

SPARC

Program Guidelines



What is Virginia Housing's SPARC?	SPARC (Sponsoring Partnerships & Revitalizing Communities) is a special allocation of reduced rate funding made available by Virginia Housing financing to local governments, non-profits and housing industry partners to support special housing needs.
SPARC Rates	Funds are allocated to the sponsor organizations based on applications submitted by the housing agency to Virginia Housing. It is a 1.00% adjustment to the interest rate below Virginia Housing interest rates on comparable eligible products. The SPARC rate reduction cannot also be used with Virginia Housing's FirstHome Dream 2.00% interest rate reduction.
Eligible Products	<ul style="list-style-type: none"> • Conventional Bond • FHA Bond • VA Bond • RHS Bond
Ineligible Products	<ul style="list-style-type: none"> • Conventional • FHA • VA • RHS • Any refinance
Eligible Purpose	Primary residence purchase.
FirstHome Dream Eligible	No, SPARC cannot be used in conjunction with FirstHome Dream.
Plus Second Mortgage Eligible	Yes in accordance with Plus Second Mortgage guidelines and the first mortgage is one of the eligible products listed above.
DPA Grant Eligible	Yes in accordance with DPA Grant guidelines and the first mortgage is one of the eligible products listed above.
CCA Grant Eligible	Yes in accordance with CCA Grant guidelines and the first mortgage is one of the eligible products listed above.
Other Down Payment Assistance	Many SPARC loans have some type of other down payment assistance associated with the transaction. It is acceptable to originate a loan with SPARC that has other non-Virginia Housing down payment assistance with a DPA Grant, CCA Grant, or Plus Second Mortgage. The DPA Grant, CCA Grant and Plus Second Mortgage cannot be used together in the same transaction. Exhibit LL is required for all subordinate liens except the Plus Second Mortgage or FHLB unless otherwise noted in the first mortgage program guidelines.
Program and Qualifying Guidelines	Follow first mortgage requirements and requirements of the Plus Second Mortgage, DPA Grant, or CCA Grant, if applicable.



Lock-In

The lender will obtain a SPARC Lock Form executed by the sponsor organization which confirms the borrower is eligible to obtain financing through the organization's allocation of SPARC funds.

[Click here](#) to go to the Lender Forms and Documents webpage to access the SPARC Lock Form.

The lender representative locking the loan in the Mortgage Cadence system must select the SPARC program in the SPARC/FirstHome Dream dropdown field at the bottom of the Loan Information Tab in the Products and Pricing Wizard. The program type will be identified on the SPARC Reservation form completed by the SPARC Sponsoring organization allocated the funding. The lender must "Request a Lock" in the Mortgage Cadence system during the locking process. After requesting the lock, the lender must upload the fully completed SPARC Reservation form provided by the SPARC Sponsor and the SPARC Lock form to Mortgage Cadence in "Attachments."

Virginia Housing's Lock Desk will complete the lock process and a lock confirmation will be generated and available in Attachments in Mortgage Cadence.

Important: Refer to the [Origination Guide](#) for more information about Virginia Housing eligibility requirements.

The information contained herein (including but not limited to any description of Virginia Housing and its lending programs and products, eligibility criteria, interest rates, fees and all other loan terms) is subject to change without notice.