

Down Payment Assistance Programs

Paying the down payment can be one of the most daunting and challenging aspects for a prospective homeowner. Fortunately, these programs were designed to reduce the cost to help give homebuyers a better chance of moving into their desired home.

Statewide Programs

Mass Housing

https://www.masshousing.com/portal/server.pt/community/home_buyer_loans/226/down_payment_assistance

Contact: webinfo@masshousing.com (617) 854-1000

Qualified borrowers receive down payment assistance for up to 3% of the purchase price or \$12,000 - whichever is less.

- Down payment assistance is a 15-year, fixed-rate loan at 1% (Example: \$10,000 down payment assistance loan = 180 payments of \$59.85; 1.015% APR)
- Repayment of the down payment assistance is due upon sale or refinance of the property prior to the end of the 15-year term

Recipients of the program must not exceed 100% of the median area income.

USDA Rural Development Single Family Housing Guaranteed Loan Program

<https://www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans>

- No down payment required
- Fixed interest rate based on current market rates at loan approval or loan closing, whichever is lower
- Interest rate, when modified by payment assistance, can be as low as 1%
- Up to 33 year payback period - 38 year payback period for very low income applicants who can't afford the 33 year loan term

Applicants must:

- Be without decent, safe and sanitary housing
- Be unable to obtain a loan from other resources on terms and conditions that can reasonably be expected to meet
- Agree to occupy the property as your primary residence
- Have the legal capacity to incur a loan obligation
- Meet citizenship or eligible noncitizen requirements
- Not be suspended or debarred from participation in federal programs

Properties financed with direct loan funds must:

- Generally, be 2,000 square feet or less
- Not have market value in excess of the applicable area loan limit
- Not have in-ground swimming pools
- Not be designed for income producing activities

Massachusetts Housing Partnership's One Mortgage Program

<https://www.mhp.net/one-mortgage>

- As little as 3% down payment
- Low, fixed interest rate
- No Private Mortgage Insurance (PMI)
- Financial assistance, for eligible buyers

Local Programs

Hampshire County

Easthampton

Valley CDC First time home buyer Program

<https://valleycdc.com/wp-content/uploads/2017/08/Easthampton-Grant.jpg>

Contact: DC@valleyCDC.com (413) 586-5855

First time homebuyers in Easthampton can receive \$7500 in down payment assistance.

To qualify they must:

- Receive individual counseling and education <https://valleycdc.com/first-time-homebuyer-workshops/>
- learn about lead paint issues
- have an income no greater than the area median income:

1 Person \$46,620	5 Persons \$71,928
2 Persons \$53,280	6 Persons \$77,256
3 Persons \$59,940	7 Persons 82,584
4 Persons \$66,600	8 Persons \$97,912

Northampton

Valley CDC First time home buyer Program

<http://valleycdc.com/3000-grant-available/>

Contact: DC@valleyCDC.com (413) 586-5855

First time homebuyers in Northampton can receive \$4,000 Community Development Block Grants for use as down payment assistance.

To qualify they must:

- Have an accepted offer of purchase
- Learn about and address lead paint issues
- Have an income at or below 80% of the area median income:

1 Person \$45,200
2 Persons \$51,650
3 Persons \$58,100
4 Persons \$64,550

Belchertown

Belchertown down payment assistance program

<https://www.wayfindersma.org/belchertown-down-payment-assistance>

Contact: homeownership@wayfindersma.org (413) 233-1621

This program provides down payment/closing assistance of \$5,000 to income-eligible borrowers

- funds are available as a 0% mortgage that is forgivable after 5 years if the home is not sold prior to this deadline

Applicants must:

- Attend a First-Time Homebuyer in-person or online workshop
- Have a completed purchase and sales agreement.
- Have secured the primary mortgage on their home
- Have a household income that is 80% or less than the area median income:

1 Person \$45,200	5 Persons \$69,750
2 Persons \$51,650	6 Persons \$74,900
3 Persons \$58,100	7 Persons \$80,050
4 Persons \$64,550	8 Persons \$85,250

Pelham

Valley CDC First time home buyer Program

<https://valleycdc.com/wp-content/uploads/2019/04/Pelham-Mortgage-Subsidy-1.pdf>

<https://www.townofpelham.org/housing-committee/pages/first-time-homebuyer-application>

Contact: DC@valleyCDC.com (413) 586-5855

First time homebuyers can get up to \$15,000 in assistance through the First Time Homebuyers Mortgage Subsidy Assistance

Their income may not exceed:

1 Person \$51,730	5 Persons \$79,812
2 Persons \$59,120	6 Persons \$85,724
3 Persons \$66,510	7 Persons \$91,636
4 Persons \$73,900	8 Persons \$97,548

Franklin County

Leverett

<https://www.fcrhra.org/homeownership/leverett-homeownership-assistance-program>

Contact: (413) 863-9781

Applications here www.leverett.ma.us and here www.fcrhra.org

You may choose one of these two programs:

Buy Down Program

- Qualified homebuyers can get up to \$50,000 towards the purchase of a home that is worth no more than \$270,000.
- Long term affordability is preserved with deed restriction on property for future homebuyers.

- Participants must attend a first-time homebuyer workshop prior to closing

Down Payment Program

- Qualified buyers can get up to 5% of the purchase price of a house in the form of a 0% interest, deferred payment loan due upon the sale or transfer of a property that is worth no more than \$280,000.

Household Size Maximum Incomes for the assistance programs:

(Must be at or below the area median income to qualify)

One person \$52,360

Two persons \$59,840

Three persons \$67,320

Four persons \$74,800

Five persons \$80,784

Six persons \$86,768

Total assets of the assisted homebuyer must not exceed \$75,000