



DOWN PAYMENT ASSISTANCE PROGRAM INFORMATION

City of Bryan Community Development Services Department

Down Payment Assistance: A minimum of \$3,500, up to \$7,500, or slightly more, if appropriate, depending upon the final negotiated price of the home and the financial circumstances of the buyer, provided at closing on any home (other than manufactured homes) for sale in the City of Bryan from the City's HOME Investment Partnerships Program grant from the U.S. Department of Housing and Urban Development. The loan is deferred, non-interest bearing, requires owner-occupancy for a minimum of five years, and is secured by a note and deed of trust. Once the property is sold or no longer owner-occupied the assistance amount must then be repaid, to the extent net proceeds are available from any sale.

Participant Requirements:

- Participant's household income may not exceed 80% of the Area Median Household Income (Effective as of 6/1/18):

2. Household #	1	2	3	4	5	6	7	8
Max. Income ('18-'19)	\$37,700	\$43,050	\$48,450	\$53,800	\$58,150	\$62,450	\$66,750	\$71,050

- Participants must be first-time home buyers or not have owned a home in the past three (3) years.
- All household members must provide proof of citizenship or permanent legal resident alien status.
- For married couples (including those separated and not yet divorced), the application, note, and deed of trust are required to be in both names, and both incomes and debts will be verified through source documentation and credit reports.
- Applicants must attend housing counseling provided by the Community Development Services Department, or by another certified and approved provider.
- A minimum investment of \$1,000** (including earnest money) in the transaction by the Buyer is required. Additional savings is highly encouraged for post-purchase reserves.
- Applicants must be current on income taxes, student loans and child support payments, with no previous foreclosure in the past five (5) years.
- Applicants must be employed for at least six (6) months, and self-employed applicants for at least two (2) years.
- No delinquent BTU utility accounts or City of Bryan loans, unpaid citations, or fines.**

Property Requirements:

- The maximum purchase price as of March 1, 2017 is \$170,000 (existing homes) or \$224,000 (new homes).
- The property must be a single-family detached home or condominium within the city limits of the City of Bryan (not a manufactured or modular home).
- The subject property must meet all applicable program eligibility guidelines, including: environmental review, code compliance, wood destroying insect inspection, property inspection, survey, appraisal, and inspection by Community Development Services Department staff.
- The property may not be located in the 100 year flood plain (unless flood insurance is obtained).
- Homes constructed prior to 1978 are eligible if, upon inspection, there are no areas of deteriorated paint inside or out.
- Properties must be vacant or owner-occupied. Properties occupied by a tenant as of the date of the purchase contract are ineligible (unless the buyer is the current tenant).

Financing Requirements:

- Participants must have sufficient credit to secure mortgage financing from a mortgage lender licensed in the state of Texas, or from the property owner. This usually requires a credit score (middle or average score of the 3 reporting bureaus) of 640.
- Financing must have a fixed interest rate and be for a fixed term of 15 to 30 years. Maximum interest rate allowable will be no more than 2 points above the locally published FHA rate average. Only reasonable and customary lender fees are allowed.
- The maximum allowable monthly house payment (Principal, Interest, Taxes, and Insurance - PITI), shall not exceed 33% of the Buyer's gross monthly income (Front End Ratio). Down Payment Assistance shall not subsidize the Front End Ratio to less than 20% of the Buyer's gross monthly income. The maximum allowable monthly house payment (PITI) plus the total of monthly consumer debt payments shall not exceed 43% of gross monthly income (Back End Ratio). Lenders may have more stringent requirements.

Applicants are strongly urged to complete the Down Payment Assistance application and approval process prior to making an offer to purchase. Applications expire six months after submission and must be renewed if the sale has not closed within 6 months. Approval for assistance is on a first come, first served basis of those meeting all eligibility requirements and is contingent upon availability of funds. For more information, contact Vicki Mack-Carr: (979) 209-5183 or vcarr@bryantx.gov.

