

FREQUENTLY ASKED QUESTIONS ABOUT HOME RUN 2 GRANTS

What is the \$4,000 Home Run 2 Grant?

The Home Run 2 Grant is a mortgage assistance program that grants \$4,000 to home buyers who wish to: (A) have a new home constructed, (B) have a partially-constructed home completed, or (C) purchase a newly-constructed home. It must be the primary residence of the home buyer. Homes that have been previously occupied do not qualify.

How is Home Run 2 different from the first Home Run program?

The first Home Run program, which ended in June 2009, provided a \$6,000 grant to eligible home buyers. Home Run 2 provides a \$4,000 grant. The first program required that homes be ready for occupancy upon closing. Home Run 2 buyers have two additional options. They can purchase a home that is contracted for construction or partially finished and contracted for completion. Homes that have been previously occupied do not qualify.

When a Home Run 2 Grant Commitment is issued, if the Eligible Home is fully constructed, the Commitment expires 10 calendar days after the date of issuance (unless that day falls on a weekend or holiday and then it is the following business day). If the Eligible Home is somewhere in the construction process, the Commitment expires on June 30, 2010.

All other aspects of the program are materially the same as the first Home Run program, as summarized below.

Who is eligible to receive a \$4,000 Home Run 2 Grant?

- Home buyers who did not receive a \$6,000 grant under the previous \$6,000 Home Run Grant Program.
- Home buyers (any person taking title) must meet the following income restrictions:
 - Single person, maximum income, \$75,000
 - Married couple, maximum income, \$150,000
 - If more than one unmarried person is taking title to the Eligible Home, each such single person is subject to the \$75,000 income limit.
 - Income calculations will be determined by the Adjusted Gross Income as verified by the [Approved Lender](#) using the 2008 IRS Federal Income Tax transcript obtained directly from IRS or from an authorized third-party vendor.
- Home buyers must occupy the purchased home as a primary, permanent residence.
- If home buyers need a mortgage loan to purchase the home, the loan must be a fixed interest rate, amortizing mortgage loan with a term of 30 years or less.
- The Home Run 2 Grant Program is effective only for home purchases closed after a Home Run 2 Grant Commitment has been issued for that specific transaction. The grant funds may not be issued for homes purchased prior to obtaining the Home Run 2 Grant Commitment.

Can Cash Buyers qualify to get the Home Run 2 Grant?

Yes. Cash Buyers must contact Utah Housing directly. Cash Buyers, like all other Buyers, must obtain a written Home Run 2 Grant Commitment prior to closing.

What property types can be purchased with a \$4,000 Home Run 2 Grant?

Eligible property types include single-family detached homes, condominiums, planned unit developments (PUD), twin homes, town homes and manufactured homes permanently affixed to a foundation.

What type of loan can a home buyer use to purchase the home?

If a home buyer needs a mortgage loan, it must be a fixed interest rate loan with a term of 30 years or less. Loans may be obtained from any [Approved Lender](#). Examples of qualifying loans include:

- * Conventional loans
- * FHA, VA, or Rural Housing loans
- * Utah Housing Corporation loans

Cash Buyers should contact Utah Housing directly for assistance in qualifying.

How does a home buyer apply for a \$4,000 Home Run 2 Grant?

Apply for a grant through an [Approved Lender](#), defined below. [Approved Lenders](#) are the key link between a home buyer and the Home Run 2 Grant. [Approved Lenders](#) are listed on this website. The [Approved Lender](#) assists a home buyer to provide necessary information to secure the grant commitment from Utah Housing Corporation. A home buyer does not work directly with Utah Housing Corporation (unless the home is being purchased for cash).

How do I find a lender to help me obtain a Home Run 2 Grant?

Look on the list of [Approved Lenders](#) for the Home Run 2 Grant Program on this Website.

How Does a Mortgage Lender Become an “Approved Lender” for the Home Run 2 Grant Program?

Any mortgage lender authorized to originate mortgage loans in Utah may click on [Program Forms](#) on this Website, access the document there titled “Home Run 2 Grant Funding Agreement” and review the contractual agreements contained in it. If the Agreement is acceptable, the mortgage lender must have the Agreement executed by someone from their organization with authority to sign legal contracts and forward the original, executed document to Utah Housing. Once Utah Housing completes its review of the dated, signed Agreement, the lender is added to the list of [Approved Lenders](#) on the Utah Housing Website.

Do I have to be a first-time home buyer to get a Home Run 2 Grant?

No. Home Run 2 Grants are available to all home buyers (all persons who take title) whose maximum income is \$75,000 for singles, \$150,000 for couples and, if more than one single person takes title, the \$75,000 limit applies to each such single person.

Can the \$4,000 Home Run 2 Grant be combined with the new \$8,000 federal tax credit?

Yes, if home buyers meet the independent criteria of both the federal government and the Home Run 2 Grant programs, they may take advantage of both. The \$4,000 Home Run 2 Grant is available to both those who are first-time home buyers as well as those who previously owned a home. The \$8,000 federal tax credit is available only to first-time home buyers.

How many Home Run 2 Grants are available to home buyers?

A total of approximately 1,950 grants of \$4,000 each will be available. Only one grant can be used for the purchase of each home and can only be issued to persons who did not obtain a grant under the previous \$6,000 Home Run Program. Home Run 2 Grants are distributed on a first-come, first-served basis to fully-qualified home buyers. The approximate number of remaining grants is posted at all times on Utah Housing web page at www.utahhousingcorp.org.

Is the Home Run 2 Grant taxable?

The Home Run 2 Grant will probably be taxable as income under federal and state tax laws. Utah Housing does not provide any tax advice regarding the taxability of the Home Run 2 Grant. If Utah Housing receives a favorable ruling from the Internal Revenue Service that a Home Run Grant is not taxable, Utah Housing will post the ruling on its Website (www.utahhousingcorp.org) and a home buyer should review the ruling in connection with the preparation of their tax return(s).

If I have additional questions, who do I contact?

Contact an [Approved Lender](#).

Important Note: Buyers should make sure that they work closely with an [Approved Lender](#) for the Home Run 2 Grant Program to ensure that required materials are submitted in a timely manner, but not prematurely.

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Steps to obtain a Home Run 2 Grant.

1. Buyer signs a contract to: (A) have a new home constructed, (B) have a partially-constructed home completed, or (C) purchase a newly-constructed home. It must be the primary residence of the home buyer. Homes that have been previously occupied do not qualify.
2. Buyer applies for mortgage loan through an [Approved Lender](#) and [Approved Lender](#) obtains all required Home Run 2 documentation and written loan underwriting approval.
3. When all required Application materials have been obtained, [Approved Lender](#) submits a Home Run 2 Grant Request to Utah Housing and receives from Utah Housing a Home Run 2 Grant Commitment authorizing the Grant for the Buyer.
4. The purchase closing is scheduled at a title company. As soon as closing documents have been signed, the title company faxes required documents to Utah Housing so that it can request that the Escrow Agent send a wire of \$4,000 to the closing.
5. **The Home Run 2 Grant Commitment must be dated on or prior to the date shown on closing documents.**