

# FIRST-TIME HOMEBUYER ASSISTANCE PROGRAM

## Administered by Utah Housing Corporation

Created by the Utah Legislature in 2023, the First-time Homebuyer Assistance Program provides financial aid toward the purchase of a newly constructed home



### FTHB Definition

A first-time homebuyer (FTHB) is an individual who

- (and whose spouse) has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property; or
- is a displaced homemaker, who except for owning a home with his or her spouse or residing in a home owned by the spouse, meets the requirement of a; or
- is a single parent, who except for owning a home with his or her spouse or residing in a home while married, meets the requirements of a.



### Qualifying Residential Unit Definition

A qualifying residential unit is defined as:

- a residential unit that is: located in Utah; new construction or newly constructed but not yet inhabited; financed by a qualifying mortgage loan; owner-occupied upon purchase; and purchased for an amount that **does not exceed \$450,000**.
- a single-family home, condominium, town home, manufactured, or modular home on a permanent foundation.



### Qualifying Mortgage Loan Definition

A qualifying mortgage loan means a loan that is purchased and serviced by Utah Housing Corporation (Utah Housing) and secured by a recorded Deed of Trust in the county where the home is located. This can be any eligible first mortgage loan available through Utah Housing and its [Participating Lenders](#) (Lender).



### Terms

- The Assistance Program (Program) loan is a 0% interest, no-monthly-payment loan secured by a recorded Deed of Trust and evidenced by a Subordinate Note.
- A FTHB must credit-qualify for a Utah Housing first mortgage with a Lender before the Lender may submit a Program reservation request.
- Income limits vary by Utah Housing loan program.
- A recipient must have been a resident of Utah for at least twelve (12) months prior to closing.
- A Program reservation request may be submitted whether or not an executed real estate purchase contract (REPC) is submitted with the request. The initial reservation period is 90 days, with the possibility of additional extensions.
- A Program loan cannot be combined with a Law Enforcement and Correctional Officer Grant or a Veterans Grant.
- A Program loan may be combined with a Utah Housing down payment assistance second mortgage. If not utilized, a rate reduction may be applied at the time of interest rate lock request (based on then-prevailing market conditions).
- If the recipient completes a future sale or refinance, the recipient shall repay an amount equal to the lesser of:
  - the amount of assistance the recipient received, or
  - 50% of the home equity amount:
    - In the case of a sale, "home equity" is the bona fide sale price minus the unpaid principal balance of the qualifying mortgage loan(s).
    - In the case of a refinance, "home equity" is the current appraised value of the qualifying residential unit (as determined by a currently-licensed Utah certified residential appraiser) minus the unpaid principal balance of the qualifying mortgage loan(s).



Up to \$20,000 can be used for down payment, closing costs, and/or a permanent interest rate buydown

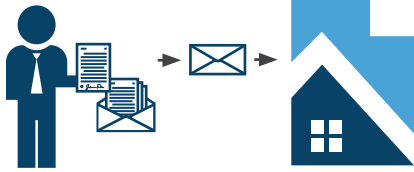


# First-time Homebuyer Assistance Program

## Reservation Request & Timeline

### First-time Homebuyer (FTHB)

FTHB contacts a Utah Housing Participating Lender (Lender) to be credit-qualified for a mortgage and complete Program reservation paperwork.



### Lender

Credit-qualifies FTHB for mortgage, completes Program reservation request and submits to Utah Housing with required documents.

### Utah Housing

Reviews reservation request and, if approved, issues 90-day Program reservation. A specific property does not have to be identified before reservation is requested or approved.



### End of 90-day Reservation

Lender certifies FTHB continues to be credit-qualified and meet Program guidelines. FTHB has identified a specific property, and an executed REPC is provided to Utah Housing. First extension is approved for 120 days.

OR

Reservation automatically canceled if requirements above are not met. FTHB may not reapply for Program funds unless executed REPC is provided with new reservation request.

### End of First 120-day Extension

Lender provides satisfactory evidence of construction progress (i.e., photos, inspections, etc.) and certifies FTHB continues to be credit-qualified and meets Program guidelines. Second extension is approved for 120 days.

OR

Reservation canceled if requirements above are not met.



### End of Second 120-day Extension

Lender provides satisfactory evidence of construction progress (i.e., construction schedule, anticipated completion and certificate of occupancy date, etc). Lender certifies FTHB continues to be credit-qualified and meet Program guidelines, and provides expected closing date. Third and **final extension** is approved for 120 days.

OR

Reservation canceled if requirements above are not met.

### End of Final or Applicable Reservation Period

Lender & Title Company coordinate closing and send wire request for Program funds to Utah Housing 3 days prior to closing.



## TO LEARN MORE, CONTACT:

Utah Housing Corporation  
801-902-8200  
[www.utahhousingcorp.org](http://www.utahhousingcorp.org)

Scan the QR code to view the Program FAQ



Program administered by:



UTAH'S HOUSING FINANCE AGENCY