

## **RCHAP Frequently Asked Questions**

1. **What is the definition of a First Time Home Buyer?**  
**Answer:** Cannot presently own a home or land, or previously owned a home or land in the last three (3) years. This includes all members of the household.
2. **What types of dwellings are eligible for RCHAP DPA?**  
**Answer:** Single Family dwellings built after 1978 or new. This excludes; townhomes, attached patio homes, duplexes, condos, mobile and modular homes. The home must be located in unincorporated Richland County. To assist with the determining the municipality the property is located, you may use Richland County online mapping: <http://www.richlandmaps.com/>
3. **How does RCHAP determine the PITI amount for each applicant?**  
**Answer:** The Debt-to-Income (DTI) ratios used for RCHAP are 33% front end and 43% back end. These figures are calculated to make sure the applicant will be able to comfortably afford the new home.
4. **How is the income eligibility determined for the RCHAP program?**  
**Answer:** Our program calculates and verifies all household income. Income used is the annual gross which includes child support, social security, retirement, employment, etc. It does not matter if only one person will be on the mortgage; we verify all household annual gross income per our program guidelines.
5. **How do I know my client has been approved for the RCHAP DPA?**  
**Answer:** When an applicant is eligible, they will receive a letter of eligibility letter from Richland County that they should provide to their agent and/or lender. Each letter of eligibility is valid for a 6 month period (calendar days). If the 6 month time frame expires and the applicant has not successfully closed on a home, the applicant must reapply; resubmit an application, all required documents and lender pre-approval.
6. **What is the application process?**  
**Answer:** The applicant must complete the required pre-purchase education hours, the RCHAP orientation and submit the application to Richland County Community Development office with all required paperwork. The processing time for applications is up to 45 business days. The applicant must include a lender pre-approval letter to show they are ready to begin the home buying process.
7. **Can the borrower receive earnest money at closing?**  
**Answer: No.** Be aware that no money can go back to the buyer. Any funds not used for closing costs should be used towards down payment, principal reduction. Another option is the funds are refunded back to Richland County.
8. **How long does it take for the applicant to receive a check from RCHAP for closing?**  
**Answer:** When the ratified contract is received from the agent, the Housing Project Coordinator will forward a list of required documents needed by all parties to order the DPA funds for the applicant. Once all of those documents are received, the turnaround time to receive the DPA funds is 3 business weeks. We only receive checks on Thursdays after 2:30pm. Holidays and office closings also need to be taken into processing time consideration. As a note, the applicant receives the checklist of document required when they receive the letter of eligibility and are instructed to give to their real estate agent when they are approved.

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9. **How does the borrower receive the DPA funds for closing?**  
**Answer:** Richland County will provide a check written to both the applicant and the closing attorney. A copy of the final Loan Closing Disclosure must be provided to RCHAP staff at least one business day prior to the scheduled closing date. After the disclosure is received and the RCHAP closing documents are sent to the attorney, the borrower may pick up the check from our office 24 hours before the closing. If a closing is scheduled on a Monday, the closing check will be issued the morning of the closing. Checks are not permitted to be held over a weekend.
10. **What happens to the DPA funds if the loan does not close?**  
**Answer:** If a check has been received, we will void the check. If a check has to be voided for an applicant, and the applicant enters into another agreement, Richland County will require a clear to close from the lender's underwriter before we will request another check for that applicant.
11. **What inspections are paid by RCHAP for the applicant during the home buying process?**  
**Answer:** RCHAP will perform up to 2 initial home inspections for the each eligible applicant free of charge. (When a re-inspection is necessary, that is not included of the 2.) Not paid by Richland County, the HVAC and Termite inspections that are required and all other upfront fees must be paid by the responsible party per the purchase contract agreement.
12. **When should an agent contact Richland County to schedule the home inspection?**  
**Answer:** The applicant's agent's responsibility is to email the ratified contract to the RCHAP Housing Project Coordinator. After the contract is received, the inspection will be scheduled. Please note each applicant is given a checklist to provide to their agent when they receive the letter of eligibility, included on the checklist is the contact information for the RCHAP contact.
13. **Are all of the repairs from the RCHAP home inspection required to be completed before closing?**  
**Answer:** All repairs that are included on the RCHAP inspection report have to be completed prior to closing. We will require invoice and documentation for said such repairs prior to scheduling a final/re-inspection. Please be aware that no RCHAP funds may be used toward any repairs or inspections.
14. **Are their specific lenders applicants must use for the RCHAP program?**  
**Answer:** We do not have a list of lenders. We are independent from the lending process. Our program provides down payment and closing cost assistance only, it is the applicant's responsibility to communicate with the lender to determine if they will allow them to use our program with their lending products.
15. **Where can someone interested in the program get the most current updated information for the RCHAP program?**  
**Answer:** All interested persons can visit our website or contact our office to receive the most accurate information about the RCHAP program. Income, housing prices, eligibility requirements, etc. are subject to change and will be update on our webpage as those changes take effect.