



104 Ash Street East, Sisseton, SD 57262

Phone (605) 698-7654 Fax (605) 698-3038  
Website: [www.growsd.org](http://www.growsd.org) Email: [info@growsd.org](mailto:info@growsd.org)

## Down Payment and Closing Cost Assistance Overview

- Down payment and Closing Cost assistance, (DPA), will typically be provided in the form of a 0% deferred loan, (this is not a grant or forgivable loan product). It will be due upon any one of the conditions;
  - Property is refinanced,
  - Property is sold or exchange of residence takes place,
  - Property ceases to be the principle residence of the homeowner,
  - First mortgage and note reach maturity date or note is paid in full, whichever comes first.
- DPA can be used in conjunction with the purchase of a primary owner-occupied, 1 - 4 unit property along with a first mortgage loan product. Participating first mortgage lenders will be approved by GROW South Dakota. Mortgage Brokers are excluded.
- DPA can be used with Fannie Mae, Freddie Mac, FHA (including 203b or 203k), VA, USDA RD 502 Guaranteed or Direct loans, HUD-184 loans, conventional renovation, conventional portfolio products, and other CRA affordable lending programs that meet the eligibility criteria. (First mortgage lenders using FHA loans, must disclose GROW SD's DPA on their initial disclosure)
- GROW South Dakota's DPA has certain restrictions if being used in conjunction with other down payment assistance programs. Each DPA program has specific requirements as to the amount/layering of assistance.
- DPA loans are dependent on funding availability and range typically between \$5,000 to \$10,500.
- DPA loan recipients must meet eligibility guidelines as established by GROW SD and the funding source.
- DPA loan recipients must have taken an approved Homebuyer Education course within the last 12 months.
- DPA loans have income restrictions depending on funding source.
- DPA must be for properties located within the state of South Dakota. Funding may vary based on location/county.

***Guidelines are subject to change without notice. For additional information, please contact the GROW SD office at (605) 698-7654 or [info@growsd.org](mailto:info@growsd.org).***

