



# City of Lowell

## First-Time Homebuyer Down Payment Assistance

The City of Lowell offers a **federally funded HOME program** designed to assist first-time homebuyers with their down payment and closing costs. This program provides a **zero-interest deferred loan**. Repayment of the loan is required upon the sale or transfer of the property deed. Additionally, requests for subordination may be considered on a case-by-case basis.

The amount of assistance is based on need. **The maximum amount is \$11,800.**

### Eligibility Requirements

- 1 You must be a first-time homebuyer purchasing a home in Lowell, MA. (Veterans do not need to be first-time homebuyers but cannot currently own a home).
- 2 The total debt ratio cannot be more than 45% of the household income.
- 3 Your household liquid assets cannot exceed \$75,000. (This does not include your retirement funds.)
- 4 Your purchase cannot displace any current residents from the property. (HUD Reg 24 CFR 982.401)

### Household Income Limits Based on Family Size

Household Size (Regardless of Age)	Maximum Income Per Year - (80% of AMI)
1	\$68,500
2	\$78,250
3	\$88,050
4	\$97,800
5	\$105,650
6	\$113,450
7	\$121,300
8	\$129,100

### Required Documents

#### From the Buyer

- Federal tax returns: last 3 years, signed 1040s
- Wages: last 5 consecutive paystubs; if business, 2 years profit & loss statement, K1, 1099 and business tax returns
- Social Security: award letter
- Child Support and/or Alimony, if ordered: documents indicating the payment amount
- Proof of student status for dependent household members over the age of 18. Full-time students are exempt from income requirements.
- Bank Statements: 3 months
- Purchase & Sale Agreement
- Valid HUD Certified First-Time Homebuyer Certificate

#### From the Lender

- Verification of Employment
- Appraisal, include flood determination
- Credit Report
- Underwriters Worksheet/1008, with DPA listed
- Mortgage Application/1003
- Commitment Letter
- Loan Estimate
- Attorney Contact info

### Housing Quality Standards (HQS) Inspection Overview

A Housing Quality Standards (HQS) inspection is essential for properties in government-assisted housing programs. Conducted by a qualified inspector, it evaluates the property against safety and livability criteria set by HUD. Any deficiencies found during the inspection must be repaired before closing, with cost estimates provided by licensed contractors.

