



ROOTS PROGRAM Frequently Asked Questions

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Program Questions

- 1. How do I know how much down payment assistance I will get?**
 - a. You will start at \$35,000, but any other down payment assistance will be subtracted from this amount. This is because we are avoiding “duplication of benefit” or a double up in down payment assistance. For example, if you were also getting \$5,000 down payment assistance from a different grant program, you would only receive \$30,000 from ROOTs.
- 2. What does it mean that I have to live in the house for 15 years or sell to a qualified buyer?**
 - a. You must live in the house as your primary residence for 15 years. If you stop living there and sell, you have to sell to an income-eligible buyer (the City would handle the income process), and if a potential buyer is not eligible because their income is too high, you would not be allowed to sell it to them. You could not use the house as a rental during this time; you have to live there or it would have to be sold.
- 3. What if I refinance my principal mortgage during this time?**
 - a. If you receive down payment assistance from the program, there will be a limitation on refinancing for the 5 year timeline.
- 4. What if my income goes up during the 15 years?**
 - a. Your projected income must meet the qualifications in order to be approved prior to purchase. Once you own your house, your income can change without any issues.
- 5. What if I add new members to my household (get married, roommate, etc.)?**
 - a. Just like for your income, your projected household at the time you apply must qualify. If your circumstances change after you close, that is fine with the program.

Application/Eligibility Questions

- 6. My spouse/significant other/etc. is not a U.S. citizen/does not have legal status. Are we eligible to apply?**
 - a. Everyone who will live in the property must either be a citizen or be a lawful permanent resident. While you are working toward that status, you wouldn't be able to receive the funding. Once residency is established, you would be able to apply.
- 7. Who should be included on my ROOTs application?**
 - a. You should include EVERY person who will live in the new home, whether or not they will be on the mortgage or deed. For all occupants age 18 or older, their income will be included in the household income to determine eligibility.
- 8. I have shared custody of my child(ren), or I have a child away at college. Do I include them as a household member?**
 - a. For custody arrangements, the child(ren) must spend at least 50% of their time with you. For college students, they would still be a member of the household as long as their permanent address is yours, and they intend to live with you during breaks, etc.
- 9. I don't have copies of my tax return or of my W-2's. How can I get copies?**
 - a. The IRS office can provide print outs, they call them transcripts, for both your tax return and your W-2 information. You can request these online at their website, or in writing. The tax return and W-2 information are two separate print outs, so make sure that you get both if needed.

Income and Asset Determination Questions

- 10. What is considered "income"?**
 - a. Any money that you receive on a regular basis is considered income. This can come from a job, child support, Social Security, or from cash that someone gives you regularly. In addition to the money you receive, we take a small percentage of your assets and include that with the income to calculate your total household income. Remember: all members aged 18 and older must include their income for the total household income calculation.
- 11. What is considered an "asset"?**
 - a. Assets are things like bank accounts, retirement funds, investments, and items that you own. This doesn't include cars or household items, unless these items are investment items (antiques, jewelry, collections, etc.). Assets are also payments that you receive that are one-time or non-regular. This might include inheritances, gifts, lottery or gambling winnings, etc. Again, this includes everyone in the household, including accounts held in children's names.
- 12. I have a wage garnishment/pay child support/am repaying a loan/etc. from my paycheck. Do you take that into consideration?**
 - a. For the program, we look at your gross wages, meaning your salary before any deductions come out. This means it doesn't matter if you have taxes, health insurance premiums, retirement deductions, or other payments coming out of your salary. We look at what you earned before any subtractions.

13. I am supposed to be receiving child support through a court order, but I have not actually received that amount? Do I have to include it?

- a. Yes, you must include any/all child support claim information with your application. We typically use the court-ordered amount in your income calculations. However, if you have not been receiving the full amount, we are able to look at what you have received, and potentially adjust it.

14. I will get a raise in the next year. Does this matter?

- a. Yes, our income calculations are trying to predict your income for the next 12 months. If you will receive a raise or promotion, we would use that information to better predict your income.

15. I occasionally work overtime, or I occasionally receive bonuses. Do you count these?

- a. Yes, we take your average wages, and project them to continue for 12 months. This would include any overtime, lay off periods, bonuses, and other irregular payments.

16. I am married but separated, and my spouse will not live with me. Will you count my spouse's income?

- a. Until you have a divorce decree, you are still considered married. We would include your spouse in your income calculations. The exception to this is if one of you has filed for divorce with the court, and the proceedings are active. We would need a copy of the filing to verify this. If you have not yet filed, or don't plan to file for divorce, we are required to include both of your incomes in the household income determination. However, contact the office if you would like to discuss your situation as there are case by case circumstances we may be able to work through.

