

REALTOR'S INFORMATION SHEET

AN INFORMED SELLER AND BUYER ARE THE BEST CUSTOMERS!

- ❖ First-time homebuyer(s) must not have owned a home in the last 3 years.
- ❖ Also they are required to enroll in an 8 hour HUD approved certified Homebuyer Education Course from the list that is available on the City of San Antonio webpage <https://www.sa.gov/Directory/Departments/NHSD/Housing-Support/Homeowner-Support/HIP> and submit a certificate of completion form prior to closing.
- ❖ In addition to this, the buyer must also watch our short HIP orientation video that is on our webpage.
- ❖ See all HIP 80 Guidelines for income qualifications and other pertinent information.

What type of house qualifies?

1. The house to be purchased must be located within the City of San Antonio. You can conduct a search by address in www.bcad.org to verify that "City of San Antonio" is a taxing jurisdiction.
2. The home can be existing or complete new construction inventory.
3. The maximum sales price of an **existing home** shall not exceed **\$215,000** The maximum sales price of a completed inventory **completed inventory new construction home** shall not exceed **\$251,000** "Affordable Home Price", established by HUD.
4. Eligible Property Types include any property that will serve as the purchaser's principal residence, including:
 - **A single-family property (one unit);**
 - **A Condominium unit;**
 - A condominium is a unit in an apartment house, or other multiple-unit complex, the units of which are individually owned, each owner receiving a recordable deed to the individual unit purchased, including the right to sell, mortgage, etc. That unit and sharing in joint ownership of any common grounds, passageways, etc.
 - **A manufactured home;**
 - The manufactured housing must be connected to permanent utility hookups.
 - The manufactured housing must be located on land that is owned by the manufactured housing unit owner
 - Or, be able to provide a lease of the lot for the full term of assistance
 - **The home can be existing or new construction inventory**

- Any existing and complete new construction inventory homes that are acquired for homeownership (e.g., down payment assistance) must be decent, safe, sanitary, and in good repair. A newly constructed unit must also meet the City's universal design ordinance.

HIP Property Review / Uniform Physical Conditions Standards (UPCS) Inspection

5. Per the U.S. Department of Housing and Urban Development (HUD) Regulation 24 CFR §92.251(c)(3), existing housing that is acquired for homeownership (e.g. down-payment assistance) must be decent, safe, sanitary, and in good repair. The participating jurisdiction (CoSA) must establish standards to determine that the housing is decent, safe, sanitary, and in good repair. At minimum, the standards must provide that the housing meets all applicable State and local housing quality standards and code requirements and the housing does not contain the specific deficiencies proscribed by HUD based on the applicable inspectable items and inspected areas in HUD-prescribed physical inspection procedures (Uniform Physical Condition Standards) issued pursuant to 24 CFR 5.705. The participating jurisdiction (CoSA) must inspect the housing and document this compliance based upon an inspection that is conducted no earlier than 90 days before the commitment of HOME assistance. If the housing does not meet these standards, the housing must be rehabilitated to meet the standards of this paragraph (c)(3) or it cannot be acquired with HOME funds. **HOME funds may not be used for the required repairs. **
6. Condition of unit must be safe, decent and sanitary. Must meet all City Building Codes and federal standards including Environmental, Lead Based Paint, and HIP Property Review / Uniform Physical Conditions Standards (UPCS) Inspection to be completed by COSA staff. HIP Property Review & UPCS Inspection is not a substitute for the TREC final inspection report.
7. For units built prior to 1978, a visual assessment on all painted surfaces shall be performed for detection of lead based paint in accordance with 24CFR part 35.1015. At COSA discretion, a lead "clearance" report may be required even though there may not be children in the household.
8. For information on visual assessments and/or inspections for lead base paint issues, contact Environmental & Consumers Safety at 1-888-778-9440. The National Lead Information Center Clearing House has specialists available to answer any of your questions regarding lead issues at 1-800-424-5323; website: www.epa.gov/lead
9. Unit must contain adequate living space. HIP 80 funds are governed by certain Federal Regulations to ensure that funds are not used to contribute to overcrowded housing conditions. Refer to Page 10 for Occupancy Standards.
10. The buyer should not pay for any of these repairs as they do not own the home.

11. Once repairs are completed, a second UPCS/ HIP PROPERTY INSPECTION will be conducted, to ensure all required repairs identified in the initial HIP/UPCS Property Review were completed in a satisfactory manner.

12. If the property to be purchased is located in flood plain area, the homeowner must maintain flood insurance for the term of the loan.

Please send the following as soon as they are available. The HIP 80 team will use these documents to open a new file and conduct the HIP / UPCS Property Review even though your lender file may not yet be complete.

1. Copy of purchase contract receipted by the Title Company; including all addenda.
2. Copy of the Property Inspection Report for the subject property **(This also includes completed new construction**

Property Inspection Report will be reviewed by COSA personnel to process COSA HIP/UPCS Property Review Form. A third-party inspector secured by COSA NHSD will inspect the property for any needed repairs connected to health, safety and code violations. Realtor, lender and buyer will be advised of any required repairs within 5-7 business days. If the property does not pass the compliance inspection, COSA must be notified to proceed with the loan process when all discrepancies are corrected.

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- Once the buyer is credit approved and the minimum \$500.00 Earnest Money contract is receipted, advise the lender to submit the loan packet to COSA-NHSD for processing. The time frame is 30-45 days to close.
 - Please follow up with the lender to verify that a **complete** loan packet has been submitted to COSA-NHSD staff within two weeks of receiving the COSA HIP/UPCS property review results.
 - Advise Lender to wait on ordering appraisal pending HIP Property Review results on existing properties.
 - Household assets over \$5,000 will be calculated as annual income at a rate of 0.0006% (passbook rate). For example, 401k, or a retirement plan.
 - Once the loan packet is Clear to Close and the HIP 80 amount is approved; please allow COSA 72 hours to prepare closing documents and generate a funds wire request. NHSD staff will wire transfer funds directly to the title company for funding the closing transaction.
 - The purchaser will have some closing costs to pay which are not covered through the HIP80 Program. Please see further down for a list of [HIP 80 Approved/Disapproved Closing Costs](#).

Communication is the key. Please remember to keep all parties informed on any changes that will affect the loan qualification process.