

LOAN AMOUNT

Up to \$4,500
In \$100 increments.
Defer payment until
July 1, 2010.

**KENTUCKY HOUSING CORPORATION (KHC) HAS
EXTENDED AND EXPANDED THE PROGRAM FOR
NEW RESERVATIONS THROUGH JANUARY 31, 2010.**

First Home ADVANTAGE



WHAT IS IT?

Second mortgage with P&I payments deferred until July 1, 2010.

ELIGIBLE USES

Down payment and closing costs related to a home purchase.

BORROWER ELIGIBILITY

Must obtain a KHC first mortgage through an approved KHC lender to include all first time home buyers and second time home buyers in a [targeted county](#).

INCOME AND PURCHASE PRICE LIMITS

Must meet KHC income and purchase price guidelines.

TERM AND RATE

After the initial deferral period, the loan will fully amortize over ten years, starting July 1, 2010, at 6 percent interest.

UNDERWRITING GUIDELINES

Borrowers must have a 620 minimum credit score. Follow agency and KHC guidelines when applying for a second mortgage loan as down payment assistance. Must include the second mortgage loan obligation in the calculation of the borrower's total housing expense, even though the payment is deferred until July 1, 2010.

DISCLOSURE

Borrower will receive a disclosure detailing information on the terms of the loan, the tax credit, and the option to repay KHC through the federal tax credit.

CLOSING DOCUMENTS

KHC will provide the note and mortgage for the second mortgage in the closing documents set with the first mortgage documents.

APPLICATION FEE

\$50 KHC second mortgage fee charged at closing.

FEES

Processing fee to lender for second mortgage: \$50.

**AS OF
DECEMBER 1,
2009, SECOND TIME
HOME BUYERS IN A
TARGETED COUNTY
CAN UTILIZE THESE
NEW FUNDS!**

For more information, contact Kentucky Housing Corporation's Homeownership Department toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 291, or TTY 711.