17. My lender says I qualify, but you say I'm over income. Why is there a difference?

- a. Your lender has a different way to calculate your income. They focus solely on the person on the mortgage, and they want to make sure that you make *enough* money to pay the mortgage. The ROOTs program includes income from EVERYONE in the house, regardless of who will be on the mortgage or the deed. Also, the program has to make sure that you don't make too much money, so we have to use the highest estimate of your income. Your lender typically uses the lowest estimate of your income.

18. I don't have a bank account, I use an online debit card. Does that count as an asset?

- a. Yes, an online account is still an asset. Depending on how your online account is structured, you might have a standard bank account through an online bank, a debit account that isn't considered a bank account, or a prepaid card that you may or may not be able to add funds to. In all cases, you should be able to print statements or transaction histories by logging in to your account. The same 6-month statement or history requirement is for all accounts.

19. My children have accounts in their name. Do they need to be included?

- a. For children under 18 years old who live in your home, their accounts must be included with the household. If these accounts are part of a trust or held without access, you must disclose them, and depending on the nature of the account they may or may not be included.

Property Questions

20. How do I find a house to buy?

- a. The list of approved builders and houses is available on the program website. You must have a Pre-Qualification Letter in order to sign a purchase agreement with a builder. The houses will be available on a first come, first served basis, and the list will be updated regularly to show the available properties.

21. Do I need a home inspection since the houses are new construction?

- a. The houses will be inspected by the building permit process, as well as by the program staff to ensure they meet the requirements. However, if you would like an inspection for yourself, you can pay for a home inspection before closing.

Loan/Mortgage/Closing Questions

22. Can I have a non-occupying co-borrower (co-signer)?

- a. No, you must be able to qualify for a mortgage without a co-signer or co-borrower, unless your co-signer also will live with you in your household.

23. My parents/grandparents/etc. are helping me with the down payment. Is that allowed?

- a. Yes, it is allowed. However, the money must be disclosed during the application process, and it will be included in your income calculation.

24. Can I use an adjustable rate mortgage (ARM) or have a balloon payment?

- a. No, mortgages must be fixed rate, with no adjustments to the interest rate during the loan term. Loans must be a minimum of a 15 year term, but not more than a 33 year term.
- b. Balloon payments are also not allowed. Balloons are where you have a lower monthly payment to start, then have a large final payment due in a number of years (5 year balloons are common).

25. How do the funds get to me/my bank?

- a. A member of our staff will attend the real estate closing, and bring the check as well as some program documents that you will sign. The down payment assistance check will be made out to the closing company/bank, not to you/the buyer.

26. Can I use these funds in conjunction with other programs?

- a. The ROOTS program can be combined with other mortgages and programs, including FHA loans, veteran grants, and others. However, the mortgage you get still has to meet the mortgage requirements, and any down payment assistance you receive would be subtracted from your ROOTs down payment.

27. I don't have a purchase contract yet. Can I still apply?

- a. Yes, you must be Pre-Qualified in order to sign a purchase contract from one of the program builders. Pre-qualification means you are income eligible for the program and you can work with the program builders to select a property and secure an accepted purchase offer. Once you have a purchase offer, we will review your Loan Estimate and determine your potential down payment assistance award.

Online Application Portal Questions

28. I forgot my password, can you help me reset it?

- a. On the log in page, there is a “Forgot your password?” help link, as well as an email to report any technical issues. Any questions about the system can be sent to that email, and any questions about the program or requirements should be sent to the program team email.

29. I have paper copies of my documents, how can I get them into the system?

- a. You can take photos of the documents with a smart phone, and upload the photos. Be sure the entire page is visible and legible, with good lighting and focus.
- b. A paper application version will be available as well, and you can provide paper copies as needed.

30. I have an appointment to get a copy of a Social Security card or photo ID. The system says it’s required. What can I do instead?

- a. Upload any documentation you have, and include a letter explaining the issue and the date of your appointment/plan for getting the copies. We can begin processing your application without the copies, but we cannot finalize it until all the documents are provided. If you are struggling or are waiting for the documents to be mailed, please reach out to our office. We can discuss options for uploading, including proof of ordering or temporary cards.

31. I started the application but I need to finish it later. Can I save and come back?

- a. Yes, you can save and log back in as many times as needed to finalize the application.

32. I finished my application but I haven’t heard from anyone. Why?

- a. In order to be finished, you must complete each section, and electronically sign and Submit. It won’t be officially received by the program until you have submitted. Submitted applications will be processed in order, and you will receive email updates when your application has been reviewed.