

STEPS IN OBTAINING A URA 0% SECOND DEFERRED MORTGAGE

Things you should know when applying for the NEIGHBORHOOD HOUSING PROGRAM (NHP)

For a newly constructed home

and

HOUSING RECOVERY PROGRAM DEVELOPER (HRP-DEV)

For a newly rehabilitated home

As part of its commitment to providing quality and affordable homeownership opportunities to residents of the City of Pittsburgh, the Urban Redevelopment Authority, in conjunction with its development partners, offers deferred second mortgages to qualified buyers for certain for-sale housing developments. Once you have identified a URA financed NHP and HRP-Developer property that you would like to purchase, you will need to complete the following steps.

Please note the URA recommends that individuals get pre-approved for a first mortgage loan from a lender, prior to application.

1. Sign a sales agreement.
2. Make an application to the URA for a second mortgage loan. The application with a list of required documents can be found on our website (www.ura.org).
3. Please ask your lender to send the pre-approval along with a copy of your credit report to Rae Ann Driscoll at the address below. As a courtesy to you, the URA prefers to receive a copy of your credit report from the lender so that we do not need to make another inquiry on your report, which can affect your credit score. **Please do not assume that a pre-approval from a lender guarantees that you will receive a deferred second mortgage.**
4. Upon receipt of all the required documents the URA will determine if you qualify for the second mortgage loan. This includes verification of income from your employer. If approved, we will issue you a Qualification Letter, and you must submit a formal application to your first mortgage lender within 60 days in order to maintain your eligibility. If you have not closed on the unit within 6 months of your Second Mortgage Application, we will need to re-qualify you for the second mortgage.
5. The first mortgage lender will order an appraisal of the property and will issue you a commitment letter and a Good Faith Estimate of Closing costs. Please ensure that the following are supplied to the URA:

- a. Copy of the Commitment Letter
 - b. Uniform Residential Loan Application
 - c. Copy of the Appraisal
 - d. Copy of the Good Faith Estimate
 - e. If the Housing Authority of the City of Pittsburgh (HACP) is involved in the financing, an HACP Commitment Letter.
6. If you are a first time homebuyer and your income falls below 80% of the area median income, you may also apply for the URA's Down Payment and Closing Cost Assistance Grant for income eligible buyers.
7. Once the URA receives and reviews the above information, a Commitment Letter from the URA will be sent to you. You must return the letter with your acceptance within 10 days. **A closing may be scheduled two weeks from the date we receive your letter, no sooner**, in order to allow URA Staff to request your check, prepare closing documents, and perform a final inspection on the dwelling. It is important that all parties, including your agent and Title Company, are aware of this 10 day period. Please be sure to contact Rae Ann Driscoll with the time and date of your closing.

Please note that borrowers must have an acceptable credit profile and, if they have had credit problems in the past, all credit issues must be addressed and rectified. The URA provides a list of credit counselors, to assist the borrower.

In order to obtain deferred second mortgage funds, borrowers must also fall within certain income guidelines established for the development. Income guidelines are available from the URA upon request, or from your realtor or developer.

Contact Information:

**Rae Ann Driscoll
412 Blvd. of the Allies,
Suite 900
Pittsburgh, PA 15219**

**Phone: 412-255-6543
Email: rdriscoll@ura.org**