

**AM I ELIGIBLE?**

To be eligible applicants must meet the following requirements:

- ❖ Have not ratified a Purchase Agreement prior to receiving a preliminary approval letter from CRHA.
- ❖ Be a first time homebuyer or not have owned a home in the past 3 years. (If you do not currently own a home, but have owned a home in the past 3 years, exceptions may apply, please contact the Community Development Loan Officer for additional information)
- ❖ Have verifiable annual gross household income that does not exceed 80% of the area median income adjusted for family size. A household is defined as all persons, including children, who will occupy the home. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements. These income limits are usually updated on an annual basis. The 2018 maximum gross income limits are as follows:

Household Size	Maximum Gross Household Income
1 Person	\$42,000
2 Persons	\$48,000
3 Persons	\$54,000
4 Persons	\$60,000
5 Persons	\$64,800
6 Persons	\$69,600
7 Persons	\$74,400
8 Persons	\$79,200

Annual gross household income is defined as the total income, before any deductions, of all adult (18 years

of age or older) household members that is anticipated to be received during the next 12-months.

- ❖ Be able to obtain a pre-qualification or pre-approval letter for a mortgage loan that has a 30 year term with a fixed interest rate. A copy of this letter must be provided to the CRHA Administrative Assistant for you to be added to the Downpayment Assistance Program waiting list.
- ❖ Be able to contribute a minimum of 1% of the sales price of the home you qualify to purchase. These funds should already be in your savings and or checking account.

**HOW MUCH CAN I RECEIVE?**

- ❖ The maximum DPA loan amount for households within the income limits, is up to **\$20,000.00**.
- ❖ Please see the Maximum Gross Household Income limits contained in this pamphlet.

**WHAT CAN THE DPA FUNDS BE USED FOR?**

- ❖ The DPA funds can be used towards the downpayment on the purchase of an eligible property you intend to occupy as your principal residence. Funds can also be used to assist you with eligible closing cost and prepaid expenses.

**DO I HAVE TO REPAY THE DPA FUNDS BACK?**

- ❖ Yes, repayment of the entire DPA loan amount is required. The program is designed so that you will not have to make monthly payments on this loan until

you have paid off your primary loan (30 years). But, if you decide to sell, transfer ownership, or rent your home out, the full amount of the DPA loan would have to be paid back to CRHA at that time.

**WHAT IS AN AFFORDABILITY PERIOD?**

- ❖ HUD requires that properties receiving HOME DPA funds remain affordable for a specific period of time, depending on the amount of assistance provided. Please see HOME affordability periods as follows:

HOME Investment	Affordability Period
Less than \$15,000	5 years
\$15,000-\$40,000	10 years

**WHERE MAY I PURCHASE A HOME?**

To participate in this DPA program, you must purchase an eligible property within the city limits of Chesapeake, VA.

**WILL I HAVE TO PAY FOR AN INDEPENDENT HOME INSPECTION?**

- ❖ Yes, CRHA will require that you obtain, and pay for, a qualified home inspector to perform a home inspection of the property you intend to purchase. A copy of this inspection report will need to be submitted to your loan officer at CRHA.
- ❖ In addition, CRHA's Senior Construction Project Manager will perform a Housing Quality Standard (HQS) inspection on the property you intend to purchase, free of charge.

**WHERE CAN I GET MORE INFORMATION ABOUT WHAT IS INVOLVED IN PURCHASING A HOME?**

- ❖ VHDA has an excellent educational program entitled, "Introduction to Homeownership". This eight hour session covers the major areas involved with the purchase of a home for the first time. These classes/seminars are facilitated by VHDA Certified Trainers. Please note that borrower must provide a copy of his/her monthly spending plan and a copy of the VHDA certificate of completion.

**HOW DO I APPLY FOR THE PROGRAM?**

- ❖ Provide CRHA Community Development Loan Officer with a pre-qualification or pre-approval letter for a FHA, VA or Conventional mortgage loan that has a 30 year term with a fixed interest rate. The letter should come from a loan officer that originates these types of mortgage loans.
- ❖ The CRHA Community Development Loan Officer will then provide the applicant with a Checklist of required documents that will need to be submitted along with an Intake Application.
- ❖ Once the Intake Application has been completed and applicant has gathered and made a copy of all required documents noted on the Checklist, that pertain to the head of household or any household member, they should be promptly returned to the Community Development Loan Officer.

**CHESAPEAKE REDEVELOPMENT AND HOUSING AUTHORITY  
DOWNPAYMENT ASSISTANCE PROGRAM INFORMATIONAL PAMPHLET**



The Downpayment Assistance Program (DPA) funded through the U.S. Department of Housing and Urban Development's HOME Program, provides financial assistance to low income first time homebuyers.

The loan officer will then contact the potential applicant and schedule an appointment for him/her to come in to provide a review of the program and answer any questions. If all required documents have been received, a preliminary DPA Certification letter will be issued

Applicants will not be discriminated against on the basis of race, color, religion, sex, disability, familial status, national or elderliness.

For more information, call the CRHA Community Development Department at (757)233-6401.

