Borrower Eligibility</b>	<ul style="list-style-type: none"> <li>- Buyer does not need to be a first-time homebuyer</li> <li>- Non-occupant co-borrowers are allowed, but they must provide proper documentation and participate in a counseling session with our agency.</li> <li>- All co-borrowers must show the ability to maintain the mortgage payments without other co-borrowers. Our evaluation will determine if they remain within ratio limits.</li> </ul>
<b>Income Limits</b>	<ul style="list-style-type: none"> <li>- Household must be under St. Louis, MO-IL 80% Area Median Income as determined by HUD</li> <li>- <b>Using total household income of everyone age 18+ who will live in the future home</b></li> <li>- Our calculations are different from how the lender calculates income, so we may get different results</li> </ul>
<b>Ratio Limits</b>	<ul style="list-style-type: none"> <li>- Front-end (housing) ratio is 36%</li> <li>- Back-end (debt-to-income) ratio is 42%</li> <li>- Our agency must follow this rule; the lender does not</li> </ul>
<b>Homebuyer Education Course</b>	<ul style="list-style-type: none"> <li>- Buyer must complete a HUD-approved course. The one we offer through eHome America meets this requirement.</li> </ul>
<b>One-on-One Counseling Session</b>	<ul style="list-style-type: none"> <li>- To be completed with our agency</li> <li>- Client must pay the fee before we can schedule it</li> </ul>

**Property Requirements:**

<b>Home Warranty</b>	<ul style="list-style-type: none"><li>- Home Warranty policy covering 1 year, paid for by Buyer or Seller</li></ul>
<b>Property Type</b>	<ul style="list-style-type: none"><li>- Single family home, condo, 1-4 unit, etc</li><li>- If the property is located in a Flood Zone, the homebuyer must obtain flood insurance</li></ul>
<b>Inspections</b>	<ul style="list-style-type: none"><li>- Building inspection by ASHI certified or InterNACHI certified inspector</li><li>- Visual Lead Assessment by approved inspector, if property is built before 1978 (passed inspection)</li><li>- Occupancy Permit (passed inspection)</li></ul>

**Additional Requirements:**

<b>Primary Loan</b>	<ul style="list-style-type: none"><li>- Must be FHA, conventional, USDA, VA, Fannie Mae, Freddie Mac, MHDC, or approved portfolio product</li><li>- Fixed interest rate that is at or below market rate</li><li>- Can use automated or manual underwriting</li></ul>
<b>Closing</b>	<ul style="list-style-type: none"><li>- We are required to attend closing</li><li>- We will bring our closing documents and the check for DPA funds</li><li>- <b>The buyer cannot receive a refund at closing</b></li><li>- STL City requires us to keep the <b>original</b> Deed of Trust that will be delivered to the City for them to record. At closing, we will need a \$53 check from the title company made payable to <b>Recorder of Deeds</b> for the recording fee.</li></ul>

## Homebuyer Requirements

**Required for Pre-Approval:** Our intake packet must be submitted in addition to these documents. More Income and Assets may be required for Final Approval, as they must be dated within 30 days of closing.

<b>Income</b>	<ul style="list-style-type: none"> <li>Must provide documentation for <b><u>any and all that apply</u></b> for all adults 18+ who will be living <b><u>in the future home</u></b>.</li> <li>Includes <b><u>all sources</u></b> of income, such as multiple jobs or income an adult might receive on behalf of a dependent.</li> </ul>
<p><input type="checkbox"/> <b><u>Pay stubs:</u></b> Most recent, consecutive <b>2 months (60 days)</b> from all jobs held. Must be dated within 30 days of closing.</p> <ul style="list-style-type: none"> <li>Weekly pay: 9 pay stubs</li> <li>Bi-weekly pay: 5 pay stubs</li> <li>Semi-monthly pay: 4 pay stubs</li> <li>Monthly pay: 2 pay stubs</li> </ul> <p><input type="checkbox"/> <b><u>Most recent award letter:</u></b> Social Security, Disability, SSI, Retirement, Pension, etc.</p> <p><input type="checkbox"/> <b><u>Child support:</u></b> 12 months of history. If court-ordered in Missouri, we can look up the history with the case number. History must be dated within 30 days of closing.</p> <p><input type="checkbox"/> <b><u>Alimony/Divorce Stipend</u></b></p> <p><input type="checkbox"/> If you are <b><u>self-employed</u></b> (business income/Uber/other), please contact us for further instructions.</p> <p><input type="checkbox"/> Any other income that may be received by future household members</p>	
<b>Assets</b>	<ul style="list-style-type: none"> <li>Must be from <b><u>all accounts</u></b> held, such as multiple checking accounts, savings accounts, etc.</li> <li>This applies to bank accounts, retirement accounts, and prepaid debit cards.</li> </ul>
<p><input type="checkbox"/> <b><u>All accounts:</u></b> Most recent <b>3 months</b>. Must be dated within 30 days of closing.</p>	
<b>Taxes</b>	<ul style="list-style-type: none"> <li>We do <b><u>not</u></b> need state returns or W2s/1099s.</li> </ul>
<p><input type="checkbox"/> <b><u>Federal Tax Return:</u></b> Most recent 1 year</p>	

