

What is the CCA Grant?	<p>Virginia Housing's Closing Cost Assistance (CCA) Grant provides eligible first-time homebuyers with funds to help with the closing costs. It is a gift provided by Virginia Housing, not a loan.</p>						
Grant Amount	<table border="1" data-bbox="613 390 1382 510"> <thead> <tr> <th data-bbox="613 390 1005 432">Maximum Grant Amount:</th> <th data-bbox="1005 390 1382 432">First Mortgage:</th> </tr> </thead> <tbody> <tr> <td data-bbox="613 432 1005 510" style="text-align: center;">2%</td> <td data-bbox="1005 432 1382 470">Rural Housing Service (RHS)</td> </tr> <tr> <td></td> <td data-bbox="1005 470 1382 510">Veterans Affairs (VA)</td> </tr> </tbody> </table> <ul data-bbox="475 527 1511 873" style="list-style-type: none"> • Grant amount is based on the lesser of the sales price or appraised value and must be used towards closing costs, discount points, pre-paid items and upfront guarantee fee (RHS) or funding fee (VA). • Reduction of grant amount may be required if grant exceeds closing costs. • The grant funds may not be applied towards the borrower's down payment. • If the sales price or appraised value is reduced after initial reservation, the lender must update the CCA Grant amount in Virginia Housing's LOS (Mortgage Cadence) and obtain a new Grant Award Letter at the updated amount. • If the calculation yields cents, then must round down to the nearest dollar. • The borrower may not receive cash back at closing beyond verified Earnest Money Deposit (EMD) and any fees paid outside of closing (POCs). 	Maximum Grant Amount:	First Mortgage:	2%	Rural Housing Service (RHS)		Veterans Affairs (VA)
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2%	Rural Housing Service (RHS)						
	Veterans Affairs (VA)						
Eligible First Mortgages	<ul data-bbox="475 898 768 961" style="list-style-type: none"> • Virginia Housing RHS • Virginia Housing VA 						
Ineligible First Mortgages	<ul data-bbox="475 989 943 1146" style="list-style-type: none"> • Virginia Housing Conventional • Virginia Housing Conventional No MI • Virginia Housing FHA • Any refinance • Any Non-Virginia Housing loan 						
MCC Eligible	<p>Yes in accordance with MCC guidelines.</p>						
SPARC Eligible	<p>Yes in accordance with SPARC guidelines.</p>						
Plus Second Mortgage Eligible	<p>No.</p>						
DPA Grant Eligible	<p>No.</p>						
Minimum LTV	<p>First Mortgage: 90% if the CCA Grant is used with other acceptable funds in accordance with the first mortgage requirements.</p> <p>*Note: The CCA Grant must be used towards closing costs only, defined as: closing costs, discount points, pre-paid items and upfront guarantee fee (RHS) or funding fee (VA). It cannot be used with the Plus Second Mortgage or DPA Grant, but it may be used with other acceptable non-Virginia Housing down payment assistance in accordance with the first mortgage requirements.</p> <p>Exhibit LL is not required for the CCA Grant; however it is required for any subordinate lien except FHLB.</p>						
Loan Term	<ul data-bbox="475 1776 1446 1936" style="list-style-type: none"> • Loan term is not applicable because the CCA Grant is not a loan but a gift. • No repayment is required. • No Note or Deed of Trust for the grant funds. • CCA Grant must meet the requirements in these Program Guidelines as well as requirements of the first mortgage (see above for eligible first mortgage types). 						

