

# Franklin County

## Down Payment Assistance Program Guidelines 2012

Homeport administers this Down Payment Assistance Program in order to assist low and moderate income households in financing the acquisition of a home. To be eligible, Applicants must meet program guidelines. The funds for this program are limited. As such, they will be available on a first-come, first served basis.

Homeport received a grant from the Franklin County Board of Commissioners using HOME funds to provide down payment assistance to eligible Franklin County residents. The County periodically reviews these regulations and from time to time may make modifications, which Homeport may have to institute to remain in compliance with the grant regulations.

### Eligibility Standards

- **Geographic Location** - The property must be located inside Franklin County, and outside the physical jurisdiction boundaries of the City of Columbus.
- **Eligible Property** - The property must serve as the principal residence for the borrower. The type of property can be an existing residential single family home that is decent and safe or newly constructed residential property, which has received a Certificate of Occupancy. The home must be in compliance with local housing codes.
- **Eligible Applicants**  
The applicant(s) must be a first-time homebuyer, or must not have owned a home in the past three years. The applicant(s) must earn at or below 80% of the current HUD income guidelines for Columbus metropolitan service area's median income adjusted for family size. Total household income is used when calculating gross income.

### 2012 80% Income Limits

Household Size	Maximum Income	Household Size	Maximum Income
1	\$37,800	5	\$58,350
2	\$43,200	6	\$62,650
3	\$48,600	7	\$67,000
4	\$54,000	8	\$71,300

The applicant(s) must not have liquid assets which exceed \$3,000 (excluding 401K and pension funds).

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Housing Advisory Center

by Columbus Housing Partnership

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### Financing Guidelines

Homeport will administer down payment and closing cost assistance to eligible homebuyers in the form of 0%, deferred loans. The maximum loan amount is \$6,000; up to \$4,000 for down payment assistance and up to \$2,000 for closing costs. The interest rate is 0%. The homebuyer will not make monthly or annual repayments.

The loan is forgiven after six years if the terms of the note and other agreements are fulfilled. If the homebuyer does not remain in the home for a period of six years, the loan amount is due and payable at resale or transfer of title. Loan Amounts cannot exceed the 2012 FHA loan limit for the Columbus Metropolitan Service Area.

At the time of application to Homeport for down payment assistance, the buyer must have \$500 of their own funds available, exclusive of loans or credits, to contribute as equity. These funds may include amounts paid for the purpose of credit report fees, appraisals, inspections and/or down payment.

The applicant will execute a promissory note and mortgage to the Franklin County Board of Commissioners to evidence the loan. To assure long-term affordability, the promissory note stipulates that if the beneficiary does not remain in the home for six years, the loan will become due and payable. Subletting or renting, even on a temporary basis, is not permitted. The applicant must return to Homeport for an additional budgeting counseling session within 6 months after closing on the loan.

The first mortgage loan must be a conforming fixed interest rate. The interest rate may be no more than 2% more than the current market rates.

This down payment assistance loan is not assumable by a third party. The mortgage signed by the applicant will prohibit additional loans on the property.

### Property Inspection/Appraisal

For all loans a complete copy of the appraisal must be supplied with the application to Homeport. A copy of a Home Inspection must be supplied to Homeport at the time of application is submitted. Homeport assumes no responsibility to borrower, the County, or any other person with respect to Homeport's review of an appraisal, inspection report, or inspection of the Property, and may not be relied upon by the borrower for any purposes whatever.

### Additional Provisions

Homebuyer Education must be provided by Homeport any other HUD certified housing counseling agency and a certificate of completion must be submitted to Homeport at time of application. No Fast Track to Quick Start certificates will be accepted.

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