

SUBJECT: Grant Assistance for Military Veterans

NIFA and the Nebraska Housing Developers Association (NHDA) are pleased to announce a partnership that will provide grant assistance to Military Veterans under the FirstDown Program. There are a limited number of grants available and specific requirements apply. Grants will be allocated on a first-come, first-served basis.

Lenders are not required to use a NIFA loan for the borrower to qualify for a grant. When using a NIFA loan, all program requirements apply in addition to the FirstDown program requirements.

IMPORTANT NOTE: The funding source for the FirstDown Program is the Federal Home Loan Bank of Topeka (FHLBank). The use of any other FHLBank Programs (such as the Affordable Housing Program or the Homeowner Set-Aside Program) is not allowed in conjunction with the FirstDown program grant.

PROGRAM INFORMATION

Total Amount Available	\$48,000
Grant Amount	\$6,000 per household
Structure of Grant	5-year forgivable loan (1/60th per month)
Eligible Property Locations	All counties in Nebraska
Maximum Income Limit	<u>80% AMI or less (different than NIFA limits)</u>
First-Time Buyer	Does not apply
Borrower Eligibility	Someone who served in the active military, naval, or air service and whose condition of discharge was by means other than dishonorable or bad conduct. DD Form 214 is required.
Homebuyer Education	Provided by a REACH Affiliate Organization listed on the <u>NHDA website</u> .
Borrower Contribution	\$500 minimum, no cash back at closing
Program Fees (paid from grant amount)	\$500 homebuyer education fee paid to the REACH Affiliate and a \$500 sponsorship fee paid to NHDA.
Real Estate Retention Agreement	Required to be signed at closing and recorded.

LOAN RESERVATION PROCESS

1

Submit a loan reservation packet to NHDA for review and approval. The packet and other program information is available on the [NHDA website](#).

2

NHDA will send the lender a confirmation letter that is valid for 90 days. The letter includes important program requirements and the loan disbursement process.

3

If using a NIFA loan, the first mortgage loan reservation is entered in Lender Online. Lenders should follow the regular pre-closing and post-closing process for NIFA compliance.

4

Submit a loan disbursement package to NHDA for review and approval at least 10 working days prior to closing.

5

NHDA will wire funds to the lender for closing. Lender is responsible for sending the \$500 homebuyer education fee to the REACH Affiliate and the \$500 sponsorship fee to NHDA after closing.

6

Submit final loan documents to NHDA within 15 calendar days of closing.

CONTACT INFORMATION

Please reach out to the contact person for the FirstDown Program or the NIFA Homeownership team with questions.

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