

# Northwest Dayton Down Payment Assistance Guidelines

## Summary

The HomeOwnership Center of Greater Dayton offers a down payment assistance program in partnership with Aloft Dayton. The program provides assistance to qualified buyers purchasing a home in the Northwest Neighborhoods in corporation limits of the City of Dayton.

## Eligibility & Underwriting Criteria

<b>Income Limit</b>	No Income Limit.
<b>Loan Purpose, Type and Term</b>	\$10,000 to be used towards down payment and closing cost on purchases for First-time Homebuyers. Loan is a 0% deferred payment second mortgage. A portion can be used to cover escrow for repairs.
<b>Property Status</b>	Property being purchased must be vacant or owner occupied at time of purchase (unless tenant is the buyer). Whole house inspection required on all loans to be reviewed by HomeOwnership Center of Greater Dayton to insure safety and habitability on the home to purchase.
<b>Occupancy and Property Type</b>	One or two unit owner-occupied primary residence including condos and PUDS.
<b>Targeted Area</b>	Property must be situated in the municipal corporation limits of the City of Dayton.
<b>Purchase Price Limits</b>	No Purchase Price Limits
<b>Funds to Close</b>	Minimum contribution from borrowers' own funds must be at least \$500. FHA requires 3.5%.
<b>Subordinating Requirements</b>	Can only be subordinated to allow homeowners to lower the interest rate of the first mortgage.
<b>Ratios</b>	Ratios must be no more than 31% housing ratio and 42% total debt ratio.
<b>Homebuyer Education</b>	Pre-purchase appointment with Homeownership Advisor and Homebuyer Class required through the HomeOwnership Center of Greater Dayton. Cost:\$0 in person/Zoom or \$49 online.
<b>Repayment</b>	Forgiven 20% a year for 5 years with property as primary residence. Repayment of balance if refinance first mortgage. Full repayment also required if owner vacates the property, does not maintain the property as a primary residence, or property becomes a rental or investment property.

## Financing:

First mortgage must be a conventional or FHA fixed rate mortgage with a lender and loan approved by the HomeOwnership Center.

## Home Inspection:

\*Whole house inspection is recommended by not required. HomeOwnership Center will review the appraisal to make sure safety and habitability issues are addressed.

## Additional Restrictions Apply.

Funds are limited and available on a first-come, first-served basis. For more information, contact the HomeOwnership Center at (937) 853-1600.

