WASHINGTON NEIGHBORHOOD HOMEBUYER LOAN PROGRAM

The First-time Homebuyer Loan Program provides long-term, no-interest (0%) loans of up to $25,000 dependent on gross annual income to help purchase your first home in the Washington Neighborhood.

Requirements

1. Location
   - Any owner-occupied, single-family or duplex home, within the Washington Neighborhood (11th Street to 32nd Street; Elm to Central. See attached map)
   - Additional opportunities for <30% AMI households anywhere within Dubuque’s city limits.

2. Income Eligibility
   - Borrower(s) must earn no more than 80% of area median income for family size. Gross annual income is used to calculate eligible income. The following categories (<30%, <50%, or <80% of area median income) are used to determine loan amounts and repayment terms.

<table>
<thead>
<tr>
<th>Family Size</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>$28,560</td>
<td>$28,560</td>
<td>$32,844</td>
<td>$32,844</td>
<td>$32,844</td>
<td>$34,462</td>
<td>$36,693</td>
<td></td>
</tr>
<tr>
<td>50%</td>
<td>$47,600</td>
<td>$47,600</td>
<td>$54,740</td>
<td>$54,740</td>
<td>$54,740</td>
<td>$57,437</td>
<td>$61,156</td>
<td></td>
</tr>
<tr>
<td>80%</td>
<td>$76,160</td>
<td>$76,160</td>
<td>$87,584</td>
<td>$87,584</td>
<td>$87,584</td>
<td>$91,900</td>
<td>$97,850</td>
<td></td>
</tr>
</tbody>
</table>

Income guidelines are set by State Housing Trust Fund through Iowa Finance Authority.

3. Loan Information
   - These loans may be used for down payment and closing cost assistance.
   - No interest is charged on these loans. Zero percent (0%) interest rate.
   - All Housing Choice Voucher Homeownership participants are eligible for a deferred loan for 5 years.

<table>
<thead>
<tr>
<th>Income Limit</th>
<th>Loan Amount (up to)</th>
<th>Monthly Payment</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>$25,000</td>
<td>Deferred for 5 years; then $60/month</td>
<td>35 years</td>
</tr>
<tr>
<td>50%</td>
<td>$20,000</td>
<td>$60/month</td>
<td>28 years</td>
</tr>
<tr>
<td>80%</td>
<td>$15,000</td>
<td>$60/month</td>
<td>21 years</td>
</tr>
</tbody>
</table>

4. Finally Home! Certification Required
   - To register or for more information: https://www.finallyhome.org/en/partners/dubuque/
   - Free for low-mod income individuals, must self-certify with registration.
5. **Additional Requirements**
   - The borrower must be a first-time homebuyer. A first-time homebuyer means that no member of the household has had an ownership interest in any residence during the three years prior to the home ownership assistance. **However, a single parent or displaced homemaker who, while married, owned a home with a spouse (or resided in a home owned by a spouse) is considered a first-time homeowner.**
   - The borrower must contribute a 3% down payment, this is based on the purchase price of the home. 1% of the money must be the borrowers or brought by seller credit, 2% can be gifted money or grant money. The IFA FIRSTHOME Plus Down payment/Closing Cost/Repair Assistance Program or any other grant that has resident requirements cannot be counted towards the owners’ requirement of 3%
   - The property must be inspected by our Rehabilitation Programs Inspector prior to the City’s loan approval. If any code violations are noted the new buyer must complete the inspection sheet regarding repairs and submit bids if required.
   - As of September 2001, all properties using federal funds must be lead-safe under Homeowner Rehab programs.
   - The borrower must have a minimum credit score of 620 for approval.
   - The borrower’s Housing Ratio (all housing expenses) shall not exceed 33%, and their Debt-to-Income ratio shall not exceed 43% of their eligible income.

6. **Application**
   A City application must be completed, and all required information must be attached. (Please contact our office with any questions)

   Once you’ve met with your lender and applied for a loan, the lender is to provide us with the following information:
   - Bank Application
   - Verification of borrowers 3% down payment
   - Accepted Purchase Agreement (signed by all parties)
   - Bank Commitment Letter
   - Verification forms regarding your employment, savings, checking and rental history
   - Credit report
   - Title Opinion
   - Closing Disclosure form

The City of Dubuque reserves the right to deny applications from individuals that are not in good standing with all City departments.
Washington Neighborhood: Revitalize!