

Home\$tart Grant Program Terms and Conditions

Plains Commerce Bank has received a grant program from the Federal Home Loan Bank (FHLB) of Des Moines in the amount of \$250,000.00 for the Home\$tart Grant program.

For eligible loan applications Plains Commerce Bank will award each qualifying household up to \$5,000.00 for down payment, closing cost, or counseling assistance. The allocation of funds is on a first-come, first-served basis. All credit and loan programs are subject to credit approval.

Qualifications

Total annual household income as of the application date may not exceed 80 percent of the area median income. This is determined by HUD and adjusted for household size. HUD income limits may be found at: <http://www.huduser.org/portal/datasets/il.html>. All income will be documented and verified on all adult household members. Income verification includes 30 days of paystubs and/or verification of employment.

Purchase price of an owner-occupied dwelling must be at or below the maximum purchase price limit, as set by the State Housing Finance Agency and followed by FHLB. These limits can be found under each state listed at <http://www.fhlbmd.com/affordable-housing-products/income-guidelines-and-purchase-price-limits/>. Purchases may not be acquired under the terms of a cash purchase to be eligible.

Fist-time homebuyers must complete a Financial Literacy Program class that meets Plains Commerce Bank requirements prior to loan closing. The grant may pay for the counseling costs if the cost has not been covered by another funding source. The Maximum amount that may be charged is \$250 for counseling of less than 8 hours duration, and \$450 for counseling exceeding 8 hours. Documentation of the provision of counseling will be required if this cost is included in closing costs.

Cash back at closing may not exceed \$250.00 except for reimbursement of eligible items paid outside of closing.

The property is subject to a 5-year deed restriction, restrictive covenants, or other legally enforceable retention agreement or mechanism. In the case of a sale or refinancing of the unit prior to the end of the retention period, an amount equal to a pro rata share of the subsidy, reduced for every year the seller owned the unit, shall be repaid from any net gain realized upon the sale or refinancing, unless:

- 1) The unit is sold to a very low-, low-, or moderate-income household; or
- 2) Following a refinancing, the unit continues to be subject to a deed restriction or other legally enforceable retention agreement or mechanism.

Each qualifying household may receive up to \$5,000.00. The grant may be used for down payment, closing cost, or counseling assistance.

This grant may not be used in conjunction with other homeownership down payment assistance programs. Funds are disbursed at closing on the closing disclosure. Loan must close prior to 3/31/2019 to be eligible. If funds are fully allocated, no more grants will be available.

Open to legal residents of United States. Limit one grant per household. Eligible loans must qualify for secondary market sale. Loans exceeding the thresholds set by the Home Ownership and Equity Protection Act of 1994 are not eligible. Non-consumers are not eligible to participate in this promotion.

Plains Commerce Bank reserves the right not to accept applications outside of our trade area.

Any customer notification not responded to within 30 days or returned as undeliverable may result in forfeiture of the grant. Plains Commerce Bank assumes no responsibility for lost, misdirected, late, damaged, incomplete, illegible and/or postage due mail. By participating in the Home\$tart grant program, each customer unconditionally accepts and agrees to comply with and abide by these terms and conditions. Void where prohibited by law. All federal, state and local laws and regulations apply. All rights reserved.

