

## PURCHASE ASSISTANCE PROGRAM LENDER INSTRUCTIONS

Homebuyers who wish to apply for grant funds offered through the Collier County Housing, Human & Veteran Services Department (HHVS) must meet the requirements of the program and be pre-qualified for a first mortgage loan by a lending institution.

Any financial institution providing a home loan to a buyer requesting State and/or Federal funds must execute a Memorandum of Understanding with Collier County prior to funds being awarded toward the purchase of the home. Funds are issued on a first-come, first-qualified, first-serve basis and dependent on the availability and limitations on the amount of funds an income group is allocated.

The following documents must be provided by the lender as part of the homebuyer application package prior to closing for County review. Processing time may take up to 4-5 weeks upon receipt of a completed application.

1. Lender Referral Form (form attached)
2. First Mortgage Loan Commitment/Approval Letter
3. Signed 1003 loan application, 1008 underwriting summary
4. Good Faith Estimate
5. Truth-in-Lending and Third-Party Fees Disclosure
6. Appraisal
7. Sales Contract
8. Borrower(s) credit report
9. Closing agent information (form attached)

### Lenders Instructions

- **Prior to closing**, a copy of the final HUD-1 settlement statement must be faxed to (239) 252-6432 or emailed to [MandyMoody@colliergov.net](mailto:MandyMoody@colliergov.net) for an approval to close from HHVS. The closing agent will receive an email indicating “**clear to close**” from HHVS staff.
- Funds should only be utilized for down payment and/or closing cost. Any remaining funds must be used to reduce the first mortgage loan. Homebuyer **cannot receive any cash back at closing**, including any money paid towards earnest money deposit, application fee, appraisal etc.
- County funds must be listed as “Collier County Second Mortgage” on the HUD-1.
- Collier County Housing must be named as a mortgagee on the Homeowners Insurance Policy with a copy provided to the County at closing and annually thereafter.

For more information regarding the County Purchase Assistance Program or availability of funds please call:

Mandy Moody  
Grants Support Specialist  
Phone (239) 252-2338  
E-fax: (239) 252-6432  
[MandyMoody@colliergov.net](mailto:MandyMoody@colliergov.net)

**SHIP PURCHASE ASSISTANCE PROGRAM**

**LENDER REFERRAL**

**LENDER INFORMATION:**

The Applicant(s)/Potential Borrower(s) identified below appear to meet the basic eligibility requirements of Collier County's SHIP Purchase Assistance Program based on preliminary information received during their mortgage application.

Name of Lending Institution: \_\_\_\_\_

Address of Lending Institution: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Loan Officer/ Broker: \_\_\_\_\_

Phone No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_

E-mail addresses: \_\_\_\_\_

**BORROWER(S) INFORMATION:**

Borrower's Name: \_\_\_\_\_

Co-Borrower/Spouse Name: \_\_\_\_\_

Phone Numbers: Work: - \_\_\_\_\_ Home: \_\_\_\_\_ Cell: \_\_\_\_\_

E-mail Addresses: \_\_\_\_\_

Total number of persons intending to reside in home: \_\_\_\_\_

Number of adults: \_\_\_\_\_ Number of children under 18 years old: \_\_\_\_\_

**PROPERTY INFORMATION:**

Address of Property to be purchased: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Folio #: \_\_\_\_\_ New Unit: \_\_\_\_\_ Existing Unit: \_\_\_\_\_

City of Naples: \_\_\_\_\_ Yes \_\_\_\_\_ No

Property Type: \_\_\_\_\_ Single Family Detached \_\_\_\_\_ Condo \_\_\_\_\_ Townhouse \_\_\_\_\_ Manufactured

**MORTGAGE/FINANCIAL INFORMATION:**

Purchase Price \$ \_\_\_\_\_ Appraisal Amount \$ \_\_\_\_\_

Loan Amount \$ \_\_\_\_\_ Monthly Payments (PITI) \$ \_\_\_\_\_

Estimated Closing Date: \_\_\_\_\_

Loan Type \_\_\_\_\_ FHA \_\_\_\_\_ VA \_\_\_\_\_ USDA \_\_\_\_\_ CONV \_\_\_\_\_ Portfolio \_\_\_\_\_ Other

CERTIFICATION OF FINANCIAL INSTITUTION

I, \_\_\_\_\_, am a duly authorized Loan Officer of \_\_\_\_\_, a regulated financial institution (Lender) that is submitting a SHIP Purchase Assistance Application Package to Collier County, on behalf of Mortgagor(s) \_\_\_\_\_ and \_\_\_\_\_ who Lender has approved for a mortgage loan.

