



Snapshot of First-Time Homebuyer Program Guidelines

Income Limits: Current year's income limits for this program are as follows:

Income Limits (80% AMI)					
Number of persons in household	1	2	3	4	5
Maximum income limit	\$54,600	\$62,400	\$70,200	\$78,000	\$84,250

Eligible Properties:

- Single Family Residences;
- Townhomes;
- Condominiums;
- Property must be located in the City of Miami;
- Property must meet Housing Quality Standards as per 24 CFR 982.401.

Eligible Buyers:

- Must not have owned a home in the past 3 years;
- Household income less than or equal to 80% of the area median income adjusted for family size.
- Must be able to afford a monthly payment based on income and debt;
- Must contribute at least \$500 of personal funds towards down payment/ closing costs.

Maximum Sales Price:

\$352,000 for existing properties or for new homes.*
**Amount(s) are determined annually by U.S. HUD.*

Loan Terms:

- Maximum Amount of Assistance: Varies based on the number of bedrooms of the home being purchased and the financing needs of the applicant. The current maximum limits as determined by U.S. HUD under the Basic Statutory Mortgage Limits (Sec. 221 (d) (3) and 234, Federal Register) are listed in the chart below.

Basic Statutory Mortgage Limits					
Number of bedrooms	0	1	2	3	4
Basic Subsidy	\$48,328	\$55,722	\$67,202	\$86,020	\$95,830

- 0% non-amortizing;
- Deferred payment 30-year loan;
- Payment of principal will be forgiven at end of maturity period provided that the homeowner resided in the house as their primary residence.

Security:

The loan will be secured by a second mortgage on the property.

First Mortgage Restrictions:

Term of the loan must be 30 years; fixed interest rate & cannot exceed more than 150 basis points over Freddie Mac's weekly average 30-year rate, as published in the Primary Mortgage Market Survey ("PMMS"); no prepayment penalties; Total percentage charged for Discount, Origination & Broker fees must not exceed 2 points; all other lending fees must be reasonable and cannot exceed \$500 or 0.5% of the loan amount, whichever is greater.

Other Restrictions:

Applicant must reside in purchased unit at all times. The loan will be due at sale, transfer of property or if the unit ceases to be the main residence of the applicant.

Resale Restrictions:

If the owner sells and/ or transfer the house before the end of the City's mortgage term, the following provisions will apply:

- 1) The borrower will be required to repay the original amount given as assistance.
- 2) The City shall share in any 'gain' realized, based on its pro-rated share of participation in the original purchase. Furthermore, if the sale occurs within the first 3 years, the City shall keep 100% of its pro-rated share of the 'gain', from year 3 up to year 20, the City's share of its pro-rated 'gain' shall decrease by 5% every year, while in turn, the owner's share shall increase by 5% each year. At year 20, up to the City's loan maturity, the owner shall retain 100% of the City's 'gain'.
- 3) This above share gain proposal terminates in the event of a foreclosure, with the lender required to provide the City the right of first refusal to purchase the loan at a negotiated price. In the event of a foreclosure, the City will recapture any amount of net proceeds available from the sale of the property.