



**CITY OF COCOA'S
PURCHASE ASSISTANCE PROGRAM**

HOME BUYER ELIGIBILITY

- First-time home buyers only; (not owning or having ANY ownership interest in a home in previous 3 years).
- Applicants that have previously received state or federal down payment assistance are not eligible for assistance for six (6) months.
- Proposed monthly mortgage payment cannot exceed buyer's affordability ratios (front-end 34% / back-end 42%). Contact C.H.I. for these amounts, (321) 253-0053.
- Must have ability to secure 30-year first mortgage financing: Conventional, FHA, VA are all acceptable; 30 year fixed rate. **MORTGAGE LOAN MUST BE AT CURRENT MARKET INTEREST RATES.**
- Liquid assets (savings, checking, CD's, treasury bonds, money market, savings bonds, etc.) that exceed \$4,000.00 must be applied towards the purchase of the home.
- No NSF in the last 4 months.
- Must attend a Homebuyer Education workshop. Contact C.H.I. for next class, (321) 253-0053.
- Total closing costs (excluding pre-paid charges) may not exceed five percent (5%) of the loan amount.

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
Maximum Household Income	52,950	60,500	68,050	75,600	81,650	87,700	93,750	99,800

UNIT ELIGIBILITY

- Home must be within the city limits of Cocoa.
- Home can not be a mobile or modular home.
- Pre-1978 homes are not eligible.
- Property can be a new home or an existing home. The maximum purchase price for an existing home is \$225,000.00. The maximum purchase price for a new construction home is \$251,000.
- Property must be owner-occupied or vacant.
- For existing homes, C.H.I. will conduct a home inspection to identify code-related repairs. All repairs identified during the inspection must be completed and approved prior to closing.
- All major systems in the home must have at least a five-year life prior to purchase.
- A clear Wood Destroying Organism (WDO) Report is required prior to closing.

HOME BUYER'S CONTRIBUTION

Applicants must make a **MINIMUM CASH CONTRIBUTION**, based upon their income bracket:

Income Limits:	Minimum Contribution:
Very Low (50% or less of AMI)	\$ 500.00
Low Income (51% - 80% of AMI)	\$ 750.00

- Out of Pocket expenses paid before closing are considered as part of the applicant's contribution (i.e. appraisal fees, credit reports, deposits, homeowner's insurance premium, etc.);
- At closing, the minimum contribution must be satisfied on the settlement statement; buyer cannot receive any cash back at closing.
- *The lender may require an additional contribution.*



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MAXIMUM AMOUNT OF ASSISTANCE

Based on HUD's 2022 Income Limits, adjusted to family size.

Household Income Limits:	Down Payment / Closing Costs Assistance	Repair Assistance	MAXIMUM AMOUNT OF ASSISTANCE
Very Low (50% or less of AMI)	\$32,400	\$5,000	\$37,400*
Low (51% - 80% of AMI)	\$27,400	\$5,000	\$32,400*

*The actual assistance amount will be the *minimum* needed to get the home buyer into an affordable unit.

- The assistance funds are made up of down payment, closing costs and rehabilitation assistance.
- The actual amount of repair assistance will be based upon the actual repair costs as determined by obtaining three (3) bids.
- If all of the \$5,000 is not needed for repairs, the remaining balance can be applied towards additional down payment/closing costs assistance, IF needed. WE WILL NOT OVER SUBSIDIZE ANY HOUSEHOLD.

ASSISTANCE BECOMES A SECOND MORTGAGE

The assistance funds provided by the City of Cocoa will become a SECOND MORTGAGE. The second mortgage will be recorded in the Public Records of Brevard County. It is a ten (10) year, Deferred Payment Loan (DPL) at zero percent (0%), forgiven at ten percent (10%) per year.

- The property must remain the principle residence of the homebuyer for entire lien period (five or ten years).
- Leasing the premises for any period of time is deemed a default.
- Property must be maintained and in good repair.
- Interest is zero percent (0%) on the loan EXCEPT in the case of default, at which time the remaining balance shall accrue interest at five percent (5%).
- Death of the mortgagor: Passing of title due to the death of the mortgagor to other than a spouse or co-mortgagor is deemed a default.

If the property is sold or the title is transferred at any time during the lien period, the City of Cocoa will require that the Owners must sell the unit in accordance with HOME Purchase Assistance Program **Resale guidelines**. The Resale Option described at 24CFR 92.254 is triggered in the event that the house is sold or occupied by anyone other than the Owners during the affordability period. Non-compliance with the residency requirement will require the immediate payback of HOME funds invested into the property unless the house is sold.

RESALE PROVISIONS:

When Owners sell the property, either voluntarily or involuntarily, during the affordability period:

- The property shall be sold to another eligible low-income homebuyer who will use the property as his or her principal residence throughout the period of affordability.
- The Owners receive a fair return on investment. "Fair Return" is defined as the return of the homeowner's original investment plus any capital improvements, with copies of receipts, not to exceed the newly assessed value at the time of sale. Capital Improvements exclude maintenance; and,
- The property is sold at a price that is "affordable to a reasonable range of low-income buyers." The City's definition of affordable to a reasonable range of low-income homebuyers is defined as a family at 70 to 80 percent of area median income paying no more than 30 percent of income for principal, interest, property taxes, and insurance.



COMMUNITY HOUSING
INITIATIVE

**CITY OF COCOA'S
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HUD AREA MEDIAN INCOME LIMITS:

Brevard County 2024 Income Limits adjusted to family size:

% of Area Median Income (AMI)	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
50%	33,100	37,800	42,550	47,300	51,050	54,850	58,650	62,450
80%	52,950	60,500	68,050	75,600	81,650	87,700	93,750	99,800
100%	66,200	75,600	85,100	94,600	102,100	109,700	117,300	124,900

For further information, contact: Community Housing Initiative, Inc.
 PO Box 410522, Melbourne, FL 32941-0522
 Phone: 321-253-0053 Fax: 321-253-1575
 Website: CHIBrevard.org



Office Hours: Monday – Thursday 7:30 am – 6:00 pm (closed Friday)