



DPL and DPL Plus Eligibility Worksheet

Instructions:

Use this worksheet to document your good faith effort to verify a borrower's eligibility for the program.

Borrower First Name		MI	Last Name	Co-Borrower First Name		MI	Last Name
Property Address		Property City		MN	Date Worksheet Prepared		
				State			

Front-End Housing Requirement for Deferred Payment Loan and Deferred Payment Plus

Housing (Front-End) Ratio Calculation

The Borrower's front-end ratio must be no less than 25% when factoring in all sources of loan funds.

- Borrowers cannot manipulate income (quit job, etc.) to become eligible.
- Include all DPA funds in the ratio calculation.
- Do not include non-occupant co-signer income.
- New construction: Include the estimated property tax after completion in the ratio calculation.

Second Level Housing Ratio Review:

Minnesota Housing realizes an estimate of front-end ratio may change in underwriting. If the final housing ratio is less than 25%, the Lender must submit the calculation and explanation to Minnesota Housing for a **second level review**. If approved by Minnesota Housing, the Lender must document Minnesota Housing's approval to the file.



Housing Ratio Calculation

Table 1: Housing (Front-End Ratio) Calculation

Amount	Housing Costs
\$	Principal & Interest
\$	Homeowners Insurance
\$	Mortgage Insurance
\$	Property Tax
\$	Association Fee
\$ 0.00	Total Monthly Housing Expenses
\$	Borrower Monthly Qualifying Income
0.00%	Housing (Front-End) Ratio must be 25% or greater

Deferred Payment Loan Plus Eligibility Requirements

To be eligible for DPL Plus, borrowers must meet:

- a) Deferred Payment Loan Program guidelines (including front-end ratio of 25% or higher) and
- b) One of following four targeting criteria:

☐ **A household of four or more people** – Use [Household Size Statement](#) to document if desired

☐ **A household member with a disability** – See [Start Up Program Manual](#) for definition

☐ **Meet the definition of a First-Generation Homebuyer (FGHB):** *One (1) Borrower and their Parents or prior Legal Guardians have either never owned a home (in any country) or previously owned a home but lost it due to foreclosure. See [First-Generation Homebuyer Affidavit](#) and [Start Up Program Manual](#) for Definition Details*

- ☐ Fully executed [First-Generation Homebuyer Affidavit](#) documenting at least 1 borrower meets the first-generation homebuyer definition. Affidavit is valid only if the county and state field where borrower signature occurred is complete, borrower certifies they meet one of the requirements, and all other applicable fields are complete.

Check one:

- ☐ Lender's review of loan file a.) did not identify the borrower as a current or previous owner of real estate, or b.) documents the borrower lost the home(s) through foreclosure.
- ☐ Lender review of loan file identified borrower owned/owns real estate, and the lender documented borrower residence history in each year of ownership. Lender submitted



documentation to Minnesota Housing for **second level review**, and Minnesota Housing agreed documentation indicates borrower did not reside in the property(ies) they owned (include email in file).

☐ **Sole Head of Household** with at least one Eligible Dependent Residing in the household

- Must meet criteria for “Sole Head of Household” and “Eligible dependents”
- Note: Do not use the IRS definition of “head of household”

Sole Head of Household: Household includes **only one adult** that is not an Eligible Dependent AND eligible Dependent(s) is/are (select at least one):

- ☐ Under 18
- ☐ A household member with disability
- ☐ Age 62 of older

Refer to the [Start Up Program Manual](#) and the Downpayment and Closing Cost Loan Comparison Chart for guidelines. Borrowers should only use the DPL Plus option if they need more assistance than is available with the standard Deferred Payment Loan. Contact [PST](#) for clarification of these guidelines.

Name of Preparer

Title of Preparer

Date

