INCOME GUIDELINES

80% Area Median Income (AMI)

HOUSEHOLD SIZE	HOUSEHOLD INCOME
1	$46,900
2	$ 53,600
3	$ 60,300
4	$ 66,950
5	$ 72,350
6	$ 77,700
7	$ 83,050
8	$ 88,400

(Subject to change)

For more information, please contact the HOME Program Division at (956) 795-5721.

Para obtener mas información sobre este programa contáctenos al: (956) 795-5721

Or you may visit our offices located at 1210 Matamoros Suite 108

O visite nuestra oficina localizada en 1210 Matamoros Suite 108

Elizabeth Garcia

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EQUAL HOUSING OPPORTUNITY

www.cityoflaredo.com/CommDev/Index.htm

CITY OF LAREDO

COMMUNITY DEVELOPMENT DEPARTMENT

HOME DOWN PAYMENT ASSISTANCE PROGRAM

1210 Matamoros Suite 108
(956) 795-5721

DOWN PAYMENT ASSISTANCE PROGRAM

The City of Laredo Department of Community Development receives funds through the HOME Investment Partnerships Program (HOME) from the U.S. Department of Housing and Urban Development (HUD) and implements housing assistance programs to benefit families of low and moderate income within the City of Laredo.

The Down Payment Assistance (DPA) Program is intended to assist first-time homebuyers with down payment assistance forgivable loans of up to $30,000 for households with incomes equal to or below the 80% Housing Area Median Family Income guidelines.

Eligibility Criteria

Incomes of Individual/Family **must not exceed 80% of the Area Median Family Income (AMFI)** as per the U.S. Department of Housing Urban Development (HUD) Section 8 Program Income Guidelines updated annually.

Applicant(s) must not exceed the allowable housing ratio of 28%-38% (Front-end) and the maximum debt-to-income ratio of 48% (Back-end).

Applicant(s) **must be first-time homebuyers.** Exceptions may apply, please refer to the HOME Program Policy and Procedures Manual.

The eligible borrower(s) must have a valid earnest money contract and show a receipt for the earnest money deposit (if applicable).

The applicant(s) **must have a valid, pre- approved conditional mortgage commitment** & attend a HUD approved first time homebuyer education **class**.

Applicant(s) must have **two (2) years of steady employment** and **resided within** the **City limits** at least **six (6) months prior** to applying for down payment assistance.

Applicant(s) **must be U.S. Citizen(s)** or **Permanent Resident(s).**

Purchase Price Limits: (updated annually)

- **Existing Home:** $233,000
- **New Home:** $284,000

General Terms

The affordability period on DPA loans is up to **ten (10) years.** The DPA Program is now using recapture provisions which state that the City of Laredo HOME program must **recoup** all or a portion of the HOME assistance to the homebuyers, **if the home does not continue to be the principal residence of the family** for the duration of the period of affordability. Provided owner has continuously used the residence as their **principal residence for the period of affordability, City will forgive owner's outstanding DPA funds on the repayment date in an amount equal to the DPA funds.** In the event that the city determines that the assisted homebuyer(s) **is non-compliant with the residency requirements** and the other requirements stated in the Down Payment Assistance Program (DPA) Contract ***then the entire face value of the DPA loan*** *is immediately due and* ***payable to the city.*** Homebuyer will be given **30 days to return to compliance**. If homebuyer(s) does not return to compliance the entire face value of the DPA will be due and payable and will incur a four percent (4%) interest per annum.