### Required for Final Approval:

1. Current photo ID for everyone who will be on the DPA loan
2. Homebuyer Education Course
  - a. For our version through eHome America (\$115), [CLICK HERE](#).
3. Budget
  - a. Complete the Excel or PDF. Please read the Budget Instructions.
4. Fee for counseling session (\$115)
  - a. We will send an invoice after we issue the pre-approval.
  - b. This invoice will be emailed to you. It may come from [info@thehousingpartnershipstl.org](mailto:info@thehousingpartnershipstl.org). It will reference PayPal, but you can pay with any debit or credit card.
5. One-on-one counseling session with our agency
  - a. You must pay the fee first.
  - b. We will reach out to you when we are ready to schedule.
6. Inspections – We request these documents from your real estate agent, but you may need to work with them to get these done. Review the Inspection Requirements section for more details.
7. Home Warranty order confirmation
  - a. A one-year home warranty policy must be purchased either before closing or at closing (by the Buyer or Seller). Effective date must match the closing date.
  - b. Check with your real estate agent to see who is responsible for this.

## Lender Requirements

All documents needed from the lending team are listed below. Some items are most important to receive early since they are needed to complete a preliminary review of the file.

### Required for a Pre-Approval:

1. Loan Application (1003)
2. Credit report
3. Loan Estimate

### Required for a Final Approval:

4. Confirmation of any other loans or grants being used
5. Appraisal
  - Property value must meet or exceed the purchase price from the sales contract.
  - If the property is located in a Flood Zone, the homebuyer must obtain flood insurance.
6. Homeowners Insurance – Please add St. Louis City as an additional insured party
  - Mortgagee clause: City of St. Louis c/o CDA, 1520 Market St, St. Louis, MO 63103
  - No loan number needs to be referenced.
  - The policy effective date must closely match the closing date. If the closing is pushed out significantly, we may request an updated effective date.

### Additional Required Items:

7. Loan Commitment Letter
8. Prelim Closing Disclosure – The one that's disclosed to the buyer 3 days before closing.
9. Final & balanced Closing Disclosure – We can't leave for closing until we approve this version. Please keep us in the loop.
  - DPA loan in Section L: **City of St. Louis c/o CDA**
  - Amount: Must use the **net amount** indicated by the ALTA statement created by the title company after recording fees and processing fees are subtracted out for the loan
  - Home Warranty: If the Buyer is paying for it, then it must be listed on the Closing Disclosure.
  - The Buyer **cannot** receive a refund at closing.

## Real Estate Agent Requirements

All documents needed from the real estate agent are listed below. Some items are most important to receive early since they are needed to complete a preliminary review of the file.

### Required for a Pre-Approval:

1. Fully executed sales contract with all counteroffers, riders, disclosures, and amendments

### Required for a Final Approval:

1. Inspection notice, if applicable
  - a. Please confirm if this doesn't apply so it can be removed from the list.
2. Documentation for HOA or Condo Association dues, if applicable
  - a. Please confirm if this doesn't apply so it can be removed from the list.
3. Home Warranty order confirmation
  - a. A one-year home warranty policy must be purchased either before closing or at closing (by the Buyer or Seller). Effective date must match the closing date.
4. Documentation for required property inspections:
  - a. Building inspection by ASHI certified or InterNACHI certified inspector
  - b. Visual Lead Assessment: Inspection must pass. We need the inspector's letter.
    - i. This must be done by an approved inspector from our list.
    - ii. This inspection is not required if the property is built after 1978.
  - c. Occupancy Permit: Inspection must pass. We need the permit that comes after the inspector's report.
    - i. Household size cannot exceed the amount allowed on the occupancy permit.

## Inspections Requirements

The Buyer and real estate agent should work together as needed for these items. Please keep us in the loop on any issues, such as a failed inspection.

### Building Inspection

This must be completed by an **ASHI Certified or InterNACHI Certified Inspector**.

#### **ASHI:**

Find an inspector: <https://www.homeinspector.org/Find-An-Inspector/Additional-Search-Options>

Inspectors that fit the requirement will have this seal next to their name:



Please reference the link above to verify that the person doing the inspection is fully certified and not just a Member or an Associate Member working towards their certification. **Even if someone has an ASHI number tied to their name, that does not mean they are properly certified.**

#### **InterNACHI:**

Find an inspector: <https://www.nachi.org/certified-inspectors>

Inspectors that fit the requirement will have this seal next to their name:



Please reference the link above to verify that the person doing the inspection is InterNACHI certified.

### Visual Lead Assessment

This inspection is not required if the home is built after 1978.

#### **Overview:**

**This inspection must pass both the interior and exterior of the home. If the inspection fails, different steps must be taken depending if it is an interior or exterior issue.**

There is minimal accepted peeling/flaking/chipping/chalking/cracking paint on the inside or outside of the home. This can include any exterior structures such as sheds or garages.

