

Calloway Closing Cost Grant Program Policy

1. Program Purpose

The Calloway Closing Cost Grant Program is named after a Navy Veteran who dedicated his life to serving the military community for housing needs. It is designed to support eligible homebuyers who demonstrate financial need by assisting with allowable closing costs associated with the purchase of a primary residence. The program's goal is to promote sustainable homeownership and responsible mortgage readiness.

Note: Grant funds are limited and subject to availability.

2. Eligible Use of Funds

Grant funds may be used only for allowable closing costs, which may include:

- Lender fees
- Title and escrow fees
- Recording fees
- Prepaid taxes and insurance (if permitted by funding source)
- Discount points (if permitted by program guidelines)

Grant funds may NOT be used for:

- Down payment (unless explicitly authorized by program guidelines)
- Earnest money deposits
- Cash back to borrower
- Debt payoff
- Repairs or renovations
- Realtor commissions
- Non-allowable lender credits or fees

All disbursements must appear on the final Closing Disclosure (CD).

3. Basic Eligibility Requirements

To be considered, applicants must:

- Be purchasing a primary residence
- Be under contract or pre-approved with a licensed mortgage lender
- Demonstrate financial need for closing cost assistance
- Complete required homebuyer education or counseling (if applicable)
- Intend to occupy the property as their primary residence
- Meet any applicable income, underwriting, or program guidelines
- Be purchasing property within eligible program geography (if applicable)

Additional eligibility criteria may apply based on funding source requirements.

4. Grant Amounts

- Grant awards typically range from **\$2,000 to \$5,000**, based on documented need and funds availability.
- The requested amount may be fully approved, partially approved, or denied.
- Approval is not guaranteed until final written award confirmation is issued.
- The grant amount may not exceed the applicant's verified closing cost need.
- Funds will be paid directly to the closing agent, not to the applicant.

5. Income & Household Limits

- Applicants may be subject to income eligibility limits, which may be based on Area Median Income (AMI) or funding-source guidelines.
- Household income includes all adult occupants required by underwriting standards.
- Income limits are subject to change based on funding requirements.

Note: Failure to meet income eligibility may result in denial.

6. One-Per-Household Rule

- Only one Closing Cost Grant is permitted per household per property purchase.
- Duplicate or multiple applications for the same transaction may result in disqualification.

7. Owner-Occupancy Requirement

- The assisted property must be occupied as the borrower's primary residence.
- Applicants must intend to occupy the property within 60 days of closing (unless prohibited by military orders or lender guidelines).
- The program reserves the right to request occupancy verification.

8. Funding Priority

Because funds are limited, priority may be given to applicants who:

- Demonstrate the greatest financial need
- Are first-time homebuyers
- Are military or veteran households
- Are purchasing in targeted or high-need areas
- Have completed HUD-approved housing counseling
- Are closest to closing with a fully documented file

Note: Meeting priority factors does not guarantee funding.

9. Funding Reservation & Expiration

- Grant approvals may include a funding reservation window.
- Approved applicants must close within the timeframe specified in the award letter (typically 30–60 days).
- Funds not used within the reservation period may be reallocated.
- Extensions are not guaranteed and are subject to program approval.

10. Documentation Requirements

If selected for further review, applicants may be required to provide:

- Signed Calloway Closing Cost Grant Policy
- Proof of Service (DD214 or equivalent) – If applicable
- VA Disability Letter – If applicable
- Income documentation
- Government Issued ID
- Checking/Savings Statement(s)
- Fully executed purchase agreement
- Loan Estimate (LE) and/or Closing Disclosure (CD)
- Certificate of homebuyer education (if required)
- Documentation to sustain request/need for grant

Note: Failure to provide requested documentation may result in denial.

11. Sustainability & Affordability Review

All applicants are subject to a housing sustainability review to help ensure the home purchase is affordable long-term.

The program reserves the right to:

- Recommend housing counseling
- Request budget documentation
- Decline assistance if the purchase appears unsustainable
- Condition approval on counseling participation

Note: Program focus is sustainable homeownership, not simply transaction support.

12. Non-Guarantee of Funding

Submission of an application:

- Does **not** guarantee approval
- Does **not** reserve funds
- Does **not** create an entitlement
- Does **not** obligate the organization to provide assistance

Note: Funding decisions are final and subject to program capacity and guidelines.

13. Fraud Prevention & Verification

The program reserves the right to:

- Verify all information provided
- Communicate with lenders and settlement agents
- Request additional documentation
- Deny applications containing false or misleading information
- Recover funds if misrepresentation is discovered

Note: Providing false information may result in permanent program ineligibility.

14. Waitlist Provision

If program funds are exhausted:

- Eligible applicants may be placed on a waitlist, if available.
- Placement on a waitlist does not guarantee future funding.
- The program may close or reopen funding at its discretion.

15. Program Changes

The program reserves the right to:

- Modify guidelines
- Adjust funding amounts
- Pause or discontinue the program
- Add funding-source specific overlays

Note: Changes may occur without prior notice due to funding or policy updates.

16. Fair Housing & Equal Opportunity

This program is administered in compliance with:

- The Fair Housing Act
- Equal Credit Opportunity Act (ECOA)
- HUD housing counseling standards (where applicable)
- All applicable federal and state nondiscrimination laws

Applicant Acknowledgment & Certification

By applying for and submitting the application, participants will agree to the following:

- I have read and understand the Callaway Closing Cost Grant Program Policy.
- I understand that grant funds are limited and not guaranteed.
- I understand that approval is subject to eligibility, funding availability, and program review.
- I understand that grant funds may only be used for allowable closing costs and will be paid directly to the closing agent.
- I certify that all information and documentation provided in connection with this application is true, accurate, and complete to the best of my knowledge.
- I authorize the VETCares administrators to verify information provided, including communication with lenders, housing counselors, and settlement agents as necessary to evaluate eligibility.
- I understand that providing false, misleading, or incomplete information may result in denial, cancellation of assistance, or recovery of funds if already disbursed.
- I understand that submission of an application does not create an entitlement to funding or program participation.