



# Down Payment Assistance and Loan Program Guidelines

The Loan Program Overview is available for Realtors® to use as a guide and is not all-inclusive. Utah Housing Loan Programs offer mortgage loans to qualified first-time homebuyers and homebuyers who have previously owned a home. Direct your homebuyer to one of our [Participating Lenders](#) to qualify for and complete the purchasing process.

Down Payment (DPA) and Closing Cost Assistance			
Loan Program Information	FirstHome FHA/VA Bond Loan	FHA or VA Mortgage FHA or VA	Freddie Mac HFA Conventional
Interest Rate	Traditional: 1% above the first mortgage interest rate, not to exceed 8%, and not less than the First Mortgage Interest Rate. Deferred: 3.5% deferred interest.		
Terms	30-year fixed rate Second Mortgage. The DPA Second is available to a homebuyer when combined with one of Utah Housing’s loan programs.		
Maximum Traditional DPA Second Loan	Up to 6% of the first mortgage loan amount as listed on the First Note (which may include FHA upfront MIP on FHA first mortgage). Not to exceed \$27,500.		
Maximum Deferred DPA Second	Up to 3.5% of the first mortgage loan amount as listed on the First Note. May include FHA upfront MIP on FHA first mortgage. Not to exceed \$27,500. No monthly payment required. The outstanding principal and deferred interest are due upon maturity, sale, or refinance of the property.		
Minimum Borrower Contribution	Utah Housing does not require the borrower to bring in a minimum amount of funds to closing. The Lender will help the homebuyer determine how much down payment they will need based on the sales price, closing costs, etc.		
Borrower Eligibility			
Contributions and Reserves	No minimum borrower contribution or personal funds are required. No minimum borrower reserves are required unless underwriting determines reserves are necessary to offset other underwriting factors.		
Credit Score (FICO®)	Minimum 660 An occupant co-borrower without a credit score may be permitted.	Minimum 620 An occupant co-borrower without a credit score may be permitted.	Minimum 680 Alt credit is not permitted.
First-time Home Buyer	Yes, exceptions for Single Parents and Veterans.	Permitted: previous Homebuyer or first-time homebuyer.	
Home Buyer Education	Recommended but not required.		At least one borrower must complete <a href="#">Homebuyer Education</a> . Must be completed before closing.
Income Limits	Refer to the Utah Housing website for <a href="#">Income Limits</a> .		
Interest Rate	Refer to the Utah Housing website for current <a href="#">Interest Rates</a> .		
Mortgage Insurance (MI)	FHA loans require upfront and annual MI Premiums. VA loans require a VA funding fee.		MI is required if LTV is above 80%.
Purchase Price / Loan Amount Limit	Refer to the Utah Housing website for <a href="#">purchase price restrictions</a> .	Purchase Price Limit: None. Loan Amount Limit: FHA/VA Loan Limits.	Purchase Price Limit: None. Loan Limit: Freddie Mac’s Baseline Conforming Loan

			Limits.
Non-Occupant Co-borrower / Co-Signer	Permitted		
Qualifying	A homebuyer should contact a <a href="#">Utah Housing Participating Lender</a> . They are the best resource for questions. They will also be able to qualify the borrower, if applicable.		
Loan Program Information	<b>FirstHome</b> FHA/VA Bond Loan	<b>FHA or VA Mortgage</b> FHA or VA	<b>Freddie Mac HFA</b> Conventional
Recapture Tax	If owed, it is possible that Utah Housing will refund a <a href="#">recapture tax</a> .	No.	
Property			
Acreage Limitations	A 5-acre limit for rural areas. 1 acre for all other properties.	No acreage limitation, follow FHA/VA and Freddie Mac guidelines.	
Eligible Properties	Single-Family, Condominiums, and Planned Unit Development.		
Rental Properties	No portion of the residence can be rented. <ul style="list-style-type: none"><li>• Not Permitted: a residence containing a second kitchen with two meters, or a property advertised as a rental.</li><li>• Not Permitted: any business use that exceeds 15% of the home’s square footage.</li></ul>	Home may include an owner-occupied one-to-two-unit dwelling such as a duplex, mother-in-law apartment, or accessory dwelling unit as defined by FHA. One of the units may be rented.	The borrower must occupy the residence; a portion of the one-unit home may be rented.
Vacation/Second Homes	Not permitted: vacation homes, recreational properties, second homes, and short-term rentals such as Airbnb-type properties.		
Manufactured Homes	Permitted: <a href="#">with requirements</a> .		Not permitted.
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