



COMMUNITY HOUSING
INITIATIVE

CITY OF PALM BAY'S DOWN PAYMENT ASSISTANCE PROGRAM

PROPERTY ELIGIBILITY:

Property MUST be located within city limits of Palm Bay	Mobile, manufacture properties ARE NOT eligible.
Property MUST be owner-occupied or vacant (no tenant occupied properties are eligible)	No property may have a swimming pool or similar amenity, UNLESS property is a condominium with a community pool.
Property MAY be an existing home or a new construction home.	For existing properties, C.H.I. will conduct a property inspection to identify code-related repairs.



HOMEBUYER ELIGIBILITY:

- First-time home buyers only; (not owning or having ANY ownership interest in a home in previous 3 years)
- Must have ability to secure first mortgage financing: Conventional, FHA & VA are all acceptable;
- MUST be a 30-year fixed rate; MORTGAGE LOAN MUST BE AT CURRENT MARKET INTEREST RATES.
- Must attend a 5-hour Homebuyer Education Workshop. Contact Community Housing for next class, (321) 253-0053.
- Proposed monthly mortgage payments cannot exceed buyer's affordability ratios (front-end 34% / back-end 42%). Contact C.H.I. for these amounts, (321) 253-0053.
- No NSF's in prior 6 months.
- Total income and assets for all household members must not exceed the following limits for family size:

Household Size	1	2	3	4	5	6	7	8
Income Limit	50,280	57,480	64,680	71,760	77,520	83,280	89,040	94,800

HOMEBUYER'S CONTRIBUTION

Applicants must make a minimum financial GOOD FAITH CONTRIBUTION, based upon their income bracket:

HOUSEHOLD INCOME BRACKETS:	MINIMUM REQUIRED FINANCIAL CONTRIBUTION:
Very Low (50% or less of AMI)	\$ 750.00
Low (51% - 80% of AMI)	\$1,250.00

Out of Pocket expenses paid before closing will be considered part of the applicant's GOOD FAITH CONTRIBUTION (i.e. appraisal fees, credit reports, deposits, homeowner's insurance premium, etc.).

At closing, the minimum contribution must be satisfied; the buyer cannot receive cash back at closing.



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MAXIMUM ASSISTANCE LEVELS:

Please note that the actual amount of assistance provided will be the minimum needed to get you into an affordable housing unit. WE WILL NOT OVER SUBSIDIZE ANY HOUSEHOLD.

Based on HUD's 2011 Income Limits, adjusted to family size, the City of Palm Bay will provide the maximum levels of assistance for down payment, closing costs and repairs:

HOUSEHOLD INCOME CATEGORIES:	MAXIMUM AMOUNT OF ASSISTANCE	A MINIMUM MUST BE USED FOR DP/CC ONLY	REMAINING FUNDS MAY BE USED FOR REPAIRS AND/OR ADDITIONAL DP/CC ASSISTANCE
Very Low Income Household (50% or less of the AMI)	\$17,900	\$10,000	\$7,900
Low Income and Moderate Households(51-80% of the AMI)	\$12,900	\$7,500	\$5,400

REHABILITATION ASSISTANCE FUNDS:

Each homebuyer purchasing an EXISTING home is eligible for repair funds. The actual amount of rehabilitation assistance provided will be based upon the repairs identified by Community Housing's inspector and the costs of those repairs as evidenced by three (3) price estimates.





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ASSISTANCE BECOMES A SECOND MORTGAGE:

The assistance provided to each homebuyer, at the time of closing, will be in the form of a second mortgage. The second mortgage will be recorded in the Public Records of Brevard County. It is a Deferred Payment Loan (DPL) at zero percent (0%) interest and is forgiven in accordance with the following schedule:

Level of Assistance	Lien Period
Less than \$12,900.00	5 years
\$12,900.00	10 years
For new construction:	20 years

Additionally, the City of Palm Bay will be owed a prorated share of the difference between the sale price and the initial cost of the home, at the time assistance was provided. **For example:**

Cost of Home:	\$100,000.00
Down Payment/Closing Costs Assistance:	\$ 40,000.00
% City of PB Assisted this Household:	40% (\$40,000/\$100,000)
New Sale Amount	\$200,000.00
Amount Owed to Palm Bay:	\$80,000.00

This figure is determined as follows:

1.	Original amount of DP/CC Assistance Provided	=	\$40,000.00
2.	Pro rated share of the difference between the sale price and the initial cost of the home.	=	\$40,000.00
	New Sale Amount	=	\$200,000.00
	Initial Purchase Price	=	\$100,000.00
	Difference	=	\$100,000.00
	40% of difference	=	\$40,000.00

Brevard County 2011 HUD Income Limits, adjusted to family size

% of Median	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
50%	20,950	23,950	26,950	29,900	32,300	34,700	37,100	39,500
80%	33,500	38,300	43,100	47,850	51,700	55,550	59,350	63,200
100%	41,900	47,900	53,900	59,800	64,600	69,400	74,200	79,000
120%	50,280	57,480	64,680	71,760	77,520	83,280	89,040	94,800

FOR FURTHER INFORMATION, CONTACT:
COMMUNITY HOUSING INITIATIVE, INC.
PHONE: 321-253-0053; FAX 321-253-1575
WWW.CHIBREVAR.DORG



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