

## HOW DO I APPLY?

You may fill out an application either in person, at the Neighborhood & Community Services office, apply online, or print one from the City of Janesville's website. **Do not wait!** Apply as soon as your offer-to-purchase has been accepted.

Applications received less than 14 business days prior to closing may not be accepted.

Submit a completed application to Neighborhood & Community Services along with:

- Accepted offer-to-purchase
- Income documentation including: check stubs, bank statements, tax returns
- Lender & real estate agent contact information

If you need an interpreter, materials in other formats, or other accommodations to access our services, please call our office at (608) 755-3065.

### City of Janesville

#### Neighborhood & Community Services

18 N Jackson Street, First Floor

P.O. Box 5005

Janesville, WI 53547-5005

(608) 755-3065

Fax: (608) 755-3207

[www.ci.janesville.wi.us](http://www.ci.janesville.wi.us)

Office Hours: Monday—Friday

## 2019 Workshop Schedule

All Classes will be held on Saturday  
8:30 am to 4:30 pm  
on the following dates:

**March 16, 2019**

**April 13, 2019**

**June 22, 2019**

**August 17, 2019**

**September 14, 2019**

**November, 2019 TBD**

**To register, and find out the location of the class, please call:**

**(608) 362-9051 ext 20**

**Or Text 608.313.7809**

Provide your Name, Phone Number or E-mail, and Date of the Workshop to reserve a spot and order your registration packet. Receipt of completed registration packet is required prior to class date.



## Down Payment & Closing Cost Assistance

### Opening the Door to Homeownership



Neighborhood & Community Services

# The Down Payment & Closing Cost Assistance Program

## WHAT IS THE PROGRAM?

The City of Janesville, Neighborhood & Community Services offers financial assistance of up to \$6,000 to low to moderate income, first-time homebuyers towards the down payment and closing costs of the purchase of their home. The loan is structured as a forgivable loan, to be forgiven over a period of 5 years or continued ownership and occupancy. The loan is only repaid if you sell, transfer title to or no longer occupy the property within the first five years of ownership. The program is designed to bridge the gap between your own down payment and what you need to buy your home.

The level of assistance is determined on a case-by-case basis, but generally, the assistance is 3% of the purchase price, plus reasonable closing costs and pre-paid, up to a maximum of \$6,000, (less seller credits, other credits, DP grants & borrower minimum contribution). You must contribute \$750 of your own funds. Your financial contribution, plus seller credits and other down payment assistance programs are applied first, and the level of assistance is determined by the gap needed to close, up to the maximum of \$6,000.

The program is funded by the federal HOME Investment Partnership Fund. Program eligibility and other criteria are

## DO I QUALIFY? To qualify, you must meet ALL the following criteria:

### BORROWER CRITERIA

### LENDER/LOAN CRITERIA

### PROPERTY CRITERIA

- Must be a first time homebuyer, or not have owned a home in the 3 years prior to applying for assistance.
- Must have completed a HUD-certified homebuyer counseling program (ask about our FREE class).
- Household Gross Annual Income must be less than 80% of County Median.
- Minimum Credit Score: 620
- Satisfactory Criminal History Review
- Must contribute \$750 towards the purchase transaction.
- Must not retain more than \$5,000 in non-retirement assets (cash, stocks, bonds, other investments) post-closing.
- First Mortgage Product must be a fixed interest rate product.
- Loan must escrow for property taxes and homeowner's insurance.
- Loan must NOT have a pre-payment or early payment penalty clause.
- Proposed housing debt must not exceed 40% of applicant's household income.
- Total debt-to-income ratio must not exceed 50% of applicant's household income.
- Property must be located within the City limits of Janesville.
- Property must be a single-family home, two unit or condominium and permanently affixed to a foundation (no mobile homes)
- Property MUST meet minimum Housing Quality Standards (HQS) prior to occupancy.
- Purchase price cannot exceed \$151,000.

## CURRENT INCOME LIMITS:

HH Size	Income Limit*	Effective 6/28/19
1	28,740	Income of ALL household members must be included.
2	32,880	
3	36,960	
4	41,040	
5	44,340	All sources of income must be disclosed.
6	47,640	
7	50,940	
8	54,180	

## HOUSING QUALITY STANDARDS

Each property we assist must meet minimum housing quality standards (HQS) and pass a lead-based paint visual assessment. The purpose of the inspection is to ensure the housing is decent, safe and sanitary.

An inspection will be done on the property you wish to purchase to ensure it meets minimum standards. Property condition issues must be addressed prior to closing and completed within 30 days of closing and prior to occupancy.

What if I run into costly repairs? Additional funding through our Fix-Up Loan Program may be available to help finance repairs. Call for details.

## Do I Still Need to Hire a Private Home Inspector?

Absolutely! We highly recommend that you have a private home inspection done prior to buying any home. A private home inspector can perform a detailed examination of the mechanical and structural systems of your home and give you a detailed report of the condition.

