

IDA

Individual Development Account PARTICIPANT'S AGREEMENT

Household Size ___ Income Averaged \$ _____

Mission

Individual Development Accounts (IDA's) are matched savings accounts designed to help low-income and low-wealth families accumulate a few thousand dollars for a high return investment in homeownership.

Qualifications:

Participant's income must be earned thru employment or self-employment. Participant must meet income guidelines for AFIA @ 200% of Poverty.

Participant's Role:

Participant(s) must be enrolled in program for a minimum of six months and a maximum of fifteen months.

Participant(s) must make regular monthly deposits as stated below before eligible for match funds.

Individuals are required to save monthly. Savings must come from earned income. Participant(s) will be allowed a minimum and maximum monthly amount. Based on intake assessment participant is required to deposit **\$50.00** to **\$250.00** monthly. A one-time allowance of **\$466** deposit is permissible.

Participant(s) will receive a 2:1 match to saved funds. Maximum amount that will be matched is \$1,000 (i.e. Participant Savings \$1,000 - Participant will receive \$1,000 From HHS & \$1,000 from NCHFA).

Initial deposit and setup is to be made at the First Citizens Bank (Down Town Monroe Location) thereafter, deposit can be made at desired location (First Citizens Bank) by the twenty-eight (28th) of each month.

Participant(s) gives MUCCDC the right to receive monthly bank statements from First Citizens Bank, for monitoring purposes. The original monthly bank statement is later forwarded to client.

Participant(s) must attend one on one counseling sessions and agree to monthly counseling plan. Participant(s) must submit a monthly budget to housing counselor.

Participant(s) must attend a total of twenty one hours of Economic Literacy Sessions while participating in the IDA program (see counselor for workshops schedule). Participant(s) must attend Pre-Home ownership Workshop and quarterly Post-Homeownership sessions for up to two (2) years after home purchase.

Withdrawals:

Under no circumstances can withdrawals be made earlier than six (6) months after the opening of the IDA account.

Emergency Withdrawals are permitted six (6) months after opening account: Emergency Withdrawals includes the following: medical care, to prevent eviction and to enable participant to meet necessary living expenses (food, shelter- including utilities and heating fuel following loss of employment.

Emergency Withdrawals must be replaced no later than twelve (12) months after the date of the withdrawal. All requests for withdrawals must be submitted to the counselor with proof of circumstance for approval. Withdrawals without approval from counselor will be grounds to terminate participant from the program.

Six (6) months after opening the IDA account, withdrawals are permitted for fees and costs relating to home purchase (for example; earnest money deposit; appraisal & Inspections).

Terms & Conditions:

Subject to receive match funds due to availability of funds from funding source. Therefore, based on completion of program requirements, funds will be awarded on first come first served basis.

Match funds will be awarded at closing. No payment is required for the matched funds received.

If Participant(s) terminate or is dismissed from the IDA Program, Participant(s) will have rights to their savings plus any interest accrued (if applicable) with the understanding that Participant(s) loses the right to receive matching contributions.

Failure to meet all program guidelines subject Participant(s) to dismissal from the IDA program.

Approval for funds will come from the funding sources; Health & Human Services & NC Housing Finance Agency.

Other Source of Funding:

May receive up to \$20,000 down payment assistance dependent on funding availability. This will be in the form of a second mortgage from NC Housing Finance Agency. There will be no interest on the second mortgage. Payment is not required until the first mortgage is paid or if the property is refinanced or sold. Final approval for mortgage