

CITY OF CRANSTON
DEPARTMENT OF COMMUNITY DEVELOPMENT
CLOSING COST ASSISTANCE PROGRAM GUIDELINES

This program is designed to financially assist income-eligible people who are purchasing a home in the City of Cranston. The program will be administered on a first come first serve basis. An applicant **must** be a first time homebuyer.

A recipient must agree, in writing, that he/she will live in the purchased property for a period of **five (5) years** after the assistance is provided (closing date). This written agreement and tally sheet (not a mortgage) will be recorded at the City Clerks Office.

The buyer must be income eligible and a first time homebuyer as defined by HUD guidelines. The amount of assistance available to an applicant is capped at Three thousand dollars **(\$3,000.00)**. **The buyer must have a State Lead Inspections preformed on the property which can produce a Lead Certificate that must be submitted to the Department of Community Development prior to receiving any funds from this department.**

As stated above, the goal of the program is two fold: Increase the number of owner occupied homes in the City and provides financial assistance to low-to-moderate income homebuyers.

Three (3) business days prior to the closing date, the lender or its closing agent will be required to furnish Cranston's CDBG office with a copy of the proposed settlement statement. This is the only means by which the CDBG office will make a determination regarding what the total closing costs assistance will be. Arranging for communication of the settlement statement to the CDBG office will be the sole responsibility of the lender or its closing agent. **Cranston's CDGB office will make the check payable to the client and the closing agent.** The amount of the check will be the lesser of the actual cost of the covered services or a **Three Thousand dollar (\$3,000.00)** cap.

Costs covered by this grant program are as follows:

- **Appraisal Fees**
- **Credit report**
- **Title search**
- **Cost of Title Insurance Policy, including survey deletions**
- **Flood Certification fees**
- **Bank processing fees**
- **Closing Attorney's fees**
- **Recording fees**
- **Some miscellaneous charges**

Revised: January, 2010