

**Owning a home  
doesn't have to be  
just a dream.**

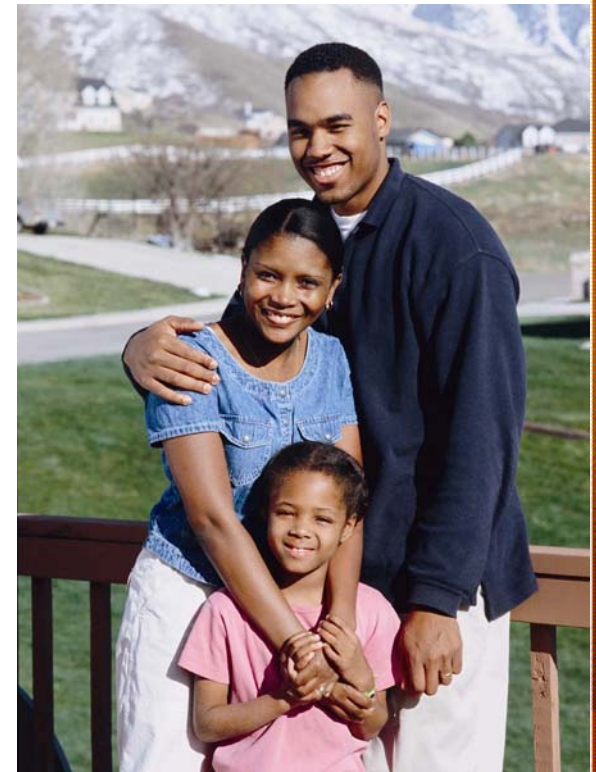


**Idaho Housing  
and Finance**  
ASSOCIATION

*Your Key to Housing Opportunities*

# Three Down Payment and Closing Cost Assistance Programs

- Good Credit Rewards, 2<sup>nd</sup> Mortgage Program
- HOME programs
  - Standard Down Payment Assistance
  - American Dream Down Payment Initiative (ADDI)



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# IdaMortgage Good Credit Rewards 2<sup>nd</sup> Mortgage Program

- Homebuyers at 140% or less of area median income may qualify
- 2<sup>nd</sup> mortgage for up to 5% of sales price
- Total combined LTV for 1<sup>st</sup> and 2<sup>nd</sup> mortgage max is 102%, whichever is least
- Interest rate is 1% higher than IHFA's standard note rate for borrowers with credit scores of 680 or higher
- Interest rate is 2% higher than IHFA's standard note rate for borrowers with credit scores of 620 to 679

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# IdaMortgage Good Credit Rewards 2<sup>nd</sup> Mortgage Program Cont'd

- *Finally Home!*<sup>®</sup> Homebuyer education is required for buyers with credit score lower than 680
- Borrowers with credit scores less than 620 are not eligible.
- Can be used with all loan types
- Borrowers must contribute \$500



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# IdaMortgage Good Credit Rewards 2<sup>nd</sup> Mortgage Examples

- These 2<sup>nd</sup> mortgages are fixed rates over 30-years, making the monthly payment very low:
  - A \$120,000 loan at 100% loan to value would be able to obtain a down payment assistance loan of \$2,400:

\$2,400 @ 6.59%	Monthly payment is: \$15.31
@ 7.69%	\$17.09

- Or for a larger down payment assistance 2<sup>nd</sup> mortgage used in conjunction with a 97% LTV IdaMortgage loan could be up to \$6,000:

\$6,000 @ 6.59%	Monthly payment is: \$38.28
@ 7.69%	\$42.74

- As you can see these are affordable monthly payments making it easier for low and moderate income households to qualify for homeownership.

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# HOME Standard Down Payment Assistance Program

- Works well with newly constructed homes as well as existing homes
- Grant program for borrowers with 80% or less of area median income
- Minimum of \$1,000 – maximum of \$3,000
- Deferred payment loan- forgivable over a five year period at 20% per year
- \$3,000 liquid asset limitation

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# HOME Standard Down Payment Assistance Program Cont'd

- Uniform Relocation Act applies
- Must be a first-time Homebuyer
- *Finally Home!*<sup>®</sup> Home Buyer Education program required
- For more information, contact IHFA's Homeownership Department at 1-800-219-2285

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# HOME American Dream Down Payment Program

- Grant program for borrowers with 80% or less of area median income
- Minimum of \$1,000 – maximum of \$10,000
- Deferred payment loan- forgivable over a five year period at 20% per year
- Buyer must be first-time Homebuyer, with exceptions for displaced homemakers or single parents with custody of children
- *Finally Home!*<sup>®</sup> Home Buyer Education program required
- For more information, contact, grant programs, at 1-877-447-2687

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# Lead-Based Paint (pre-1978)

- Lead-based paint waiver to be signed with purchase agreement.
- Must provide buyer with EPA pamphlet.
- Disclose to buyer presence of any known lead-based paint.
- Permit buyer 10 days to conduct risk assessment.
- Any repairs after listing of property must use safe work practices.

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