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# SOUTH CAROLINA STATE HOUSING AUTHORITY

## PROGRAM GUIDE

### Category II with \$5,000 Down Payment Assistance

The Down Payment Assistance Second Loan Program can only be used in conjunction with the First Mortgage Program. All program parameters and requirements of the First Mortgage Program underwriting will be used. Please see Option II Program matrix for Incomes and Home Price Limits.

#### Down Payment Assistance

Down Payment Assistance of \$5,000 is available for all borrowers qualifying in the Category II income limits and home price limits. The \$5,000 Assistance consists of a \$5,000 Forgivable Second Mortgage. The assistance can be used for the down payment, closing costs or pre-paid costs in the purchase of a single-family dwelling.

#### Down Payment

The \$5,000 Forgivable Loan requires the borrower to live in the purchased property for five years in order for the loan to be fully forgiven. 20% or \$1,000 will be forgiven on the anniversary date of the loan each year. If the borrower(s) sells or refinances the property within the 60 month period the remaining balance must be paid in full at the time of the refinance or sale. If the borrower rents the home during the initial five year period, the borrower must contact SC State Housing immediately and the remaining balance of the forgivable loan will be converted to a repayable loan. The balance of the forgivable loan will be amortized over the remaining term of the five years with a rate of 4%. State Housing does not subordinate second mortgages.

#### Interest Rate

Category II rates will apply. See our website at [www.schousing.com](http://www.schousing.com) for current rates

#### Eligibility

The program is for households at 80% or below of the county's median income. The allowable household income limits are based on HUD Median Income Guidelines and varies by county and household size. Home price limits are set by HUD on an annual basis. See 2012 Homeownership Income and Home Price Limit charts for Category II attached to this guide.

#### Requirements

**Property Eligibility** - Eligible properties for Category II acceptance must meet minimum FHA Building Standards. FHA or Conventional appraisals can be used. If a Conventional Appraisal is used the appraisal must contain a statement similar to the following: *"the construction of the property meets minimum FHA building requirements"*. A detailed explanation of the statement's requirements can be found in the Lending Manual.

**Lead Based Paint Statement** - When a home is being purchased that was built prior to 1979, the buyer must have a lead paint inspection completed on the home **or** they must check the box on their sales contract that they are waiving the opportunity to conduct a risk assessment or inspection for lead-based paint and/or lead-based paint hazards. If the contract does not contain a Lead-based paint statement, form #SF-030 *Lead-Based Paint Statement* must be included in the file.

**Homebuyer Education** - Prior to loan approval, all recipients must complete a homebuyers education and home maintenance training course. The **Certificate of Completion** for the course must be included in the loan package. Borrowers may use Homebuyer Education offered by our Mortgage Insurance partners or training provided by local housing agencies and non-profits organizations.

Education offered by the originating lender covering homebuyer education and home maintenance or Any Private Mortgage Insurance Company's education course will be accepted.

**SC Housing Home Inspection Required** – HUD requires a Housing Quality Standards (HQS) inspection be completed on each property receiving forgivable down payment assistance. State Housing must receive written notification for each property that requires a HQS inspection 15 days prior to the scheduled closing date. This lead time is required to assign the order to our inspectors, and to allow time to receive and review the results. The lending partner will be notified in writing of any adverse property condition that negatively impacts loan approval. Notifications will be issued to confirm those properties that meet HQS standards which are clear to close.

No later than 15 calendar days prior to the anticipated closing date, each lender must submit:

- Loan Number
- Borrower Name
- Property Address
- Realtor Name
- Realtor Phone Number

This information must be emailed to [mortgage.production@schousing.com](mailto:mortgage.production@schousing.com). Our inspectors will coordinate with the realtor to gain access to the property. Realtors are responsible for ensuring that all utilities, including water, are on at the time of inspection.

Lending partners may not close any loan with a forgivable down payment assistance loan until the HQS inspection is complete and you receive written authorization to proceed with closing.

**NO EXCEPTIONS WILL BE GRANTED.**

If the property fails the HQS inspection, please contact our office immediately to discuss your options. A copy of the HQS inspection report can be found in the Extranet section of our website under lending partners/online forms.