First-time Homebuyer	<p>Required unless purchasing in a Targeted Area (applies to all borrowers).</p> <p>Borrowers are considered a first-time homebuyer if they have not owned and occupied a primary residence in the last 3 years.</p> <p>Acceptable documentation to evidence first-time homebuyer:</p> <ul style="list-style-type: none"> • The fully executed Programs Disclosure and Borrower Affidavit (Exhibit E) signed by all borrowers; • A completed Uniform Residential Loan Application (Form 1003); and • The credit report. <p><u>Note:</u> If unable to confirm from the Exhibit E, Form 1003, or the credit report all borrowers are a first-time homebuyer, additional documentation may be required, such as:</p> <ul style="list-style-type: none"> • Three years' federal tax returns / tax transcripts • Rent verification(s) • Other reports such as a Lender Data Integrity Report (Examples: Drive Report, FraudGuard, Loansafe)
Income Limits (All Household Income)	<p>Apply Virginia Housing Lower Income Limits (the same as the DPA Grant Income Limits), which can be found on the Income and Sales Price / Loan Amount Limits webpage. Higher Targeted Area Income Limits do not apply.</p> <p>Must include income for all household members. See Origination Guide for more information on how to calculate household income, what income types must be included, and what may be excluded.</p>
Sales Price / Acquisition Cost Limits	<p>Apply Virginia Housing Standard Sales Price / Loan Limits. The limit is the highest of the gross loan amount (which does not include the CCA Grant), sales price, and acquisition cost.</p>
Eligible Purpose	<p>Primary Residence Purchase (no refinances).</p>
Programs Disclosure and Borrower Affidavit (Exhibit E)	<p>Required.</p> <ul style="list-style-type: none"> • Must be executed by all borrowers. • Income from any household member must be included on page 4 of the Exhibit E.
Seller Affidavit and Acknowledgment (Exhibit F)	<p>Required.</p>
Originating Lender's Submission Cover Letter (Exhibit O)	<p>Required.</p>
Homebuyer Education	<p>Follow first mortgage requirements.</p>
Tax Transcripts	<p>Follow first mortgage requirements.</p>
Business Use of Home	<p>Follow first mortgage requirements.</p>
Maximum Net Worth	<p>Follow first mortgage requirements.</p>
Automated Underwriting System (AUS) / Manual Underwrites	<ul style="list-style-type: none"> • Follow first mortgage requirements, and • Grant must be entered in AUS as a grant. It cannot be entered as "Other" in Minimum Required Funds section or as a lien in "Subordinate Financing."
Minimum Credit Score	<p>Follow first mortgage requirements.</p>
Maximum DTI	<p>Follow first mortgage requirements.</p>



Foreclosures / Deed in Lieu / Short Sales	<ul style="list-style-type: none"> • No less than 5 years from date of title transfer to application date. • No significant derogatory credit since the event (bankruptcy/judgments). • No lates/collections last 3 years. • Follow first mortgage waiting period requirements if more restrictive than 5 years.
Minimum Borrower Contribution	<ul style="list-style-type: none"> • Follow first mortgage requirements.
Other Down Payment Assistance	<p>The CCA Grant may be used with other acceptable non-Virginia Housing down payment assistance in accordance with the first mortgage requirements. It cannot be used with the Plus Second Mortgage or DPA Grant. The minimum LTV on the first mortgage is 90%.</p> <p>*Note: The CCA Grant must be used towards closing costs only, defined as: closing costs, discount points, pre-paid items and upfront guarantee fee (RHS) or funding fee (VA). It cannot be used towards down payment.</p> <p>Exhibit LL is not required for the CCA Grant; however it is required for any subordinate lien except FHLB.</p>
Reserves / Acceptable Funds to Close	Follow first mortgage requirements.
Property	Follow first mortgage requirements.
Unfinished Area	Follow first mortgage requirements.
Post-Closing Repairs	Follow first mortgage requirements.



Reserving a CCA Grant	<p>Follow steps outlined in the Mortgage Cadence User Guide for reserving a CCA Grant.</p> <p>The CCA Grant funds follow the first mortgage rate lock along with any allowed extension, up to a maximum 60-day extension (extension fees apply only to the first mortgage).</p> <p>The CCA Grant expires on the same day as the first mortgage loan lock expiration.</p>
Origination	<p>Loan originated in accordance with first mortgage program guidelines, and CCA Grant program guidelines.</p> <p>Loan Estimate is not required for the CCA Grant because it is not a loan/mortgage.</p>
Underwriting	<p>Loans underwritten in accordance with first mortgage and CCA Grant program guidelines.</p> <p>Underwriters must confirm CCA Grant funds are reserved in Mortgage Cadence.</p> <p>Ensure a copy of the signed CCA Grant Award Letter is included in the submission to Virginia Housing Underwriting for Non-Delegated loans.</p>
Special Documentation	<ul style="list-style-type: none"> • CCA Grant Award Letter. <p>The document is generated upon CCA Grant reservation in Mortgage Cadence and is available in “Attachments.”</p> <p>The Award Letter must be signed by the borrower(s) and included in the closing package submitted to Virginia Housing.</p>
Closing	<p>Loans closed in accordance with first mortgage guidelines and the Closing Disclosure must reflect “Virginia Housing CCA Grant.”</p>
Documents	<p>Follow first mortgage requirements and ensure the CCA Grant is shown on all appropriate documentation (1003, Transmittal, AUS, etc.).</p>
Funding	<p>Originating lender will fund the CCA Grant at closing and Virginia Housing will reimburse the lender upon purchase of the first mortgage.</p>
Delivery	<p>Follow first mortgage requirements and ensure a copy of the signed CCA Grant Awards Letter is included in the package submitted to Virginia Housing.</p>
<p>Important: Refer to the Origination Guide for more information about Virginia Housing eligibility requirements.</p>	

The information contained herein (including but not limited to any description of Virginia Housing and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.