



## CITY OF PALM BAY'S DOWN PAYMENT ASSISTANCE PROGRAM

### **UNIT ELIGIBILITY**

- Must be located within the city limits of Palm Bay/
- Can be a new home or an existing home. The assistance may not be used to purchase a mobile home.
- For pre-1978 homes, a lead-based paint inspection *is required*. If lead-based paint is found it must be abated before purchase.
- Property must be owner-occupied or vacant.
- For existing home purchases, C.H.I. will conduct an inspection to identify code-related repairs, such as roof, plumbing & electrical. ALL deficiencies must be repaired and approved of prior to closing.
- A clear WDO is required prior to closing.
- No swimming pools or similar amenity *unless* the property is a condo/townhome with a community pool
- Short sales are not permitted *unless* the seller/lender has approved the sales price.

### **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.
- Co-signers are not permitted.
- 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 4 months.
- Liquid assets (savings, checking) over \$5,000.00 must be contributed to the home purchase.
- 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 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Maximum HH Income Limits	48,150	55,000	61,900	68,750	74,250	79,750	85,250	90,750





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### HOMEBUYER'S CONTRIBUTION

Applicants must make a minimum financial GOOD FAITH CONTRIBUTION. Applicants are required to spend fifty percent (50%) of the required down payment based upon the type of mortgage loan:

MORTGAGE LOAN	MINIMUM REQUIRED DOWN PAYMENT	APPLICANT CONTRIBUTION
FHA	3.5% of sales price	50% of the 3.5%
Conventional	5% of sales price	50% of the 5%

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, inspections, homeowner's insurance premium, etc.).

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

### 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 2022 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 (can be used for any combination of down payment, closing costs and/or repair assistance)
Very Low-Income Household (50% or less of the AMI)	67,400.00
Low Income Households (51-80% of the MI)	57,400.00

### 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 deferred payment loan at zero percent (0%) interest. The deferred payment loan will be recorded as a 2nd mortgage, in the Public Records of Brevard County for fifteen years (15).

The loan must be repaid in full in accordance with the City of Palm Bay's approved recapture guidelines if the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period.

### Brevard County 2023 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%	30,100	34,400	38,700	43,000	46,450	49,900	53,350	56,800
80%	48,150	55,000	61,900	68,750	74,250	79,750	85,250	90,750
100%	60,200	68,800	77,400	86,000	92,900	99,800	106,700	113,600