

# Down Payment Assistance

MSHDA's Single Family Program for home mortgages offers down payment assistance to qualified families to make buying a home even easier.

## Program Features

- Offers a zero-interest down payment assistance loan with no monthly payments for a MSHDA/FHA, MSHDA/Rural Development or MSHDA/Conventional first mortgage.
- The funds may be used toward the cash requirements needed to close (including the minimum down payment required) closing costs, prepaid/escrow expenses and a home inspection performed by a licensed home inspector.
- Available for low to moderate-income homebuyers. Income limits are adjusted for family size. For current limits, please visit our Web site at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).
- Maximum assistance is \$7,500. This second mortgage will be a zero percent (0%), non-amortizing loan, which will be due on sale or transfer of the property or if the first mortgage is refinanced or paid in full.
- Maximum purchase price limits apply. For current limits, please visit our Web site at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).
- Borrower must complete a homebuyer education class.
- Borrower needs to contribute a minimum of one percent (1%) of the sales price.

## Targeted Areas: No Restriction on Prior Homeownership

### 1. Entire County

Alcona	Grand Traverse	Mecosta
Alger	Gratiot	Menominee
Allegan	Hillsdale	Missaukee
Alpena	Houghton	Montcalm
Antrim	Huron	Montmorency
Arenac	Ingham	Newaygo
Baraga	Ionia	Oceana
Barry	Iosco	Ogemaw
Benzie	Iron	Ontonagon
Berrien	Isabella	Osceola
Branch	Kalamazoo	Oscoda
Cass	Kalkaska	Otsego
Charlevoix	Keweenaw	Presque Isle
Cheboygan	Lake	Roscommon
Chippewa	Lapeer	St. Clair
Clare	Leelanau	St. Joseph
Crawford	Lenawee	Sanilac
Delta	Luce	Schoolcraft
Dickinson	Mackinac	Tuscola
Emmet	Manistee	Van Buren
Gladwin	Marquette	Washtenaw
Gogebic	Mason	Wexford

### 2. Cities and Townships (unincorporated areas only)

Parent County	Cities and Townships	Parent County	Cities and Townships
Bay	Bay City Gibson Twp. Mt. Forest Twp. Pinconning Twp.	Midland	Coleman Geneva Twp. Greensdale Twp. Jasper Twp. Lee Twp. Mills Twp. Mt. Haley Twp.
Calhoun	Albion Battle Creek Burlington Lee Twp.	Monroe	Luna Pier
Clinton	Maple Rapids Lebanon Twp. Ovid Twp.	Muskegon	Muskegon Muskegon Hts.
Eaton	Charlotte Olivet Vermontville Brookfield Twp. Roxand Twp.	Oakland	Pontiac Royal Oak Twp.
Genesee	Flint	Ottawa	Holland Chester Twp.
Jackson	Jackson Pulaski Twp.	Saginaw	Merrill Saginaw Brady Twp. Brant Twp. Chapin Twp. Marion Twp.
Kent	Grand Rapids Kent City Spencer Twp.	Shiawassee	Laingsburg Owosso Fairfield Twp. Hazelton Twp. Middlebury Twp.
Livingston	Howell Cohoctah Twp. Conway Twp. Iosco Twp.	Wayne	Detroit Ecorse Hamtramck Highland Park River Rouge
Macomb	Mt. Clemens		

NOTE: If you want to buy a home in an area that is not named on one of the above lists, that means the property is located in a Nontargeted Area. In Nontargeted Areas, you are not eligible for the Single Family program if you have owned a home as your principal residence within the last three years.

## Current Interest Rates

The current interest rates for the MSHDA Single Family Programs are listed on our Web site at [www.michigan.gov/mshda](http://www.michigan.gov/mshda)

## Loan Terms

- 30-year fixed rate loan
  - 30-year "Step Loan" \*\*option
- \*\*FHA & Conventional to 95% LTV



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Equal Housing Lender



MSHDA SF-22 9/06



# Delivering the Dream

## Affordable Mortgages for Low- and Moderate-Income Homebuyers

## The Single Family Program

Michigan State Housing  
Development Authority



Now, we're making the dream come true for even more Michigan families.

Dramatic improvements have been made to MSHDA's Single Family program. Increases in the purchase price and income limits will allow many more homebuyers to take advantage of this exciting and beneficial program.

## How the Program Works

- The mortgage loan term is 30 years.
- MSHDA offers below-market fixed rate loans as well as a step loan option, which features a reduced interest rate for the first three years and steps up to a higher rate for the remainder of the 30-year term.
- Current MSHDA mortgage rates are listed on our Web site at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).
- FHA, VA, Rural Development and Conventional loans are available.
- With some loan programs, no down payment is

required.

- You can apply for a MSHDA loan at a local participating lender. A list is available on our Web site of the many banks and mortgage companies that offer the loans.
- The lender may charge the homebuyer a 1% origination fee.

## Guidelines for Borrowers

As a borrower, you must:

- Not exceed the maximum annual household gross income limit.
- Have acceptable credit and the ability to repay the mortgage loan.
- Occupy the home as your principal residence after the loan is closed.
- In some areas of Michigan, be a first-time

homebuyer (not having owned a house as your principal residence within the last three years). However, many areas are exempt from this regulation. Please refer to the chart on the back of this brochure.

- **Contact a participating lender to make an application for a MSHDA loan.** A list of experienced MSHDA lenders is available on our Web site, [www.michigan.gov/mshda](http://www.michigan.gov/mshda).
- Not refinance an existing mortgage or a land contract, finance any type of rental property or co-op, or use in conjunction with the Michigan Mortgage Credit Certificate (MCC) program.

## Many Types of Homes Qualify

Many types of homes are eligible under MSHDA's Single Family program, depending on your individual

needs. You may finance:

- Newly built, not previously occupied, houses.
- New multiple-section manufactured (mobile) homes on foundations permanently affixed to real estate.
- Existing houses that have been previously occupied.
- Existing manufactured homes only if they are multiple-section, on foundations permanently affixed to real estate and built after 1976.

To determine the sales price and income limits for the community where you intend to buy a home, please visit our Web site at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).