

H O U S I N G



N E T W O R K

## PROGRAM REQUIREMENTS REGARDING CLOSING DISCLOSURES

Before the Housing Network of Rhode Island is able to release any down payment assistance funds, we must first review and approve the final Closing Disclosure. Approval of the Closing Disclosure will be contingent upon the following elements being included:

- 1) The inclusion of a \$75 recording fee for the recording of the mortgage associated with down payment assistance funds. This requirement shall be itemized under section *E. Taxes and Other Gov't Fees* or section *H. Other*.
- 2) Down payment assistance funds being received shall be listed as "Loan from City of Providence DPA" under section *L. Paid already by/on behalf of borrower at closing*.
- 3) Please be aware that recipients of down payment assistance funds must contribute \$1,500 of their own funds to the transaction. This requirement can be satisfied by the deposit or other prepaid items such as the home inspection or the appraisal. The balance of the \$1,500 must appear on the Closing Disclosure as "cash from borrower". Please be reminded that this program does not allow cash back to the buyer at closing.

In order to allow for adequate time for review (and corrections as necessary) as well as a preparation of the closing packet, please send the final Closing Disclosure two full business days before the scheduled closing. For example: A closing scheduled for 9:00am on a Monday morning will need to have submitted a Closing Disclosure for review by 9:00am on the prior Thursday.

Once the closing packet is complete, a pick time will be scheduled. Please plan to have someone (not the buyer) pick up the closing packet in a timely manner.

Should you have any questions, please do not hesitate to contact me at 401-721-5680 ext. 38