- 1. To the best of the Lender’s knowledge, the information contained in this application package is true and correct.
2. Mortgagor(s) household income is below 80% of the Collier County area median income adjusted by household size as annually published by HUD/SHIP.
3. The Lender is not aware of any facts or circumstances that would cause it to question the truth or completeness of any portion of the foregoing mortgagor profile.
4. In the course of processing the loan documents for the mortgagor(s), each investigation undertaken by the Lender has provided no information which would lead the Lender to believe that the application package contains any information that is in any way false or misleading.
5. The processing fees, lender fees, closing costs and points charged by the Lender are reasonable and customary and will be reviewed and approved by the Department of Housing, Human & Veteran Services prior to closing and may, upon findings, result in disqualification of the Lender.
6. The Lender agrees that the loan origination fee may not exceed one (1) percent of the Loan.
7. The interest rate will not exceed 1% above the Fannie Mae 60 day par pricing for fixed rate loans.
8. Loan will be a fully documented fixed rate mortgage without prepayment penalty, a balloon or ARM.
9. Mortgagor(s) Front-End Ratio does not exceed 30% and the Back-End Ratio does not exceed 43%; any exceptions must be approved by the Department of Housing, Human & Veteran Services.
10. All loan funds will be applied to down payment and closing costs and the mortgagor(s) will not receive any portion of the loan funds in cash either before, during or after closing.
11. The borrower has received a firm loan commitment on the property described in the SHIP application which is attached hereto along with the Good Faith Estimate and Truth-in-Lending statement.

I, \_\_\_\_\_, on behalf of \_\_\_\_\_, agree
(Name) (Lending Institution)

to abide by all of the above Collier County Purchase Assistance Program Lender Guidelines and understand that failure to abide will disqualify me from participation with the program at the discretion of the Housing, Human and Veteran Services Department Director.

Authorized Signature Title Date

Business License # EIN#



## Collier County Lender Memorandum of Understanding

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The Collier County Public Services Department of Housing, Human & Veteran Services (HHVS) provides funds to assist first-time homebuyers in purchasing a home through the Collier County Purchase Assistance Program. Any financial institution providing a home loan to a buyer that will be using State and/or Federal funds through Collier County must understand and agree to comply with the guidelines set forth below.

### A. REQUIRED DOCUMENTS:

- Lenders agree to supply County the following documents prior to closing for review and processing. Signed 1003 loan application; Good Faith Estimate; Truth-in-Lending; Appraisal; Sales Contract; Home Inspection completed by certified home inspector; borrowers credit reports; closing agent information.

### B. LOANS AND LOAN POSITION:

- Collier County will take second position, and only take third position, if Florida Housing Finance Corporation funds are used.
- First mortgage must be a fixed rate: Conventional, Portfolio, FHA, VA, USDA No ARM's, prepayment penalty, negative amortization, balloon loan, owner financing or other non-affordable loan terms allowed.
- Interest rate may not exceed 1% of the Fannie Mae 60 day rate at lock-in date. Evidence of date and rate must be provided to HHVS prior to closing.
- Cash to borrower or consolidation of debt is **not allowed** at closing.

C. **RATIOS:** Ratios may not exceed a Front-End Ratio maximum of 32% - Back-End Ratio maximum of 45%; any exceptions must be approved by the HHVS Director.

### D. CREDIT GUIDELINES:

- Non occupant co-borrowers/signers **are not** allowed.
- Applicants **must not** have had any of the following during the **previous three years:**  
Foreclosure, Deed-in-lieu, Bankruptcies, delinquent tax liabilities or delinquent Collier County property taxes.

### E. LENDER FEES:

- Lender fees **may not exceed \$1,500;** this includes origination fees charged for processing fees, underwriting, administration and document preparation.
- Broker fees and loan discount fees are **not** allowed

