

CITY OF HAVERHILL

COMMUNITY DEVELOPMENT DEPARTMENT

FIRST TIME HOMEBUYER DOWNPAYMENT ASSISTANCE PROGRAM

What is the First Time Homebuyer Downpayment Assistance Program?

- ★ The Program provides up to \$6,500 for downpayment and/or closing costs for eligible applicants purchasing a property located in targeted low and moderate income inner-city Haverhill neighborhoods as established by HUD based on US Census data.
- ★ The Assistance takes the form of a 0% interest loan with a five year term secured by a note and a mortgage. The loan is payable on the sale or transfer of the property.
- ★ The amount owed under the mortgage is a declining balance: every year that you live in the property as your primary residence, 20% of the original balance is forgiven. After five years, you will owe nothing.

Who is Eligible?

- ★ Applicants must be first time homebuyers and complete a certified First Time Homebuyer Training Seminar.
- ★ Applicants must be income eligible. Income limits are:

FAMILY SIZE	INCOME LIMITS
1	\$46,100.00
2	\$52,650.00
3	\$59,250.00
4	\$65,800.00
5	\$71,100.00
6	\$76,350.00

Limits effective 3.6.15

- ★ \$25,000 liquid assets limit after closing.

Program Information:

- ★ The property must meet Federal Housing Quality Standards (HQS). An inspection to ensure the property meets state and federal housing codes will be conducted.
- ★ To qualify for program assistance the property must comply with all applicable lead paint regulations.
- ★ 1.5% of purchase price must come from the applicant's own funds (savings).
- ★ Applicants must occupy the property as their principal residence for the term of the mortgage.
- ★ The Assistance shall provide up to 50% of required downpayment. Downpayment and closing cost assistance funds may be used toward the purchase price, legal expenses, and other closing costs.
- ★ Multi-family rental units cannot exceed 85% of Fair Market Rent for the term of the mortgage. Also, there can be no displacement of tenants currently residing in the property to be purchased.
- ★ The property to be purchased cannot exceed the following limits:

Property Type	Purchase Price Limit
One Family	\$276,000
Two Family	\$353,000
Three Family	\$427,000
Four Family	\$529,000

Limits effective 3.29.14

- ★ The mortgage associated with the purchase must be a 30 year, fixed rate mortgage.

How Do I Apply?

- ★ Contact the Community Development Department at City Hall.
- ★ A program application will be mailed or emailed to you.
- ★ The applicant must have the property under agreement.

Please Note:

- ★ This program is funded in part through the United States Department of Housing and Urban Development (HUD), the North Shore HOME Consortium, and the Community Development Block Grant Program (CDBG). Funding is limited and subject to yearly appropriation.
- ★ *Once your eligibility has been determined, in order to participate in the program, it is essential that you notify the Community Development Department as soon as your Offer to Purchase has been accepted by the Seller.*
- ★ Participation in this Program does not qualify nor disqualify the applicant from participating in the City's Housing Rehabilitation & Code Correction Program.

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