

USD Faculty Home Buying Assistance Program

Notice of Participant Benefits to Preferred Lenders

Fall 2026

This is a notice to all Preferred Lenders, from whom the University has a Commitment Letter, acknowledging the Lender's pre-approved, general acceptance of the University's Second Deed of Trust, and generally outlining the Closing Cost Assistance benefit available to eligible faculty.

USD's Office of Office of Finance certifies that _____ (faculty full name) has been approved to receive a maximum benefit of \$150,000 plus a one-time closing cost assistance up to \$5,000. Participant is eligible for:

Forgivable USD-Funded Loan _____

One-Time Closing Cost Assistance _____

The benefit can be applied under as generally described below up to the program maximum above.

Forgivable Second Lien Loan accompanied by 1) an executed Promissory Note and 2) a Side Letter certifying forgiveness of principal and interest per the Promissory Note. Principal and interest are forgiven and amortized over faculty selected forgiveness period in accordance with program guidelines. USD will fund the loan for the maximum benefit amount directly into an escrow account for the purpose of down payment only.

Faculty Name: _____

Faculty Contact Number: (____) _____ - _____

Faculty E-mail: _____

Program Benefit Parameters:

Maximum Benefit Amount: **Up to \$150,000**

Closing Cost Assistance: **Up to \$5,000 for a combined benefit of up to \$155,000**

Contingencies:

Actual Benefit is contingent upon meeting the requirements below. Benefits will not be funded unless the following are met:

Successful first mortgage procurement: Borrower must qualify for, and have the ability to close a first mortgage loan subject to the selected lender's underwriting process and Program guidelines.

Successful execution of a Promissory Note: Borrower and USD must enter into a Promissory Note and Side Letter detailing the terms of the forgivable loan.

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Notifications:

USD does not perform a credit check or financial analysis regarding the amount of loan requested by the faculty, and relies on the creditworthiness of the borrower as solely determined by first mortgage lender's process.

Note that the Second Deed of Trust will reflect the total loan amount per the executed Promissory Note. Loan funds are directly funded to the escrow account by USD. In addition, the faculty borrower is eligible for one-time closing cost assistance up to a maximum of \$5,000 to be applied to allowable closing costs. Closing costs shall either 1) be deposited into the escrow account or 2) payable directly to lender by USD. Lender must provide USD an itemized detail of total closing cost fees.

USD Authorization:

This certificate must be signed by the following USD representatives indicating the appropriate internal approvals have been obtained.

Chad Slapnicka, AVP Finance

Date