**Windows, doors, and basements tend to be the most common areas of concern.**

We highly recommend the Buyer and real estate agent use their critical eye and look for any paint issue that might come up, address the areas that would not pass, and correct the issue **before** the inspector does the Visual Lead Assessment to eliminate a potential delay in closing. We highly recommend asking the Seller to complete any repairs; we would never recommend a Buyer pay for repairs on a property they do not own yet.



This inspection must be completed by an **ASHI Certified Inspector who is approved to do this inspection for the City**. Not all ASHI inspectors have this special certification to do a visual lead assessment.

**Approved Inspectors:**

Below are the three inspectors we know who are approved to do this inspection. If you have someone else in mind, please let us know before you schedule them so we can confirm approval with the City.

All of these inspectors are at least ASHI Certified, so you could also ask them to conduct the building inspection too.

1. Aaron Mayer – ASHI Certified
  - a. Company: Housewarming Home Inspections
  - b. Phone: 314-323-7458
  - c. Email: [pickhousewarming@gmail.com](mailto:pickhousewarming@gmail.com)
  - d. Website: [www.HousewarmingHomeInspections.com](http://www.HousewarmingHomeInspections.com)
2. Norm Tyler – ASHI Certified & InterNACHI Certified
  - a. Company: Sage Inspections
  - b. Phone: 314-704-6834
  - c. Email: [norm@sageinspect.com](mailto:norm@sageinspect.com)
  - d. Website: [www.SageInspect.com](http://www.SageInspect.com)
3. John Wessling – ASHI Certified
  - a. Company: Wessling Home Inspection Services, LLC
  - b. Phone: 314-520-1103
  - c. Email: [john@wesslinginspections.com](mailto:john@wesslinginspections.com)
  - d. Website: [www.WesslingInspections.com](http://www.WesslingInspections.com)

**If the exterior of the home fails:**

The issues that originally failed can be visually re-inspected by the same original inspector who did the first Visual Lead Assessment.

If there is any old paint residue on the ground from remediating the issue, it will need to be cleaned up before the inspector arrives.

**If the interior of the home fails:**

The original inspector **cannot** be used to approve any work that was done to fix the failed areas. Instead, **there must be a clearance test done via a dust wipe sampling to check the levels of lead-based paint remaining**. The lab testing is done by a certified inspector who will swipe the areas where the repairs were done. **The lab results must show that the lead levels are within safe parameters, typically less than 40 micrograms per dL.**

The repairs must be done using lead-safe practices to increase the chances of having a passed swipe test. **Before scheduling this test, make sure the Seller knows to fully clean the areas including and around the repairs.** Ideally, the company doing the repairs using lead-safe practices will do this cleaning.

The fees involved for the interior testing could be pricey, especially if there are many areas to test inside the home. Each swipe must be done in the area where there was an issue.

Below are multiple contacts who might be able to conduct the interior swipe testing. The first company has been used by previous clients, and we have provided a larger list so you can explore other options.

1. Sherlock's Environmental Services LLC
  - A. 13728 La Conte Ct, St. Louis, MO 63128
  - B. Phone: 314-849-5819
  - C. Email: [info@leadtestingstl.com](mailto:info@leadtestingstl.com)
  - D. Website: <https://leadtestingstl.com/>
2. You can also find other State-Licensed Lead Inspectors [here](#).
  - A. In the top left corner, choose the dropdown option "Risk Assessor". You will see Sherlock's Environmental under this list.

### **Occupancy Inspection**

This is conducted by the City of St. Louis and must be scheduled by the Seller. **This inspection must pass.** We will need the permit issued by the City of St. Louis. Household size cannot exceed the amount allowed on the occupancy permit.

## Title Company Requirements

All documents needed from the title company are listed below. These items are not required to issue a pre-approval or final approval, but they are still required for the program.

1. Title Commitment adding a policy for the City of St. Louis
  - a. Held in Fee Simple title
  - b. Name: City of St. Louis c/o CDA
  - c. Amount: \$10,000
  - d. The DPA loan can be added to the title policy of the primary loan if needed.
2. ALTA settlement statement for the mortgage with the City of St. Louis
  - a. Recording fees are a flat \$53.
  - b. In order for the Buyer to get the maximum benefit of this assistance, we request all fees (including the above DPA fees and your company's fees), do not exceed \$300, if possible.
3. Closing Disclosure: We **don't** need your version of this, but it's an FYI for the DPA program:
  - a. DPA loan in Section L: **City of St. Louis c/o CDA**
  - b. Amount: Must use the **net amount** indicated by the ALTA statement created by the title company after recording fees and processing fees are subtracted out for the loan
  - c. Home Warranty: If the Buyer is paying for it, then it must be listed on the Closing Disclosure. If the Seller is paying for it, we will need their signed ALTA settlement statement at or shortly after closing.
  - d. The Buyer **cannot** receive a refund at closing.