

Terms of Downpayment and Closing Cost Assistance Program

- A promissory note, deed of trust and homebuyers agreement must be signed for the grant amount.
- Grant funds are in the form of an amortized, “forgivable loan.” Twenty percent of the total amount of the loan funds is forgiven annually. After the fifth year, no balance remains.
- If the homebuyer does not remain in the home for the five-year affordability period, then the amount remaining will be recaptured at closing of the sale or transfer of the property.
- The homeowner may repay without penalty.
- If the homeowner sells, transfers, leases, deeds or conveys all or part of the property or any interest within five years of the date of closing, the note is in default. Upon sale or transfer of the property, title transfer, or death of the qualifying person, repayment of the existing benefit amount remaining would be required in accordance with the security



Message about our Partners

For many years, the Suffolk Redevelopment Housing Authority has collaborated with the Virginia Housing and Development Authority (VHDA) to assist families and individuals with homeownership education. VHDA has allowed the Authority to provide extraordinary affordable housing services.



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**FIRST-TIME HOMEBUYERS
CAN RECEIVE UP TO
\$14,500 TO HELP WITH:**

- **Downpayment**
- **Points**
- **Pre-pays**
- **Closing costs**

Buyer Eligibility Guidelines

- ⊞ Must not have owned a home in the last three years
- ⊞ Income cannot exceed 80% of Area Median Income
- ⊞ Buyer must complete VHDA First Time Homebuyers Class in person and provide signed certificate
- ⊞ Attend at least 2 one-on-one sessions with a HUD Certified Housing Counselor
- ⊞ Buyer must contribute at least 1% of the sales price (\$500 minimum)
- ⊞ Must not have entered into a ratified sales contract prior to receiving eligibility notice

INCOME LIMITS FOR

\$42,000	1 person
\$48,000	2 person
\$54,000	3 person
\$60,000	4 person
\$64,800	5 person
\$69,600	6 person
\$74,400	7 Person

Property Eligibility Guidelines



- ⊞ Must be the buyer's primary residence
- ⊞ Single family detached, attached or manufactured homes qualify
- ⊞ Must pass a Housing Quality Standards inspection
- ⊞ Must be free of lead-based paint hazards
- ⊞ Must be in Suffolk



Documents

Bring these items with you when you apply for the Down Payment and Closing Cost Assistance program:

- ___ Copy of a pre-approval letter from a lender
- ___ Copy of VHDA First Time Homebuyers Education Class Certificate and spending plan
- ___ Copy of Federal Tax returns for the last three years
- ___ Copy of W-2's for the last three years
- ___ Copies of most recent six months of bank or credit union checking statements and most recent month of savings account statement
- ___ Copy of recent pay stubs for all employed household members covering a 60 day period
- ___ Copy of statement of Social Security, SSI, annuities, or pension verification
- ___ Copy of Department of Child Support Enforcement statement of monthly payments for last 12 months or copy of divorce decree stating such payments
- ___ Copy of alimony payments or divorce decree stating such payments
- ___ Copy of statements of interest, dividends, and other net income of any kind from real or personal property
- ___ Copy of statements of payments from insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including a lump sum amount of prospective monthly amounts for the delayed start of a periodic payment
- ___ Copy of documentation of unemployment and disability compensation, Worker's Compensation and severance pay
- ___ Copy of statement from Social Services for government assistance, other than SNAP benefits.