**Home Investment Partnership Agreement** – The Home Investment Partnership Agreement must be signed by the borrower(s) at closing. This form will be provided to the lending partner at the time of approval.

**Call 803-896-9380 or 803-896-9009**

**CATEGORY II**

## 2013 INCOME LIMITS AND MAXIMUM HOME PRICES

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	Home Price
<b>NON-TARGETED COUNTIES</b>								
Aiken	\$31,850	\$36,400	\$40,950	\$45,450	\$49,100	\$52,750	\$56,400	\$108,000
Anderson	\$30,950	\$35,350	\$39,750	\$44,150	\$47,700	\$51,250	\$54,750	\$125,850
Charleston	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$229,000
Greenville	\$32,500	\$37,150	\$41,800	\$46,400	\$50,150	\$53,850	\$57,550	\$152,000
Greenwood	\$28,350	\$32,400	\$36,450	\$40,500	\$43,750	\$47,000	\$50,250	\$83,200
Lancaster	\$27,100	\$31,000	\$34,850	\$38,700	\$41,800	\$44,900	\$48,000	\$158,250
Lexington	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$127,000
Oconee	\$28,950	\$33,050	\$37,200	\$41,300	\$44,650	\$47,950	\$51,250	\$137,000
Pickens	\$33,050	\$37,800	\$42,500	\$47,200	\$51,000	\$54,800	\$57,550	\$111,000
Richland	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$150,000
Spartanburg	\$30,650	\$35,000	\$39,400	\$43,750	\$47,250	\$50,750	\$54,250	\$99,000
York	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450	\$64,650	\$152,380
<b>TARGETED COUNTIES</b>								
Abbeville	\$26,900	\$30,750	\$34,600	\$38,400	\$41,500	\$44,550	\$47,650	\$66,500
Allendale	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$49,071
Bamberg	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$60,669
Barnwell	\$26,800	\$30,600	\$34,450	\$38,250	\$41,350	\$44,400	\$47,450	\$60,750
Beaufort	\$37,550	\$42,900	\$48,250	\$53,600	\$57,900	\$62,200	\$66,500	\$255,000
Berkeley	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$166,500
Calhoun	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$92,500
Cherokee	\$27,550	\$31,450	\$35,400	\$39,300	\$42,450	\$45,600	\$48,750	\$120,000
Chester	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$51,162
Chesterfield	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$80,000
Clarendon	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$80,460
Colleton	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$93,750
Darlington	\$27,400	\$31,300	\$35,200	\$39,100	\$42,250	\$45,400	\$48,500	\$50,000
Dillon	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$63,265
Dorchester	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$165,410
Edgefield	\$31,850	\$36,400	\$40,950	\$45,450	\$49,100	\$52,750	\$56,400	\$120,000
Fairfield	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$56,250
Florence	\$27,650	\$31,600	\$35,550	\$39,450	\$42,650	\$45,800	\$48,950	\$120,000
Georgetown	\$32,200	\$36,800	\$41,400	\$46,000	\$49,700	\$53,400	\$57,050	\$226,000
Hampton	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$59,047
Horry	\$29,300	\$33,500	\$37,700	\$41,850	\$45,200	\$48,550	\$51,900	\$150,000
Jasper	\$27,300	\$31,200	\$35,100	\$38,950	\$42,100	\$45,200	\$48,300	\$101,800
Kershaw	\$31,600	\$36,100	\$40,600	\$45,100	\$48,750	\$52,350	\$55,950	\$113,786
Laurens	\$28,350	\$32,400	\$36,450	\$40,500	\$43,750	\$47,000	\$50,250	\$48,600
Lee	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$25,500
McCormick	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$139,344
Marion	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$53,207
Marlboro	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$49,701
Newberry	\$29,550	\$33,750	\$37,950	\$42,150	\$45,550	\$48,900	\$52,300	\$83,554
Orangeburg	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$62,900
Saluda	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900	\$60,850	\$132,001
Sumter	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$110,000
Union	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$50,206
Williamsburg	\$26,600	\$30,400	\$34,200	\$38,000	\$41,050	\$44,100	\$47,150	\$51,342

Income Limits and Home Prices can change with or without notice. Please check our website for any updates